

[date]

[Institution address]

Dear [contact name]

Grant Letter – [Application Reference Number]

It is my pleasure to inform you that the Royal Society of London for Improving Natural Knowledge (**'The Royal Society'**, **'we'**, **'us'** **'our'**) have approved a grant of £[total amount] (the **'Grant'**) to [institution name] (**'you'**, **'your organisation'**), in support of our Entrepreneur in Residence (**'EiR'**) programme (the **'Programme'**). This Programme aims to increase the knowledge and awareness in UK Universities of cutting-edge industrial science, research and innovation.

The EiR for the Programme is [name] of [address].

The following terms and conditions apply to your organisation's use of the Grant.

1. Purpose

- 1.1 The Grant may only be used to further the purposes of the Programme, which enables an EiR to work with your organisation in order to:
 - (a) expose your staff and students to state-of-the-art industrial research and development, and the scientific challenges faced by industry;
 - (b) provide support and expert advice aimed at promoting innovation and the translation of research by universities;
 - (c) grow confidence in and understanding of business and entrepreneurship among your staff and students; and
 - (d) provide career recognition to the EiR and support their professional development.
- 1.2 You must not use the Grant for anything other than the Purpose without our prior written agreement.
- 1.3 Subject to paragraphs 1.4 and 1.5 below, the Grant may [only] be used to pay the EiR's proper and reasonable consultancy fees and expenses ([including/excluding] any value added tax), in respect of the Programme (the **'EiR's Costs'**).
- 1.4 VAT payable on the EiR's Costs, that is not otherwise recoverable from HMRC may be covered from the Grant if those VAT costs were included within your application (or where agreed by the Royal Society). However, where your organisation is able to recover VAT from HMRC, any VAT payable on the EiR's Costs shall not be covered from the Grant and shall be excluded from the claimed costs.



- 1.5 The Grant may **not** be used for the following costs without our prior written agreement:
- (a) [your administrative costs in running the Programme];
 - (b) [any equipment costs relating to the Programme];
 - (c) airline travel or first-class travel expenses;
 - (d) liabilities incurred before the commencement of the Grant, except as expressly permitted in the Letter of Offer; and/or
 - (e) supplementary fees or costs of any additional individuals accompanying the EiR.
- 1.6 The Grant must not be used to:
- (a) fund any activity that is not charitable under English law;
 - (b) fund any activity that may be political in intention, use or presentation, including any activity intended to influence or attempt to influence Parliament, government or political activity or legislative or regulatory action;
 - (c) fund any activity that may propagate a particular religion;
 - (d) fund any activity that may enable one part of government to challenge another on topics unrelated to the Programme;
 - (e) petition for additional funding;
 - (f) fund any entertaining expenses specifically aimed at exerting undue influence to change government policy;
 - (g) fund interest payments or service charge payments for finance leases;
 - (h) pay any gifts;
 - (i) pay any statutory fines, criminal fines or penalties, civil penalties, damages or any associated legal costs;
 - (j) pay for works or activities which your organisation has a statutory duty to undertake or that are fully funded from other sources;
 - (k) pay bad debts to related parties;
 - (l) fund any payment for unfair dismissal or other compensation;
 - (m) fund the depreciation, amortisation or impairment of assets owned by your organisation;
 - (n) fund the acquisition or improvement of assets owned by your organisation, except as expressly permitted in the Purpose; or
 - (o) support military or security activities not outlined in the Purpose.
- 1.7 We will not pay additional sums in the event that the EiR's Costs exceed the amount of the Grant and you will need to use alternative sources of funding to cover any difference between the Grant amount and the full cost of running the Programme. You must seek our prior written consent before seeking or accepting additional funding for the Programme from third parties.

- 1.8 Should your contract with the EiR be terminated early for any reason (whether instigated by you or the EiR) before the expiry of the Term (as defined below), you will notify us as soon as possible and provide full details of the reason for termination.
- 1.9 If the EiR needs to temporarily suspend their services to you, for example, due to a health reason, you will let us know as soon as possible so that we can discuss the implications of this with you, including whether the Term should be extended.
- 1.10 You confirm your understanding that the Grant must only be applied for the Purpose in respect of the EiR named in this letter and that any private benefit to the EiR from the application of the Grant is incidental to that Purpose.
- 1.11 You must ensure that any costs covered by the Grant do not duplicate, and are not duplicated by, any other currently existing or future funding award.
- 1.12 You shall promptly repay to us any amount of the Grant incorrectly paid to you either as a result of an administrative error or otherwise.

