

## IMPACTU LOAN AGREEMENT

DATED [ADD DATE]

### BETWEEN:

- (1) [COMPANY NAME] a private company limited by guarantee incorporated and registered in England and Wales with company number [ADD] whose registered office is at [ADDRESS] (the "Company"); and
- (2) THE CHANCELLOR, MASTERS AND SCHOLARS OF THE UNIVERSITY OF OXFORD, whose administrative offices are at University Offices, Wellington Square, Oxford, OX1 2JD, United Kingdom (the "University"),  
(collectively the "parties" and each a "party").

### BACKGROUND:

- A. ImpactU is a collective of UK universities working collaboratively to support and raise awareness of mission-driven businesses emerging from Member Universities.
- B. ImpactU is funded by Research England. As the lead on the Research England bid, the University is responsible for the overall administration of the ImpactU programme.
- C. Eligible social ventures that are associated with English universities can apply for ImpactU's Pathfinder Awards.
- D. The Company, which is associated with [NAME OF UNIVERSITY], has submitted the Application Form in respect of receiving funding from the ImpactU Pathfinder Awards.
- E. The University has agreed to make available to the Company an unsecured loan of £[AMOUNT] on the terms set out in this loan agreement, including the terms and conditions set out in schedule 1.

### AGREED TERMS:

The terms of this Agreement are as follows.

1. Words and expressions used in this Agreement and not defined below shall have the meaning as is given to them in schedule 2 to this Agreement.
2. The University shall, subject to the Condition, in the University's reasonable opinion, being satisfied, pay the Loan to the Company's Bank Account within 12 weeks of the date of this Agreement, and the Company hereby accepts such Loan and shall owe and promise to pay to the University or its successors or assignees the principal amount of the Loan, together with any accrued but unpaid Interest as the case may be, in accordance with the terms of this Agreement.
3. Unconditional release of its Loan to the Company's Bank Account shall be a good and valid discharge of the obligation of the University to pay the Loan to the Company

and the University shall not be concerned to see the application of the monies so paid.

4. The “**Company's Bank Account**” shall mean the bank account of the Company with the following details:

<b>Account Name</b>	
<b>Bank</b>	
<b>Account Number</b>	
<b>Sort Code</b>	
<b>Reference</b>	

5. “**Interest Rate**” shall mean 8 per cent per annum, simple interest.  
6. “**Final Repayment Date**” means the date falling 36 months after the date of this Agreement.

This agreement has been entered into on the date stated at the beginning of it.

Signed by \_\_\_\_\_ )  
a director duly authorised for and on behalf )  
of [ ]

\_\_\_\_\_  
Director  
\_\_\_\_\_

Signed by \_\_\_\_\_ )  
duly authorised for and on behalf of **THE** )  
**CHANCELLOR, MASTERS AND SCHOLARS OF** )  
**THE UNIVERSITY OF OXFORD**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SCHEDULE 1**

**TERMS AND CONDITIONS**

## 1. **CONDITION**

The Loan shall be subject only to the passing of all directors' and members' resolutions of the Company to provide the requisite authority to receive the Loan under the terms of this Agreement.

## 2. **SECURITY**

The obligations of the Company under this Agreement: (a) shall be unsecured; (b) shall rank pari passu within this Agreement and with all other unsecured indebtedness or obligations of the Company; and (c) shall be subordinated to any existing secured debt of the Company.

## 3. **USE OF PROCEEDS**

The Loan shall not be used by the Company:

- 3.1 to repay any borrowings from a member or a member related party;
- 3.2 to pay professional fees incurred in relation to the incorporation of the Company;
- 3.3 for research, teaching or other scholarly use which is for the purposes of education and academic research;
- 3.4 to make any bonus or other discretionary payment to any employee, consultant or director of the Company other than as contracted prior to the date hereof and as paid by the Company in the ordinary course of business;
- 3.5 to pay any advisory or placement fees or bonuses to any corporate finance entity or investment bank or similar service provider on monies advanced by the University; or
- 3.6 to support activity intended to influence or attempt to influence any Parliament, Government or political parties in the United Kingdom or any part of the world, or attempting to influence the awarding or renewal of contracts and grants or attempting to influence legislative or regulatory action.