2. Payment and Term

2.1 Subject to paragraphs 9.3 and 12 below, the Grant will be paid to you in the following instalments:

Instalment	Amount	Date
Instalment 1	£[XX]	[Day Month Year]
Instalment 2	£[XX]	[Day Month Year]

- 2.2 The term of the Grant (the '**Term**') shall be [two (2)] years from the date of the first instalment.
- 2.3 We may, at our complete discretion, decide to extend the Term for a further period of up to one calendar year. Any decision on extension of the Term with your agreement will be notified to you by us in writing on or before [date].
- 2.4 Unless we agree otherwise in writing, the Grant must be spent by [date] (the '**Spend Out Date**'). Any part of the Grant that has not been spent by the Spend Out Date shall be returned to us within [15] calendar days of that date.

3. Separate Fund

The Grant must be maintained in a separate fund dedicated for the Purpose. The separate fund may be either (1) a physically separate bank account restricted to the Purpose, or (2) a separate bookkeeping account (limited to the Purpose) maintained as part of your financial records. We encourage, whenever feasible, the deposit of grant funds in an interest-bearing account.

4. Your relationship with the EiR

- 4.1 You shall ensure that the EiR (or their company) enters into a consultancy agreement with you prior to payment of the first instalment of the Grant.
- 4.2 You shall pay all fees due under the consultancy agreement within 30 days of receipt of a valid invoice from the EiR (or their company).
- 4.3 It is acknowledged that your relationship with the EiR shall not be an employment relationship, unless you inform us otherwise.

5. Naming rights and publicity

- 5.1 The Grant shall be publicly referred to by the parties as 'a grant awarded to [organisation/EiR name] under The Royal Society's Entrepreneur in Residence Programme'.
- 5.2 You shall (and you shall ensure the EiR shall) acknowledge our support in any materials that refer to the Programme and in any written or spoken public presentations about the Programme.
- 5.3 Notwithstanding paragraph 5.2, you shall agree any publicity about the Royal Society, the Programme, the EiR and the Grant with us in advance.

6. Duty of Care and Safeguarding

- 6.1 Your organisation shall, and shall procure that the EiR shall:
- (a) take reasonable steps to prevent actual, attempted or threatened exploitation, abuse or harassment by its employees; and
 - (b) take reasonable steps to ensure that individuals are enabled to report concerns and complaints of actual, attempted or threatened exploitation, abuse or harassment.
- 6.2 Your organisation shall adopt and follow robust procedures for the reporting and investigation of actual, attempted or threatened exploitation, abuse or harassment by its employees, including reporting such matters to the relevant authorities.
- 6.3 The EiR shall comply with your organisation's policies and procedures in relation to preventing exploitation, abuse and harassment at all times, including reporting such matters to your organisation and any relevant authorities.
- 6.4 Your organisation and the EiR shall, to the extent permitted by law, report to the Royal Society any complaints of actual, attempted or threatened exploitation, abuse or harassment where the complaint is relevant to the activities funded by the Grant, as outlined in the Royal Society's policy on [Dignity and Respect of those involved with research funded by the Royal Society](#).
- 6.5 Your organisation acknowledges, on its behalf and on behalf of the EiR, that the Royal Society is under an obligation to report to DSIT if the Royal Society becomes aware of any complaints of actual, attempted or threatened exploitation, abuse or harassment in relation to the EiR or your organisation, where the complaint is relevant to the activities funded by the Grant. No personal data will be disclosed to DSIT in relation to the details of the complaint.

7. Data Protection

- 7.1 As stipulated in the Royal Society's [Privacy Policy](#), the Royal Society, and where applicable any partner funders, will use information provided in the application for processing the application, making any consequential grants, for the payment, monitoring, maintenance and review of the grants, and general Royal Society business.
- 7.2 To meet the Royal Society's obligations for public accountability, the dissemination of information and monitoring and reporting, details of grants may be made available on the Royal Society's website and will be shared with the Royal Society's funders, selected partners and third-party monitoring and evaluation contractors. The data may also be made available on any partner funder's website and other publicly available databases, and in reports, documents and mailing lists.
- 7.3 During and following completion of the Grant, the Royal Society may contact you, the EiR and any other partners concerning funding opportunities or events, or for the purposes of monitoring and

evaluation. In some instances, the Royal Society may wish to authorise an affiliate person or organisation to contact you or the EIR on its behalf for evaluation purposes only, and such parties will comply with their obligations under Applicable Data Protection Law¹ that arise in connection with this activity.

- 7.4 Nothing in this paragraph 7 shall prevent the Royal Society disclosing to DSIT any relevant information (including where such information is or may be confidential information) obtained from your organisation or the EIR:
- (a) for the purpose of the examination and certification of DSIT's accounts; or pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the DSIT has used its resources;
 - (b) to any government department, consultant, contractor or other person engaged by the Royal Society or DSIT to carry out an evaluation of the funding provided to the Royal Society, provided it only discloses the information which is necessary for the purpose concerned and is treated in confidence and that a confidentiality undertaking is given where appropriate; or
 - (c) where disclosure is required by law, including under the Information Acts².
- 7.5 Your organisation acknowledges, on its behalf and on behalf of the EIR, that the Royal Society may, on request from DSIT or any of its agents, share contact details of your Organisation and the EIR in order to enable DSIT to carry out an evaluation of funding provided to the Royal Society.
- 7.6 In the handling of data, all parties must comply with their obligations under Applicable Data Protection Law. Failure to do so and any related consequences will be the responsibility of the party that incurred the breach.

8. Intellectual Property

- 8.1 In this Grant Letter, Intellectual Property includes all inventions, discoveries, materials, technologies, products, data, algorithms, software, patents, databases, copyright and trade secrets.
- 8.2 Unless stated otherwise, the ownership of any Intellectual Property developed through the Grant and responsibility for its identification, protection, management and exploitation rests with your organisation. Any Intellectual Property that exists prior to the Grant, continues to rest with the party that owns it.
- 8.3 It is the responsibility of your organisation and all engaged in the Programme to make every effort to ensure that any potentially valuable outputs are appropriately protected and exploited and used to the benefit of society and the economy.
- 8.4 In exceptional cases, the Royal Society reserves the right to require the Intellectual Property developed through the Grant to be promptly assigned to the Royal Society or a third party and arrange for its exploitation for national benefit and that of your organisation and partners involved.
- 8.5 Ownership of any third-party software or any other intellectual property rights necessary to deliver the research will remain with the relevant third party. Your organisation will, and will ensure that the

¹ "Applicable Data Protection Law" means (i) the UK GDPR, (ii) the Data Protection Act 2018, (iii) the EU Privacy and Electronic Communications Regulations, (iv) the EU GDPR (to the extent it applies) and (v) all applicable law relating to the processing of personal data and privacy.

² "Information Acts" means the Applicable Data Protection Law, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, each as amended from time to time and in each case including any subordinate legislation, applicable guidance and codes of practice.

EiR will, at all times during and after the Grant ensure they have obtained the relevant agreement of the third party before any additions or variations are made to any standard 'off-the-shelf' versions of any third party software and other Intellectual Property. Your organisation will be responsible for obtaining and maintaining (or ensuring the EiR obtains and maintains) all appropriate licences to use the third-party software.

9. Reporting

- 9.1 A written report and financial statement, prepared or signed by an appropriate officer of your organisation, must be provided to us (for the attention of [Staff name] at [staff email address]) at the end of the second year after the Grant has been paid and, if the Grant is extended for a further year, an additional final report must be produced at the end of that year.
- 9.2 All reports and financial statements shall be in the format required by the Royal Society and shall, in particular, include a summary of the spend to date, progress on the Purpose and a summary of the outputs from the Grant to date.
- 9.3 We may, at our discretion, request further information from you and/or the EiR at any time in relation to the Grant and its expenditure, and you shall comply with any such requests (and procure that the EiR complies with such requests as may be required).
- 9.4 You must notify us as soon as possible of any event you become aware of which is materially adverse to your organisation and its work, the EiR, the Programme, and/or our broader work and reputation (each event a 'serious incident'). A serious incident may include (but is not limited to) misuse of the Grant and/or failure to safeguard individuals from harm related to expenditure of the Grant (whether by your organisation, the EiR or a third party involved in delivering the charitable benefit of the Grant), and/or any incident which might damage our work and our reputation as the provider of this Grant.