## 4. **INTEREST**

- 4.1 Interest, will accrue from day to day at the Interest Rate and will be calculated on the basis of a 365-day year and the actual number of days elapsed from the first anniversary of the date of this Agreement to each Repayment Date thereafter or in the case of an Event of Default to the date of repayment following demand by the University for repayment of the Loan in accordance with clause 6.1.
- 4.2 Interest will be payable with each Repayment Instalment on each Repayment Date after the first anniversary of the date of this Agreement and the Final Repayment Date or in respect of an Event of Default in accordance with clause 5.1.3.
- 4.3 The Company shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is required by law.

## 5 **REPAYMENT**

- 5.1 Subject to the provisions of this Agreement, the Company shall repay the Loan (and all accrued Interest and all other amounts accrued or outstanding under this Agreement) in full:

[OPTION 1: FIXED MONTHLY REPAYMENTS]

5.1.1 by paying, from the first anniversary of the date of this Agreement, 23 equal monthly Repayment Instalments (and all accrued Interest and all other amounts accrued or outstanding under this Agreement) on each Repayment Date. The last Repayment Instalment will be paid on the Final Repayment Date and will be the balance of the outstanding Loan on the Final Repayment Date and all accrued Interest and all other amounts accrued or outstanding under this Agreement.

**[OR OPTION 2: ANNUAL REPAYMENTS BASED ON % OF NET REVENUE]**

5.1.2 by paying, from the first anniversary of the date of this Agreement, an amount equal to the lower of: 10% of all Company Net Revenue; or (ii) the full amount of the Loan (and all accrued Interest and all other amounts accrued or outstanding under this Agreement quarterly until the earlier of: (i) the Final Repayment Date; or (ii) the Repayment Date on which the Loan (and all accrued Interest and all other amounts accrued or outstanding under this Agreement) is repaid in full. On the Final Repayment Date, the Company shall pay the balance (if any) of the outstanding Loan on the Final Repayment Date and all accrued Interest and all other amounts accrued or outstanding under this Agreement (if any); or

5.1.3 on demand by the University in accordance with clause 6.1, on an Event of Default.

5.2 Notwithstanding the above, the Company may prepay part or all of the Loan (and part or all of the accrued Interest thereon) by notifying the University 10 Business Days in advance. The Company may only do this if:

5.2.1 the notice specifies the Loan (and the accrued Interest thereon) to be prepaid and the amount of the prepayment which, if it is less than the outstanding Loan, must be a whole multiple of and no less than £1,000;

5.2.2 the prepayment does not result in an Event of Default; and

5.2.3 On prepayment of part or all of the Loan (and the accrued Interest thereon) in accordance with clause 5.2, the principal amount of the Loan, to the extent not cancelled or reduced under this Agreement shall immediately be reduced by an amount equal to the amount of the Loan prepaid.

## **6 EVENT OF DEFAULT**

6.1 The Loan and any accrued, but unpaid Interest shall be repaid by the Company, on demand by the University, upon the occurrence of an Event of Default, provided that the University shall be entitled to demand repayment upon the occurrence of an Event of Default as a result of a breach by the Company of the undertakings contained in clauses 7.2 **Error! Reference source not found.**

6.2 The Company shall give written notice to the University immediately upon the Company becoming aware of the occurrence of an Event of Default, containing reasonable details of that Event of Default, and shall provide such other information as is reasonably requested in writing by the University in respect of such Event of Default.

## **7 UNDERTAKINGS**

The Company undertakes to the University as follows:

7.1 for so long as the Loan is outstanding, the Company shall not permit the creation of any indebtedness of the Group that is senior to the obligations of

the Company under this Agreement without the prior written consent of the University other than in respect of any bona fide senior indebtedness on arms' length terms from any person that is not an existing member (or any connected person of an existing member and 'connected person' shall have the meaning attributed to it at the date of this Agreement by sections 1122 and 1123 of the Corporation Tax Act 2010) or pursuant to any bona fide venture debt facilities;

- 7.2 for so long as the Loan is outstanding, the Company shall at all times act in good faith towards the University with respect to each provision of this Agreement and shall:
- 7.2.1 do all things reasonably within their power which are necessary to give effect to the spirit and intent of this Agreement, including not taking any steps or actions which impair or adversely affect or derogate from, in any manner whatsoever, the enforceability in any respect of this Agreement; and
  - 7.2.2 not without the prior written consent of the University change its name to or trade under any name which includes the word "Oxford" or do anything that could reasonably have a material detrimental impact on the University's reputation including, but not limited to: (a) the supply goods or services to any person which is, or is directly owned or controlled by one or more, Sanctioned Restricted Person(s); or do any acts in breach of Sanctions; or seek to raise or accept funding from any Sanctions Restricted Person(s); or (b) being involved in any material way in: (i) the production of, and trade in, tobacco; (ii) internet gambling, online casinos or pornography; (iii) any activity related to modifying the genetic heritage of human beings which could make such changes heritable or have the aim of human cloning for reproductive purposes; or (iv) the development of weapons, armaments or ammunition;
  - 7.2.3 not do anything, cause anything to be done, or fail to do anything which may (at the University's sole discretion) damage or is reasonably likely to damage the reputation of the University or ImpactU;
  - 7.2.4 only apply the Loan in accordance with the Guidance; and
  - 7.2.5 not do anything, cause anything to be done, or fail to do anything which may (at the University's sole discretion) cause the University to be in breach of the Terms and Conditions;
- 7.3 the Company shall comply with all Applicable Laws and regulations including but not limited to all applicable laws and regulations relating to anti-bribery, anti-corruption or Sanctions and shall carry out a review of the Company's operations to identify bribery and corruption risks and introduce, maintain and implement a suitable anti-bribery and corruption policy which applies to the Company.

## **8 WARRANTIES**

The Company hereby warrants to the University that, as at the date of this Agreement:

- 8.1 the Company is a company duly formed, validly existing and in good standing under the laws of England and Wales and the Company has full power and authority to enter into and perform its obligations under this Agreement;
- 8.2 the execution and performance of this Agreement by the Company has been duly authorised by all necessary actions and no other consents, authorisations or approvals of any kind or of any governmental authority or other third party are required in connection with the execution or

performance of this Agreement by the Company and this Agreement has been duly executed and delivered by the Company and is valid and binding upon the Company and enforceable in accordance with its terms;

- 8.3 the consummation of the transactions contemplated hereunder and the performance of this Agreement by the Company do not violate the provisions of the articles of association of the Company, or any applicable law, and do not result in any breach of, or constitute a default under, any agreement, indenture or other instrument to which the Company is a party or by which it is bound;
- 8.4 the Group has conducted its business and dealt with its assets in all material respects in accordance with applicable legal and administrative requirements and there is no action, suit, proceeding or investigation commenced, pending or, to the knowledge of the Company, threatened against the Company likely to have a material adverse effect on the business of the Company;
- 8.5 no Event of Default is outstanding or is likely to result from the making of the Loan;
- 8.6 no action, arbitration or administrative proceeding of or before any court, tribunal or agency is current involving the Company or in relation to its business or, to its knowledge, no action, arbitration or administrative proceeding before any court is pending or threatened; and
- 8.7 it has not taken any corporate action nor have any other steps been taken or legal proceedings been started or threatened against it for its winding up, dissolution or re organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its revenues or assets other than in respect of a solvent liquidation or reorganisation ; and
- 8.8 that neither the Company nor any of its officers, employees nor anyone acting on its behalf:
  - 8.8.1 is a Sanctions Restricted Person;
  - 8.8.2 has engaged or is engaging, directly or indirectly in any trade, business, or other activities which is in breach of Sanctions; or
  - 8.8.3 has received any notice or is aware of any claim, action, suit, proceedings or investigation with respect to Sanctions by any Sanctions Authority.

## **9 INFORMATION, MONITORING AND REPORTING**

For so long as the Loan is outstanding the Company shall:

- 9.1 provide the University information required pursuant to, and in the format set out in, schedule 3 in respect of each quarter from the date of this Agreement within 20 Business Days of the end of such financial quarter;
- 9.2 promptly provide the University with the same information that is provided to the Company's members from time to time under the terms of any members' agreement in place between, amongst others, the Company and such members, including any accounts, budgets, forecasts, reports and/or any right to reasonably request other information, provided that the Board may unanimously decide, acting reasonably, to withhold any such information requested by the University pursuant to this clause 9.2 for reasons of commercial sensitivity and/or legal privilege, and on such Board decision, shall provide prompt written notice to the University that it is withholding such information;
- 9.3 prepare for each financial year a social impact report including but not limited to the Company's theory of change and metrics as agreed in writing between the University and the Company from time to time;

- 9.4 promptly provide the University or any person authorised by the University, on request, with any information, explanations, responses to questionnaires, or documents that the University may reasonably require; and
- 9.5 permit any person authorised by the University and/or Research England with reasonable access to its employees, agents, premises, facilities and records, for the purpose of discussing, monitoring and evaluating the Company's fulfilment of the conditions of this Agreement.

The Company warrants and represents that anything provided to the University in accordance with this clause 9 shall not infringe the rights (including any intellectual property rights) of any third party.

## 10 CONFIDENTIALTY AND ANNOUNCEMENTS

- 10.1 Each party to this Agreement undertakes that it shall not at any time disclose to any person any confidential information concerning the operations, business, affairs, customers, clients or suppliers of the other party, except:
  - 10.1.1 to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with this Agreement. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with the confidentiality provisions of clause 10.1 of this Agreement;
  - 10.1.2 to any Member of the University Group, Member Universities and/or Research England who need to know such information for the purposes of exercising the University's rights in accordance with this Agreement or carrying out its obligations under or in connection with ImpactU;
  - 10.1.3 as may be required by law (including but not limited to the Freedom of Information Act 2000), a court of competent jurisdiction or any governmental or regulatory authority (including but not limited to a Sanctions Authority, the Office for Students, the Information Commissioner's Office and the Charity Commission for England and Wales); or
  - 10.1.4 to its external advisors such as lawyers or accountants who need to know such information for the purposes of assisting the party with carrying out its obligations as required by law, a court of competent jurisdiction or any governmental or regulatory authority (including but not limited to a Sanctions Authority, the Office for Students, the Information Commissioner's Office and the Charity Commission for England and Wales).
- 10.2 Save as permitted in accordance with clause 10.1 and clause 10.3, no party shall make, or permit any person to make, any public announcement, communication or circular announcements concerning the existence, subject matter or terms of this Agreement, the wider transactions contemplated by it, or the relationship between the parties, without the prior written consent of the other party.
- 10.3 The Company consents to the University and/or Research England:
  - 10.3.1 issuing announcements in respect of the Company's involvement in ImpactU, including but not limited to the Company receiving the Loan; and
  - 10.3.2 sharing all or anything provided to the University in accordance with clause 9 of this agreement (including but not limited to the social impact report) with any Member of the University Group and/or Research England.

## 11 SUBSIDY CONTROL

- 11.1 The Company acknowledges that the University must ensure that the provision of the Loan to the Company complies with all Applicable Laws, including the UK's international obligations in relation to subsidy control and any UK subsidy control legislation.
- 11.2 The Company will take all reasonable steps to assist the University in complying with the UK's international obligations in relation to subsidy control and any UK subsidy control legislation and will respond to any proceedings or investigations into the provision of the Loan by any relevant court or tribunal of relevant jurisdiction or any other regulatory body.
- 11.3 The Company acknowledges that it is required to keep a written record of any subsidy control correspondence or documentation it receives in connection with the Loan for a period of at least three (3) years from the date it receives such correspondence or documentation.
- 11.4 If the Loan is found to constitute an Unlawful Subsidy or is (a) under investigation, (b) subject to judicial proceedings, or (c) subject to an investigation by the Competition and Markets Authority, in relation to whether it may be an Unlawful Subsidy, the parties shall seek to restructure the conditions of the Loan to the extent necessary to ensure that no Unlawful Subsidy exists or will be created; and/or co-operate to provide evidence that the conditions in connection with the provision of the Loan do not or will not give rise to Unlawful Subsidy.
- 11.5 If the Loan is found to constitute or contain any Unlawful Subsidy by any relevant court or tribunal of relevant jurisdiction or regulatory body, or is not in the University's sole opinion capable of being restructured so as to be compliant with the Applicable Laws:
  - 11.5.1 there shall be an Event of Default and the Company must repay any such Unlawful Subsidy in accordance with clause 5.1.3; and
  - 11.5.2 this Agreement will terminate.
- 11.6 In addition, the Company agrees not to make use of the Loan in any way which the Company is aware (acting reasonably) would affect trade in goods and electricity between Northern Ireland and the European Union without seeking the prior consent of the University.
- 11.7 The Company accepts that no payment of the Loan will be made if the Company becomes subject to a recovery order following any competent regulatory authority decision declaring historic subsidy or aid unlawful.
- 11.8 The parties acknowledge that nothing in this Agreement shall require the University to make available any Loan in such a way as would confer Unlawful Subsidy (or state aid) to the Company.

## 12 GENERAL

- 12.1 **WAIVER.** The waiver, express or implied, by the University of any right it holds under this Agreement shall not operate to preclude any other right or remedy. No specific remedy hereunder shall be construed as excluding remedies at law.

- 12.2 **AMENDMENT.** All and any of the provisions of this Agreement may be deleted, varied, supplemented, restated or otherwise changed in any way at any time with the prior written consent of the parties.
- 12.3 **COSTS.** Each party shall bear its own costs and disbursements incurred in connection with the provision, execution and enforcement of this Agreement and of matters incidental to this Agreement.
- 12.4 **PAYMENTS.** All payments made by the Company under this Agreement shall be in Sterling and in immediately available cleared funds to the University at its account number [ACCOUNT NUMBER] [SORT CODE] with [BANK] of [ADDRESS] or such other account as the University may notify the Company. If any payment becomes due on a day that is not a Business Day, the due date of such payment will be extended to the next succeeding Business Day, or if that Business Day falls in the following calendar month, such due date shall be the immediately preceding Business Day.
- 12.5 **ASSIGNMENT.** No party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party, provided that the University may assign the whole or part of any of its rights in this Agreement to any person who has received a transfer of its Loan in accordance with this Agreement.
- 12.6 **RIGHTS OF THIRD PARTIES.** This Agreement does not confer any rights on any person or party (other than the parties to this Agreement that have executed this Agreement or any Subscription Deed) pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 12.7 **COUNTERPARTS.** This Agreement may be executed in any number of counterparts (whether signed in physical, electronic or other means), each of which shall constitute an original, and all the counterparts shall together constitute one and the same agreement. The exchange of a fully executed version of this Agreement (in counterparts or otherwise) by electronic transmission in PDF format or other agreed format shall be sufficient to bind the parties to the terms and conditions of this Agreement and no exchange of originals is necessary.
- 12.8 **NOTICES.** Any communication and/or information to be given in connection with this Agreement shall be in writing in English and shall be delivered by email to the University via rachel.abernethy@innovation.ox.ac.uk and to the Company via [EMAIL ADDRESS] or such other email address as a party may notify the other party from time to time in writing. A communication sent in accordance with this clause shall be deemed to have been received at the time of completion of transmission by the sender, except that if a communication is received between 5.30pm on a Business Day and 9.30am on the next Business Day, it shall be deemed to have been received at 9:30am on the second of such Business Days.
- 12.9 **ENTIRE AGREEMENT.** This Agreement and the documents referred to in it constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and supersedes and extinguishes any prior drafts, agreements, undertakings, understandings, promises, representations or conditions whether oral or written, express or implied between the parties relating to such subject matter (other than any representations or statements given in the Application Form by the Company).
- 12.10 **EQUITABLE REMEDIES.** Without prejudice to any other rights or remedies that the parties may have, the parties acknowledge and agree that damages alone may not be an adequate remedy for any breach by them of this Agreement and that the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this Agreement by any party may be more appropriate remedies.

- 12.11 **GOVERNING LAW AND JURISDICTION.** This Agreement (and any dispute or claim relating to it or its subject matter (including non-contractual claims)) is governed by and is to be construed in accordance with English law. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any claim, dispute or issue (including non-contractual claims) which may arise out of or in connection with this Agreement.
- 12.12 **NO PARTNERSHIP OR AGENCY.** Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party. Each party confirms it is acting on its own behalf and not for the benefit of any other person.
- 12.13 **SEVERANCE.** If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 12.13 shall not affect the validity and enforceability of the rest of this Agreement.

## SCHEDULE 2

### DEFINITIONS

In this Agreement, except where a different interpretation is necessary in the context, the words and expressions set out below shall have the following meanings:

**"Agreement"** means this loan agreement, including its schedules, as amended from time to time;

**"Applicable Laws"** means any and all applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court or directive or requirement of any regulatory body, delegated or subordinate legislation or notice of any regulatory body from time to time in force in England and Wales;

**"Application Form"** means the ImpactU Pathfinder Award Application Form as completed by the Company and received by the University on or around [DATE];

**"Board"** means the board of directors of the Company from time to time;

**"Business Day"** means a day other than a Saturday, Sunday or public holiday in England and Wales when banks in London are open for business;

**"Event of Default"** means any of the following events:

- a. any Group Company stops payment of its debts generally or ceases to carry on all or a substantial part of its business;
- b. any Group Company is deemed to be unable to pay its debts as they fall due or compounds or proposes or enters into any reorganisation or special arrangement with its creditors generally;
- c. a moratorium is declared in respect of any indebtedness of any Group Company;
- d. any petition is advertised by any person for the winding-up of any Group Company or an order is made or a resolution is passed with respect to the liquidation, winding-up, administration or dissolution of a Group Company which is not discharged within 10 Business Days of presentation;
- e. an encumbrancer takes possession or a liquidator, receiver, administrative receiver, administrator or court-appointed receiver or other similar officer is appointed over the whole or the major part of the assets or undertaking of any Group Company or if distress, execution or other legal process is levied or enforced upon or against the whole or the major part of the assets of any Group Company and is not discharged, paid out, withdrawn or removed within 10 Business Days; or
- f. any Group Company fails, in any material respect, to comply with any of the undertakings, conditions or provisions contained in this Agreement or breaches, in any material respect, any provisions of this Agreement and which breach, if capable of cure, is not cured within 20 Business Days in the reasonable opinion of the University;

**"Final Repayment Date"** has the meaning given to it in paragraph 6 of the Agreed Terms;

**"Financial Year"** means each accounting reference period of the Company determined from time to time in accordance with Chapter 3 of Part 15 of the Companies Act 2006;

**"Group Companies"** means from time to time the Company and each and any of its subsidiaries, **"Group Company"** means any one of them and **"Group"** means, together, the Company and its subsidiaries;

**"Guidance"** means HM Treasury's guidance on managing public money: <https://www.gov.uk/government/publications/managing-public-money> or as amended from time to time;

**"Interest"** has the meaning given to it in clause **Error! Reference source not found.** of schedule 1;

**"Interest Rate"** has the meaning given to it in paragraph 5 of the Agreed Terms;

**"Loan"** means the principal amount of the unsecured loan to be provided by the University pursuant to the terms of this Agreement or (as the context requires) the principal amount outstanding for the time being of the Loan;

**"Member of the University Group"** means the University, its subsidiaries (including but not limited to Oxford University Innovation Limited), any colleges of the University, Oxford Science Enterprises plc and any fund in respect of which the University or any of its subsidiaries or any of the colleges of the University acts as a partner, investor, shareholder, adviser, manager, trustee or unit holder;

**"Member Universities"** means the ImpactU member universities as listed <https://www.impact-u.co.uk/> or as provided by the University to the Company from time to time. Each a **"Member University"**;

**"Net Revenue"** means the gross revenue of the Company, less:

- (a) trade, quantity or cash discounts actually given;
- (b) outbound carriage and packaging expenses actually paid;
- (c) customs duties, sales taxes or other taxes imposed upon and paid with respect to such sales (excluding personal taxes); and
- (d) amounts allowed or credited or retroactive price reductions or rebates actually given/paid.

Any refund of any of the foregoing amounts previously deducted from Net Revenue shall be appropriately credited upon receipt;

**"Repayment Date"** means [[**OPTION 1: FIXED MONTHLY REPAYMENTS**] each monthly anniversary of the date of this Agreement (from the first anniversary of the date of this Agreement to the Final Repayment Date)] **OR** [[**OPTION 2: QUARTERLY REPAYMENTS BASED ON % OF NET REVENUE**] the first anniversary of the date of this Agreement and at the end of every consecutive three month period thereafter, specified in clause 5 of schedule 1 for repaying the Loan by instalments;

**"Repayment Instalment"** means each scheduled instalment for the repayment of the Loan under clause 5 of schedule 1;

**"Research England"** means the UK Research and Innovation functions that are to be exercised by its Research England council under [section 97 of the Higher Education and Research Act 2017](#);

**"Sanctions"** means any trade, economic, sectoral or financial sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced (from time to time) by any Sanctions Authority;

**"Sanctions Authority"** means the United Kingdom, the United Nations, the United States of America, and the European Union (including its member states), and in each case their respective governmental, judicial or regulatory institutions, agencies, departments and authorities, including (without limitation), HM Treasury and the United Kingdom's Office of Financial Sanctions Implementation and Department of International Trade, the United Nations Security Council, OFAC, the United States Department of State or the United States Department of Commerce and any other body notified by the University to the Company from time to time;

**"Sanctions List"** means any of the lists of designated sanctions targets maintained by a Sanctions Authority, in each case as amended, supplemented or substituted from time to time, including (without limitation) the UK Sanctions List, Consolidated List of Financial Sanctions Targets in the UK, the Consolidated United Nations Security Council Sanctions List, Office of Foreign Assets Control's ("**OFAC**") Specially Designated Nationals and Blocked Persons List, OFAC's Consolidated Sanctions List, and the European Union's Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions;

**"Sanctions Restricted Person"** means a person that is: (a) listed on, or owned or controlled within the meaning and scope of the relevant Sanctions, by a person listed on, or acting on behalf of, or at the direction of, a person listed on, any Sanctions List; (b) resident, domiciled, located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by or acting on behalf of, a person resident, domiciled, located in or incorporated under the laws of a Sanctioned Territory; or (c) otherwise identified by a Sanctions Authority as being subject to Sanctions;

**"Sanctioned Territory"** means a country, region or territory that is the subject of country-wide, region-wide or territory-wide Sanctions.

**"Special Categories of Personal Data"** has the meaning given in Data Protection Laws, which includes but is not limited to the following categories of personal data:

- (a) racial or ethnic origin;
- (b) political opinions;
- (c) religious or philosophical beliefs;
- (d) trade-union membership;
- (e) genetic or biometric data used to uniquely identify a natural person; and
- (f) data concerning a natural person's physical or medical health or condition, sex life or sexual orientation;

**"Subsidy"** means any financial assistance which:

- (a) arises from the resources of a public authority, including: (i) a direct or contingent transfer of funds such as direct grants, loans or guarantees; (ii) the forgoing of revenue that is otherwise due; or (iii) the provision of goods or services, or the purchase of goods or services;
- (b) confers an economic advantage on one or more enterprises;
- (c) is specific such that it benefits one or more enterprises over one or more other enterprises with respect to the production of goods or the provision of services; and
- (d) has, or is capable of having an effect on: (i) competition or investment within the UK; or (ii) trade or investment between the UK and a country or territory outside of the UK;

**"Tax Deduction"** means a deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature;

**"Terms and Conditions"** means Research England's terms and conditions as found at <https://www.ukri.org/publications/research-england-terms-and-conditions/> or as amended from time to time;

**"Unlawful Subsidy"** means a Subsidy which has been granted in contravention of:

- (a) the UK/EU Trade and Cooperation Agreement 2020; or
- (b) the Subsidy Control Act 2022; or
- (c) any other Applicable Laws applying to the provision of Subsidy;

In this Agreement, unless otherwise specified:

- 1 a "group undertaking" or an "undertaking" is to be construed in accordance with section 1161 of the Companies Act 2006, a "subsidiary undertaking" is to be construed in accordance with section 1162 of that act and a "subsidiary" or "holding company" is to be construed in accordance with section 1159 of that act;
- 2 references to paragraphs and schedules are references to paragraphs of and schedules to this Agreement;
- 3 references to clauses are to clauses of schedule 1 to this Agreement;
- 4 the schedules form part of and are incorporated into this Agreement;
- 5 headings are included for ease of reference only and shall not affect the interpretation of this Agreement;
- 6 "includes" and "including" shall mean including without limitation;
- 7 a "person" includes any person, individual, company, firm, corporation, government, state or agency of a state or any undertaking (whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- 8 "writing" means typed text or legible manuscript text;
- 9 reference to a legal or regulatory provision or standard is to be construed as a reference to that legal or regulatory provision or standard as the same may have been amended or re-enacted before the date of this Agreement;
- 10 the singular shall include the plural and vice versa and references to any gender shall include references to the other genders; and
- 11 reference to the time of day is reference to the time in London, England.

**SCHEDULE 3**  
**QUARTERLY REPORTING INFORMATION**

The reporting information on the Group required to be provided by the Company to the University pursuant to clause 9.1 of Schedule 1 is as set out below:

1. within the first 90 days following the date of this Agreement, calculated in accordance with the Company's normal accounting policies;
  - a. revenue for the last two Financial Years;
  - b. earnings before interest, taxation, depreciation and amortisation ("**EBITDA**") for the last two Financial Years; and
  - c. net cash flow for the last two Financial Years,provided that where any such information is not available in respect of the last two Financial Years as the Company was incorporated within the current Financial Year or the last Financial Year, the Company shall provide the same information for the period since incorporation of the Company;
2. on a quarterly basis following the date of this Agreement (including in respect of the first quarter following the date of this Agreement):
  - a. calculated in accordance with the Company's normal accounting policies and the most recent management accounts of the Group:
    - (i) revenue for the relevant quarter and current Financial Year;
    - (ii) current monthly recurring revenue for the relevant quarter and current Financial Year, if applicable to the Company;
    - (iii) EBITDA for the relevant quarter and current Financial Year;
    - (iv) net cash flow for the relevant quarter and current Financial Year;
    - (v) Net Revenue for the relevant quarter and current Financial Year;
    - (vi) current monthly cash burn rate; and
    - (vii) current cash balance;
  - b. performance of the Group against the current budget of the Group:
    - (i) revenue (achieved vs budget); and
    - (ii) net cash flow (achieved vs budget);
  - c. the Company's management team's reasonable and supportable estimated forecast for the Group's revenue and net cash flow for the current Financial Year and the next two Financial Years.