10. Record Maintenance and Inspection

- 10.1 Your organisation must ensure proper financial management of the Grant, including by the EiR, and accountability for the use of public and charitable funds and ensure that formal audit standards and procedures exist for maintaining appropriate anti-fraud and corruption controls in accordance with the Fraud Act 2006. Any fraud or theft associated with the Grant must be notified to the Royal Society immediately. You shall provide the Royal Society with details of the steps being taken to investigate and shall keep the Royal Society informed about the progress of any such investigation.
- 10.2 You shall, and shall procure that the EiR shall, maintain records of receipts, expenditures and any other relevant documents relating to the expenditure of the Grant for a period of at least seven years from the end of the Term. Annual accounts and returns must be filed by the date specified by Companies House or the Charity Commissioner, as appropriate.
- 10.3 Subject to giving reasonable prior notice, the Royal Society may at any time during the Term and up to seven years after the end of the Term, conduct an audit and request further information which it considers necessary, including to monitor and conduct an evaluation of the use of the Grant. This may include a visit by our representatives to observe how the Programme is being conducted, discuss such operations with your personnel and review financial and other records and materials connected with the Programme and the activities financed by this Grant. You shall ensure that any consultancy agreement between your organisation and the EiR relating to the Programme contains an equivalent right of audit and access to records and materials for the Royal Society.

11. **Return of unused funds**

Any portion of the Grant, or any income earned on any part of the Grant, that is not spent or committed for the Programme, must be returned promptly to us unless we have agreed in advance in writing for the remaining unused funds to be applied for another purpose. This includes a situation where the EiR decides that they will not accept payment for their services to your organisation or asks that you simply cover their expenses (subject to any restrictions on expenditure stipulated in this Grant Letter).

12. **Withholding or repayment of the Grant**

12.1 We reserve the right, in our sole discretion, to discontinue the payment of future instalments of the Grant and/or request repayment of the Grant or any portion of the Grant within 30 days if:

- (a) your organisation, the EiR and/or any other permitted partners uses any part of the Grant to fund activities other than those outlined in the Purpose and/or the Programme or for any purpose which is not charitable under English law;
- (b) the EiR leaves the Programme for any reason before the end of the Term;
- (c) we are not satisfied with the use of the Grant, the progress of the Programme or the content of any written report or financial statement;
- (d) you obtain funding from a third party which, in the reasonable opinion of the Royal Society, is likely to bring the reputation of the work of your organisation, the EiR, the Programme or the Royal Society into disrepute;
- (e) you and/or the EiR provides the Royal Society with any materially misleading, inaccurate or false information;
- (f) the EiR, any person working on the Grant or any member of the governing body, employee or volunteer of your organisation has:
 - (i) acted dishonestly or negligently at any time and directly or indirectly to the detriment of the work of your organisation and/or the EiR in relation to the activities outlined in the Programme; or
 - (ii) taken any actions which, in the reasonable opinion of the Royal Society bring or are likely to bring the name or reputation of the Royal Society into disrepute, including through non-compliance with the Equality Act 2010;
- (g) you cease to operate for any reason, or pass a resolution (or any court of competent jurisdiction makes an order) that you be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation);
- (h) you become insolvent or are placed into receivership, administration or liquidation, or a petition has been presented for your winding up, or you enter into any arrangement or composition for the benefit of your creditors, or you are unable to pay your debts as they fall due;
- (i) your organisation and/or the EiR, in the opinion of HMRC, engages in any tax evasion or aggressive tax avoidance;
- (j) the EiR and/or their business becomes bankrupt or is affected by any of the situations described in paragraphs 12.1(g) or (h);

- (k) you fail to comply with paragraph 4.2 on more than [two] occasions;
 - (l) you fail to act in accordance with applicable laws, statutes and regulations; or
 - (m) you fail to comply with any of these terms and conditions and fail to rectify any such failure within 30 days of receiving written notice detailing the failure.
- 12.2 Wherever any portion of the Grant is recoverable by us under these terms and conditions, we may deduct that sum from any sum then due or which may later become due to you under these terms and conditions or any other agreement or contract you may have with us.
- 13. Liability**
- 13.1 We accept no responsibility, financial or otherwise, for the expenditure of the Grant (or liabilities arising out of such expenditure) or for liabilities arising out of the Programme.
- 13.2 Your organisation shall indemnify us against all liabilities (including tax liabilities), reasonable costs and expenses, damages and losses suffered or incurred by us arising as a result of the Grant (including, for the avoidance of doubt, any third party claims).
- 13.3 You shall be responsible for ensuring that appropriate insurance with a reputable insurance company is in place to cover risks arising from your participation in the Programme.
- 14. Risk Management and Compliance**
- 14.1 Unless altered by the terms of this letter, you agree to honour any assurances you made when applying for or agreeing this Grant, and confirm that all information provided in the period leading to the Grant is true.
- 14.2 Your organisation must and must procure that the EiR, in relation to the Programme, considers and appropriately manages risks associated with national security, economic crime and other irregularity including but not limited to:
- (a) fraud;
 - (b) bribery and corruption;
 - (c) espionage;
 - (d) theft of funding, Programme outputs, intellectual property and sensitive information and data;
 - (e) money laundering;
 - (f) data security;
 - (g) cyber security;
 - (h) tax issues; and
 - (i) market abuse.
- 14.3 Your organisation must, and must procure that the EiR, ensures that the Programme and any acquisitions made are compliant with all relevant legislation including but not limited to the National Security and Investment (NSI) Act 2021, Export Controls, Academic Technology Approval Scheme, sanctions regimes and the National Security Act (2023). Your organisation may be required to notify the Government about any relevant activity.

- 14.4 Your organisation shall, and shall require the EiR to, notify the Royal Society as soon as is reasonably practicable of the detection of any of the risks outlined in 14.2, where such risk is relevant to the Programme. Details shall be provided of how you intend to mitigate the risks.
- 14.5 Your organisation must have adequate policies, procedures and controls to manage risks outlined in 14.2 together with the Information Acts, the UK's Equality Act 2010, the Modern Slavery Act 2015 and the risk of mismanagement in connection with the use or administration of the Grant. Your organisation shall procure the EiR's compliance with such policies, procedures and controls and will provide copies of its policies, procedures and controls to the Royal Society upon request.
- 14.6 Your organisation, the EiR and any other partners will at all times comply with all applicable laws, statutes and regulations including laws relating to anti-bribery and anti-corruption (including but not limited to the Bribery Act 2010).
- 14.7 The Royal Society will have the right, at its discretion, to require your organisation to undertake a risk assessment of the Programme, the EiR and any partners, (including but not limited to national security and economic crime) in a form to the satisfaction of the Royal Society.
- 14.8 All cases of fraud, theft, error or other financial irregularity (whether proven or suspected) relating to the Programme must be notified to the Royal Society as soon as they are identified. You shall explain to the Royal Society what steps are being taken to investigate the irregularity and will keep the Royal Society informed about the progress of any such investigation. The Royal Society may however request that the matter be referred to external auditors or other third parties as required. Your organisation undertakes to provide all reasonable assistance to the Royal Society, external auditors or other third parties for the purpose of investigating fraud, theft, error or other financial irregularity, if so requested.
- 14.9 The Royal Society will have the right, at its absolute discretion, to require your organisation to address any actual or suspected risks associated with and/or to suspend future payment of the Grant. Your organisation may be required to provide statements and evidence to the Royal Society as part of pursuing sanctions, criminal or civil proceedings.
- 14.10 Your organisation agrees and accepts, and will procure such agreement from the EiR, that you may become ineligible for Grant support and may be required to repay all or part of the Grant if you or anyone associated with the Grant engages in tax evasion or aggressive tax avoidance in the opinion of HMRC.
- 14.11 You shall comply with the Royal Society policies provided at <https://royalsociety.org/grants-schemes-awards/grants/about-grants/>, as updated from time to time.
- 14.12 This letter 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.
- 14.13 In the event that our own funding is reduced or withdrawn or if we should enter into administration, the Royal Society reserves the right to terminate or reduce the Grant with immediate effect with no liability for any further payments. You will fully indemnify us in respect of any claims brought in this regard.
- 14.14 We reserve the right to amend the terms and conditions in this letter at our absolute discretion. We will notify you in writing of any change to the terms and conditions.

Please confirm your agreement and acceptance of the Grant on the terms, subject to the conditions of this grant letter by returning the enclosed copy of this letter signed by an appropriate officer of your organisation and returned to [Staff name] at 6 Carlton Terrace, London, SW1Y 5AG. In signing this letter, such officer

represents to us that they have the authority to sign this letter on your organisation's behalf. Payment of the Grant is conditional upon receipt by us of a signed copy of this letter.

On behalf of the Royal Society, may I extend every good wish for the success of the Programme.

Yours sincerely,

[Name]

For and on behalf of The Royal Society

I hereby accept the terms and conditions set out in this letter for and on behalf [name of institution]

Signature:

Printed Name:

Title:

Date:

To facilitate payment of the Grant, please confirm your organisation's bank details when acknowledging these terms.

A copy of this letter shall be sent to the EiR for their signature so that they are aware of the terms and conditions that bind you, and accept those terms and conditions which apply directly to them:

I hereby accept the terms and conditions set out in this letter:

Signature:

Printed Name:

Date: