

Cooperative Research Centre for Water Sensitive Cities



Essential Participants Agreement



An Australian Government Initiative



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THIS AGREEMENT IS MADE BETWEEN:

CRC FOR WATER SENSITIVE CITIES LTD ABN 19 158 409 137 of Clayton in the state of Victoria (**Company**).

AND

THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF HOUSING ABN 56 167 671 885 of Perth in the state of Western Australia (**DH**).

AND

THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF WATER ABN 28 420 443 065 of Perth in the state of Western Australia (**DW**).

AND

THE STATE OF VICTORIA THROUGH THE DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT ABN 90 719 052 204 of East Melbourne, in the state of Victoria (**DSE**).

AND

MELBOURNE WATER CORPORATION ABN 81 945 386 953 a body corporate established under the *Water Act 1989* (VIC) of Docklands in the state of Victoria (**MWC**).

AND

SOUTH EAST WATER LIMITED ABN 89 066 902 547 of Heatherton in the state of Victoria (**SEW**).

AND

CENTRAL SEQ DISTRIBUTOR – RETAIL AUTHORITY trading as QUEENSLAND URBAN UTILITIES ABN 86 673 835 011 of Brisbane in the state of Queensland (**QUU**).

AND

MONASH UNIVERSITY ABN 12 377 614 012 a body corporate established under the *Monash University Act 2009* (VIC) of Clayton in the state of Victoria (**Monash**).

AND

THE UNIVERSITY OF QUEENSLAND ABN 63 942 912 684 a body corporate established under the *University of Queensland Act 1998* (Qld) of St Lucia in the state of Queensland (**UQ**).

AND

THE UNIVERSITY OF WESTERN AUSTRALIA ABN 37 882 817 280 a body corporate established under the *University of Western Australia Act 1911* (WA) of Crawley in the state of Western Australia (**UWA**).

Recitals

- A. The Commonwealth of Australia, by the provision of financial assistance under a program known as the Cooperative Research Centres Program, wishes to build critical mass in research ventures between end-users and researchers which tackle clearly articulated, major challenges for the end-users.
- B. The objective of the Cooperative Research Centres Program is to deliver significant economic, environmental and social benefits to Australia by supporting end-user driven research partnerships between publicly funded researchers and end-users to address clearly articulated major challenges that require medium to long-term collaborative efforts.
- C. The Parties wish to establish a research collaboration to be known as the Cooperative Research Centre for Water Sensitive Cities (**Centre**).
- D. The Centre will be managed and governed by the Company.
- E. The Company has or will enter into an agreement with the Commonwealth for the provision of funding from the Cooperative Research Centres Program towards the operation of the Centre and the conduct of the Activities (**Commonwealth Agreement**).
- F. It is a necessary precondition to the Commonwealth Agreement that the Parties sign this agreement to regulate the conduct of the Activities of the Centre.

Schedules

The following Schedules form part of this agreement:

- Schedule 1 – Definitions and Interpretation
- Schedule 2 – Centre Details
- Schedule 3 – Notice Details
- Schedule 4 – Activities
- Schedule 5 – Template Project Details
- Schedule 6 – Essential Participants Contribution
- Schedule 7 – Initial Projects

IT IS AGREED

1 Definitions and Interpretation

- 1.1 The words and phrases used in this agreement have the meanings as set out at Schedule 1.
- 1.2 In the interpretation of this agreement, unless the context otherwise requires, the rules set out at Schedule 1 apply.

2 Term

2.1 Conditional operation

Nothing in this agreement will have any force or effect until the Commonwealth Agreement is executed by the Company and the Commonwealth.

2.2 Term

This agreement will be deemed to start on the Commencement Date notwithstanding that the date of execution of the agreement may be later than the Commencement Date and continues, subject to clause 2.3, until one of the following occurs:

- (a) the Parties by unanimous written agreement terminate this agreement;
- (b) following the retirement or expulsion of a Party under clause 32, only one Party remains as a party to this agreement;
- (c) failure by the Company to receive the Commonwealth Funding or an instalment of the Commonwealth Funding during the Funding Period, other than through a temporary or unintended failure; or
- (d) termination of the Commonwealth Agreement,

and completion of all matters required to properly wind up the Centre has occurred.

2.3 Extension of Term

Although the Commonwealth Agreement may terminate under clause 2.2(d), the Parties may by written agreement determine that this agreement will continue upon the terms specified in that written agreement.

2.4 Review

The Parties must conduct a review at least 18 months before the end of the Funding Period to consider the operation of the Centre after the end of the Commonwealth Agreement, including:

- (a) whether to continue or end this agreement, either wholly or partially;
- (b) whether the Company should be wound up following the completion of all obligations of the Company under the Commonwealth Agreement; and
- (c) any other matter needing resolution at that point in time.

3 Relationship of this Agreement to Other Agreements

3.1 Relationship to the Commonwealth Agreement

- (a) This agreement does not reduce or otherwise affect the obligations of the Company under the Commonwealth Agreement.
- (b) In the event of any inconsistency between this agreement and the Commonwealth Agreement:
 - (i) the Commonwealth Agreement will prevail to the extent of any inconsistency if such inconsistency would mean that the Company would be in breach of its obligations under the Commonwealth Agreement; and
 - (ii) in any other case, this agreement prevails.

3.2 Relationship to the Company Constitution

In the event of any inconsistency between this agreement and the Constitution the Parties agree that it is their intention that this agreement will prevail and the Parties, and in particular the Members of the Company, must use their reasonable efforts to remove the inconsistency from the Constitution.

3.3 Relationship to Project Agreements

If there is an inconsistency between this agreement and a Project Agreement in respect of a Project (which must be prepared in accordance with Schedule 5), the Project Agreement prevails. A Project Agreement will be consistent with the Commonwealth Agreement, and in the event of any inconsistency between the Commonwealth Agreement and Project Agreement, the Commonwealth Agreement will prevail.

3.4 Company authority to vary the Commonwealth Agreement

The Company must not:

- (a) waive any of its rights or benefits under the Commonwealth Agreement; or
- (b) agree to a variation of the Commonwealth Agreement, without
- (c) a Special Board Resolution;
- (d) a Special Resolution of Essential Participants; and
- (e) if the variation relates to the Contributions of an Essential Participant, the written consent of the Essential Participant.

3.5 Variations to this agreement and the Constitution

The Parties must ensure that:

- (a) the Constitution and this agreement are consistent with the Commonwealth Agreement and otherwise allow the Company to meet its obligations under the Commonwealth Agreement;
- (b) no variation or alteration is made to the Constitution or this agreement, that is or may be inconsistent with the Commonwealth Agreement without the prior written consent of the Commonwealth;

- (c) this agreement is not varied in a way that would affect the Company's ability to comply with any obligations under the Commonwealth Agreement, without the prior written consent of the Commonwealth;
- (d) there are no changes to any of the Essential Participants from those listed in Schedule 5 of the Commonwealth Agreement without complying with the requirements of clause 6 of the Commonwealth Agreement; and
- (e) the Commonwealth is provided with a copy of any alteration or variation described under clause 3.5(b) or 3.5(c) within 10 Business Days of completion of the alteration or variation.

4 Centre and Centre Management

4.1 Establishment of the Centre

The Parties establish between them a collaboration, to be known as the Cooperative Research Centre for Water Sensitive Cities, for the purposes of carrying out the Activities in pursuit of the Centre Objectives in accordance with the terms set out in this agreement and the Commonwealth Agreement.

4.2 Establishment of CRC Executive

- (a) The CRC Executive will be responsible for the day-to-day management of the Centre and for successful delivery of the Research Programs and associated engagement with Essential Participants, Other Participants and other stakeholders.
- (b) The CRC Executive will consist of the following:
 - (i) the CEO;
 - (ii) the COO;
 - (iii) the Program Leaders; and
 - (iv) the Research Hub Coordinators.
- (c) The role of the CRC Executive includes:
 - (i) the evaluation and recommendation of Project scope;
 - (ii) recommendation of budget allocations annually to the Board;
 - (iii) performance review of Projects, including by taking advice from the Research Advisory Sub-Committees and Stakeholder Advisory Sub-Committees for each Research Program.
- (d) Matters which will be the responsibility of the CRC Executive include:
 - (i) formulation and review of Annual Budgets for the Centre, for submission by the CEO to the Board for approval;
 - (ii) allocation of funds and resources within the constraint of the Annual Budget;
 - (iii) review and recommendation of Research Programs;
 - (iv) assessment and detailed evaluation of Research Programs, especially against any applicable key performance indicators and milestones;
 - (v) to regularly consult with the Essential Participants Reference Group to develop a clear understanding of its strategic priorities;

- (vi) receiving recommendations from the CRC Advisory Committee for consideration and referral to the Board if appropriate;
 - (vii) identifying appropriate protection of Centre IP;
 - (viii) providing advice to the CEO in relation to requests relating to publication or disclosure of Centre IP;
 - (ix) evaluating Utilisation opportunities for Centre IP and making recommendations to the Board;
 - (x) review and approval of changes to Specified Personnel; and
 - (xi) providing advice and counsel to the Board on matters relating to the Research Programs and Centre as appropriate.
- (e) Decisions of the CRC Executive will be by consensus. Any decisions that cannot be resolved by the CRC Executive by consensus must be referred to the Board for resolution.

4.3 Establishment of Committees

The CRC Executive will establish the following committees:

- (a) the CRC Advisory Committee; and
- (b) in relation to each Research Program:
 - (i) a Research Advisory Sub-Committee; and
 - (ii) a Stakeholder Advisory Sub-Committee.

4.4 Establishment of the CRC Advisory Committee

- (a) Membership of the CRC Advisory Committee will comprise the chairperson of each Research Advisory Sub-Committee and Stakeholder Advisory Sub-Committee.
- (b) The CRC Advisory Committee will:
 - (i) independently monitor, review and assess the progress and performance of the Research Programs and report findings regularly to the CRC Executive;
 - (ii) regularly engage with and seek advice and recommendations from Essential Participants and Other Participants, primarily via the Advisory Sub-Committees;
 - (iii) carry out any other functions required of it under this agreement;
 - (iv) consider such other matters referred to it by the CRC Executive; and
 - (v) be invited to attend a Board meeting once a year.

4.5 Establishment of the Advisory Sub-Committees

- (a) The CRC Executive will establish in relation to each Research Program:
 - (i) a Research Advisory Sub-Committee; and
 - (ii) a Stakeholder Advisory Sub-Committee.
- (b) Membership of each Research Advisory Sub-Committee will be by invitation from the CRC Executive in consultation with the Board. The

CRC Executive may invite Research Essential Participants to put forward nominations for membership of the Research Advisory Sub-Committee.

- (c) The Research Advisory Sub-Committee will, in relation to its Research Program:
 - (i) provide feedback on the overall conduct and progress of the Research Program to the Program Leaders;
 - (ii) escalate any unresolved issues with Program Leaders to the CRC Advisory Committee;
 - (iii) report to the CRC Advisory Committee (and the CRC Executive) on the overall conduct and progress of the Research Program, including any variations made to the Research Program;
 - (iv) provide independent advice to the CRC Advisory Committee (and the CRC Executive) in relation to Project proposals, Project variations and Project performance;
 - (v) identify and report to the CRC Advisory Committee (and the CRC Executive) on the effectiveness of linkages across Projects and Research Programs, and opportunities for more effective linkages;
 - (vi) assess the fulfilment of Essential Participant and Other Participant needs via Projects and the Research Program;
 - (vii) independently monitor, review and assess the progress and performance of the Projects within its Research Program; and
 - (viii) consider such other matters referred to it by the CRC Advisory Committee or the CRC Executive.
- (d) Membership of each Stakeholder Advisory Sub-Committee will be by nomination from representatives of the Non-Research Essential Participants and Other Participants, in accordance with the following process:
 - (i) the chairperson of each Stakeholder Advisory Sub-Committee will be determined by the Non-Research Essential Participants;
 - (ii) nominations will be sought from representatives of the Non-Research Essential Participants and Other Participants for remaining membership of each Stakeholder Advisory Sub-Committee;
 - (iii) the chairperson of each Stakeholder Advisory Sub-Committee will determine the appropriate size of the sub-committee and the final composition of its membership in consultation with the CRC Executive; and
 - (iv) the terms of membership of the sub-committee will be staggered to ensure continuity and smooth transition of membership.
- (e) The Stakeholder Advisory Sub-Committee will, in relation to its Research Program:
 - (i) provide reasonable support to the Program Leader in relation to the Program;
 - (ii) provide recommendations and advice in relation to the adoption, progress and focus of Projects;

- (iii) advise on the Utilisation of the outcomes of the Projects within its Research Program;
- (iv) independently monitor, review and assess the progress and performance of the Projects;
- (v) consult with the stakeholders both geographically and sectorially; and
- (vi) consider such other matters referred to it by the CRC Advisory Committee or the CRC Executive.

4.6 Meetings of the Advisory Sub-Committees

- (a) Each Advisory Sub-Committee should meet at least once every six months during the Term, the first meeting to be within six months of the Commencement Date, and at any other time requested by the CRC Executive or the CRC Advisory Committee.
- (b) The Research and Stakeholder Advisory Sub-Committees for each Research Program must meet at least once every twelve months during the Term.
- (c) Subject to this clause 4.6, each Advisory Sub-Committee will regulate its own proceedings.
- (d) Where a meeting is called under clause 4.6(a), the chair of the Advisory Sub-Committee must give the remaining Advisory Sub-Committee members at least 14 days' notice (unless the Advisory Sub-Committee members agree to less notice) of the meeting date and the matters for discussion.
- (e) The chair of each Advisory Sub-Committee will be appointed by the Board, or otherwise nominated from a majority of its members.
- (f) A quorum for an Advisory Sub-Committee meeting is at least half of its members.

4.7 Establishment of the Essential Participants Reference Group

- (a) Each Essential Participant will appoint one representative to join the Essential Participants Reference Group.
- (b) The Essential Participants Reference Group must always contain a majority of representatives representing Non-Research Essential Participants or end-users.
- (c) Representatives of third parties, who are not Parties to this agreement but who have an interest in the Activities, may be invited to join the Essential Participants Reference Group by the Board from time to time, in order to comply with clause 4.7(b).

4.8 Role of the Essential Participants Reference Group

The Essential Participants Reference Group will meet with the Board at least twice a year to discuss the Essential Participants' views on:

- (a) performance of Research Programs;
- (b) the Annual Budget (prior to approval by the Board);
- (c) compliance with the Centre's business plan (if any); and

- (d) any other issues of concern to the Essential Participants in relation to the operation of the Centre or the conduct of Activities.

4.9 Review

The Board will review the Centre's governance structure and performance at least every two years to determine whether the Centre's governance structure is manageable and efficient, and to make any recommendations for improvement, if necessary.

4.10 Confidentiality requirements

Any person appointed to a Board committee or sub-committee or the Essential Participants Reference Group, who is not employed or engaged by an Essential Participant or Other Participant, must as a pre-condition to joining that committee or group, sign a confidentiality undertaking in an Approved Form.

4.11 Obligations of Company

The Company will use all reasonable endeavours to ensure that the CRC Advisory Committee and each Advisory Sub-Committee operates in accordance with this agreement.

5 The Company

5.1 Role of the Company

- (a) The Company must govern, manage and operate the Centre in accordance with the Commonwealth Agreement, this agreement and the Constitution.
- (b) The Essential Participants acknowledge that the Company is responsible for the overall governance, management and operation of the Centre, including the Activities.
- (c) The Company must conduct its operations in accordance with best practice principles of corporate governance.

5.2 Company objects and powers

The objects of the Company must be consistent with the Centre Objectives and the role of the Company in the Centre.

5.3 Company Constitution

The Constitution can only be amended:

- (a) in accordance with the Corporations Act, by a special resolution of the Members; and
- (b) by a Special Resolution of Essential Participants approving the amendment.

During the Term, Members must not agree to an amendment to the Constitution which is inconsistent with this agreement, unless this clause 5.3 and clause 3.5 have first been complied with.

5.4 Role of the Board

- (a) The Company will be governed by the Board in accordance with the Constitution.

- (b) The Board will be responsible for all functions necessary for the proper management and oversight of the Centre, including but not limited to:
 - (i) ensuring that the Activities are carried out in compliance with the Commonwealth Agreement;
 - (ii) approval of Annual Budget proposals received from the CRC Executive;
 - (iii) overseeing and authorising the allocation of Centre Resources in accordance with the Annual Budget and Contributions;
 - (iv) establishing committees from time to time, as necessary for the good governance and operation of the Company and the Centre;
 - (v) consulting regularly with the Essential Participants Reference Group to develop a clear understanding of its strategic priorities and to receive feedback on the performance of the Centre as outlined in clause 4.8;
 - (vi) receiving and considering reports and advice through the CEO from the CRC Advisory Committee and Advisory Sub-Committees on matters relating to the Activities;
 - (vii) receiving advice and counsel from the CRC Executive on matters relating to the Research Program and Centre as appropriate;
 - (viii) authorisation of the appointment of Program Leaders, on the recommendation of the CRC Executive;
 - (ix) overseeing the establishment and maintenance of a central register for Intellectual Property;
 - (x) reviewing and approving Utilisation opportunities for Centre IP; and
 - (xi) appointing and directing the CEO.
- (c) The Board will carry out the functions required of it under this agreement provided that it may delegate such authorities and responsibilities relating to the operation and management of the Centre under this agreement to the CEO or a committee (including a committee referred to under clause 4) as it determines from time to time.

5.5 Winding up

The Company can only be voluntarily wound up, or wound up while solvent:

- (a) in accordance with the Corporations Act, by a special resolution of the Members; and
- (b) by a Special Resolution of Essential Participants approving the winding up or approving an application to the court for winding up.

6 Board

6.1 Composition of Board

Subject to the requirements of the Commonwealth Agreement, the Parties agree that the Board will be skills based and made up of an independent chairperson who is independent of the Essential Participants and Other Participants and is not the CEO, together with a maximum of 8 other directors comprising:

- (a) two directors, elected from nominations received from Non-Research Essential Participants;
- (b) two directors, elected from nominations received from Research Essential Participants;
- (c) one independent director, elected from nominations received from all Essential Participants;
- (d) three directors, elected from nominations received from Other Participants, with at least one director being from, or having experience in, the local government sector.

6.2 Collective skills of the Board

The Board will collectively have skills and diversity in at least the following categories:

- (a) urban water sector management, urban planning, design and development, urban water services and industry operations and marketing and legal skills relevant to those areas;
- (b) local government;
- (c) strategic planning, business and financial management and economics;
- (d) corporate leadership and governance;
- (e) government policy, processes and structures;
- (f) management of research and development; and
- (g) education and training.

6.3 First Board

The Parties agree that, at the Commencement Date, the Board consists of the following Chairperson and Directors:

- (a) Cheryl Batagol (Chairperson);
- (b) Shaun Cox (MW);
- (c) Greg Davis (DW);
- (d) Rob Skinner (Monash);
- (e) Barry Ball (UQ);
- (f) an independent director nominated by Essential Participants;
- (g) a director from, or with extensive experience in, the local government sector nominated by Other Participants; and
- (h) two directors nominated by Other Participants.

6.4 Nomination and election process

The process for nominating, electing and appointing directors will be as set out in the Constitution.

7 Essential Participants

7.1 Essential Participants

The Essential Participants must ensure that at all times during the Term there is at least one Australian:

- (a) end-user, being a person, organisation, industry or community capable of deploying the research outputs of the Centre to deliver economic, environmental and/or social benefits to Australia; and
- (b) higher education institution,
amongst the Essential Participants.

7.2 Change of Essential Participants

Subject to clauses 7.1, 7.3, 31 and 32 any other obligations under this agreement or the Commonwealth Agreement, Essential Participants may be changed or substituted during the Term with the Commonwealth's prior written approval.

7.3 Notification of change of Essential Participants

- (a) The Company must, and the Essential Participants must ensure that, the Commonwealth is notified at least 60 days prior to any proposed substitution or change of an Essential Participant.
- (b) The notice under clause 7.3(a) must include:
 - (i) the details of the former Essential Participant and any joining Essential Participant, and a breakdown comparison of their Contributions to enable side by side comparison of component parts;
 - (ii) the amount of any Shortfall in the Budget for that Financial Year, or any future Financial Years that is anticipated to arise from the substitution or change in Essential Participant, and any steps the Company proposes to take to resolve or otherwise deal with any Shortfall; and
 - (iii) an assessment as to the degree to which the Centre's viability or capacity to undertake the Activities and achieve the Milestones is likely to be affected.

7.4 Involvement of Other Participants

The Parties agree that the involvement of Other Participants in the Activities, who are not party to this agreement, may be governed by the terms of an Other Participant Agreement and the relevant Project Agreement.

7.5 Other Participant Agreement

The terms of any Other Participant Agreement must be consistent with the terms of this agreement and the Commonwealth Agreement.

7.6 Entry of Other Participants

The Board may from time to time, decide to admit any person to be an Other Participant on the terms agreed by the Board and subject to execution of an Other Participant Agreement.

8 Centre Objectives

8.1 Objectives

The objectives of the Centre are to:

- (a) establish and operate the Cooperative Research Centre for Water Sensitive Cities (Centre) in accordance with the conditions outlined in the Commonwealth Agreement and Essential Participants Agreement, recognising that a core premise of the CRC Program is to form research collaborations that develop outcomes that are intended for the benefit of Australia and its citizens;
- (b) facilitate the undertaking of research to deliver socio-technical systems, education and training programs and small and medium enterprise (SME) engagement needed to transition cities and towns to Water Sensitive Cities for the betterment and benefit of Australians generally. The research is to be focussed to address the challenges in urban water management confronting Australia, a systemic issue of both national and international significance and priority. The research will ultimately provide a positive impact upon the liveability, productivity and sustainability of cities and the health of their residents whilst preserving, enhancing and restoring the characteristics valued and of benefit to citizens living in Australian cities and towns;
- (c) develop programs that aim to *inter alia*:
 - (i) revolutionise urban water management strategies in Australia;
 - (ii) deliver the social transformations needed to support Water Sensitive Cities, including community attitude and behavioural change, planning and development practices, management systems and technology innovations;
 - (iii) apply new paradigms of climate responsive design and green infrastructure that promotes synergistic relationships between constructed and natural environments;
 - (iv) harness the potential of a portfolio of water sources in cities and towns including recycled wastewater, stormwater and groundwater integrated at a range of scales for context-specific, fit-for-purpose uses; and
 - (v) develop an enduring partnership between government, industry, the water sector, and the community that is informed by the evidence drawn from the research programs;
- (d) actively support Centre Essential Participants and Other Participants involved in reforms of the water systems and services through providing and/or facilitating the required research relevant to supporting future population trends and responding to economic and climate change and uncertainty through collaborative efforts, thereby ensuring the outcomes

of the Centre are greater than those that would be achieved by the Essential Participants and Other Participants working alone, with the ultimate aim of leveraging the benefit of the same for Australians generally through the development of Water Sensitive Cities;

- (e) co-ordinate, engage and bring together the inter-disciplinary research expertise and thought-leadership of our participating organisations in Australia and internationally so as to address the challenges in urban water management now facing Australia's town and cities;
- (f) ensure the outcomes of the activities in 8.1(a) to (e) are utilised in the best interests of Australia to maximise the benefit to the Australian economy, environment and population and to deliver those outcomes for Utilisation on a global scale;
- (g) develop and implement a long term strategy for continuing to carry out the activities in 8.1(a) to (f) after the expiry of the initial term of the Centre for the enduring benefit of Australians generally; and
- (h) to do all such other things necessary, incidental or conducive to achieving the above objects.

8.2 Interpretation

- (a) In the interpretation of a provision of this agreement, a construction that would promote the Centre Objectives is preferred to a construction that would not promote the Centre Objectives.
- (b) The Centre Objectives will not be changed without the unanimous written agreement of all Parties and the Commonwealth (if necessary).

9 Party Responsibilities

9.1 Mutual Promises

Each Party must:

- (a) diligently conduct its part of the Activities and observe and perform its respective obligations and commitments set out in this agreement, the Constitution and the Commonwealth Agreement;
- (b) carry out its part of the Activities to a high standard, and in doing so, actively promote both the Centre Objectives and the CRC Program Objective and raise the profile of the CRC Program;
- (c) give its Contributions to the Centre in accordance with this agreement, the Commonwealth Agreement and any Project Agreement to which it is a party;
- (d) apply the Centre Funds and Centre Resources only for the purpose of carrying out the Activities in accordance with this agreement, the Commonwealth Agreement and any Project Agreement to which it is a party;
- (e) not unreasonably delay any action, approval, direction, determination or decision required of it in relation to the Centre;
- (f) use reasonable efforts to ensure that its directors, officers, employees, agents, contractors, Students and other representatives involved with the Centre give full force and effect to the provisions of this agreement; and

- (g) act reasonably and in good faith in performing its obligations for the Centre under this agreement.

9.2 Essential Participant Promises

Without limiting the other terms of this agreement, each Essential Participant must:

- (a) cooperate with and provide such assistance to the Company as reasonably required to enable the Company to meet its obligations under the Commonwealth Agreement; and
- (b) not do, or omit to do, anything that would cause the Company to be in breach of its obligations under the Commonwealth Agreement, where the Company has provided prior notice to the Essential Participant of an act or omission by that Essential Participant that is likely to cause the Company to be in breach of the Commonwealth Agreement.

This clause does not give the Company any right to demand or require any cash or in kind contribution in excess of the Essential Participant's Contribution, unless the Essential Participant has agreed to provide that increased Contribution.

10 Relationship of the Parties

10.1 Several liability

The rights, duties, obligations and liabilities of the Parties in relation to the Centre are, in every case, several and not joint nor joint and several.

10.2 No business in common

In relation to the Activities, the Parties do not carry on business in common with a view to joint profit.

10.3 R&D tax credit

This agreement is not intended to preclude the operation of Division 355 of the *Income Tax Assessment Act 1997* (Cth) or any equivalent or replacement concessional treatment or tax benefit associated with expenditure on research and development activities.

10.4 No agency etc

Unless expressly stated in this agreement:

- (a) nothing in this agreement constitutes any of the Parties as agent, partner or trustee of any other of them, or creates any agency, partnership or trust for any purpose whatsoever; and
- (b) a Party does not have any authority or power to act for, or to create or assume any responsibility or obligation, or incur any liability, on behalf of, another Party.

11 Contributions

11.1 Contributions

The Contributions committed by each Essential Participant to the Centre and the Activities are set out in Schedule 6.

11.2 Making Contributions

- (a) Each Essential Participant must:
 - (i) pay to the Company the cash component of its Contributions at the beginning of each Quarter in accordance with the Annual Budget, unless otherwise agreed with the Company; and
 - (ii) apply to the Activities the non-cash component of its Contribution, as specified in this agreement, the Commonwealth Agreement and any relevant Project Agreement.
- (b) An Essential Participant may convert any part of its non-cash Contribution into a cash Contribution, by providing the Company with at least 1 months' written notice. The value of any additional cash Contribution provided by an Essential Participant under this clause will be deducted from the Essential Participant's non-cash Contribution commitment.
- (c) When selecting Project Participants, the Company should take into account the need for an Essential Participant to be involved in sufficient Projects to enable that Essential Participant to comply with its obligations under clause 11.2(a) of this agreement.
- (d) A cash Contribution not paid by an Essential Participant under clause 11.2(a)(i) is a debt due to the Company and immediately payable by that Essential Participant on receipt of a demand from the Company.

11.3 Expenditure of cash Contributions

The cash component of the Contributions by Tax Paying Essential Participants must only be expended on research and development within Projects.

11.4 Valuation

- (a) In this agreement, cash Contributions will be valued in Australian dollars.
- (b) Non-cash Contributions will be valued in accordance with the Valuation Principles and excludes the value of Intellectual Property contributions.

11.5 Variation to Contributions

- (a) The Parties acknowledge that their respective Contributions are allocated across each Financial Year of the Term in accordance with the Budget and that no Party will in any Financial Year be required to contribute to the Activities beyond that proportion of its Contribution set out in the Budget.
- (b) Subject to the provisions of the Commonwealth Agreement and clauses 11.2(b) and 32, any alterations to the Contribution of an Essential Participant must only be made by written agreement of that Essential Participant and the Company. Where the alteration results in a reduction of Contributions, the Essential Participant must provide at least 12 months' notice in writing to the Company, unless the reduction of an

Essential Participant's Contribution is caused by a loss of funding or appropriation announced in a State or Territory budget, in which case the Essential Participant must notify the Company of the reduction as soon as practicable after the budget is announced.

11.6 Shortfalls

If a Shortfall occurs in an Essential Participant's Contributions, if required by the Commonwealth, the Essential Participant must cooperate with the Company in relation to either making good the Shortfall and/or taking other remedial action to account for the Shortfall.

11.7 Increase in Contributions

Notwithstanding any other provision in this agreement, an Essential Participant cannot be required to increase its Contributions without its approval.

11.8 Other funding

An Essential Participant must give the Company full details of any financial assistance, for or in connection with the Activities, which that Essential Participant receives from any Commonwealth, State or Territory government, source or agency during the Funding Period, including the amount and source of the funding and the name of the program under which it is provided, within 30 days of the Essential Participant receiving notice that the financial assistance has been approved.

12 Budgeting

12.1 Annual Budget

Prior to the commencement of each Financial Year, the Company must prepare an Annual Budget conforming to the Budget and setting out the financial requirements for carrying out the Activities for that year, including:

- (a) each Essential Participant's cash and non-cash Contributions for the year;
- (b) cash and non-cash contributions to the Activities to be procured from Third Parties;
- (c) the allocation of Centre Funds and Centre Resources to Projects and other Activities;
- (d) the allocation of Centre Funds and Centre Resources to Heads of Expenditure;
- (e) the portion of the Centre Funds (Activity Payments) and the Centre Resources to be given, for the purposes of carrying out the Activities to:
 - (i) each Essential Participant; and
 - (ii) other persons, including Third Parties; and
- (f) the portion of the Centre Funds and the Centre Resources to be used by the Company for its operations including for the conduct of the Activities and the management and governance of the Centre.

12.2 Draft Annual Budget

The CRC Executive will prepare a draft Annual Budget for the Board's consideration and approval in accordance with the requirements set out in clause 12.1.

12.3 Circulation of Annual Budget

The Company must give a copy of each Annual Budget to each Essential Participant within 15 Business Days after the Annual Budget is approved by the Board.

13 Specified Personnel

13.1 Make available

Each Party must supply its Specified Personnel for the Activities or the Project (as the case may be).

13.2 Terms of employment

Specified Personnel remain subject to the terms and conditions of employment of the employing Party. Specified Personnel will be replaced on reasonable request by the Company or otherwise as required under the Commonwealth Agreement.

13.3 Secondment

Specified Personnel who are seconded to the Company will remain subject to the terms and conditions of employment of the employing Party, but must comply with the Company's reasonable directions.

13.4 Withdrawal

Subject to the requirements of the Commonwealth Agreement:

- (a) an Essential Participant may withdraw any of its Specified Personnel from the Activities on 90 days' written notice to the Company subject to the Essential Participant providing a replacement for the withdrawn Specified Personnel reasonably acceptable to the Company; and
- (b) shorter notice may be given under clause 13.4(a) if the reasons for the withdrawal require shorter notice.

14 Assets

14.1 Definition of Asset

This agreement applies to any item of real or personal property (other than Intellectual Property) that is:

- (a) included as part of the Contribution of an Essential Participant;
- (b) acquired by an Essential Participant, in whole or in part using an Activity Payment to the Essential Participant;
- (c) acquired by the Company using Centre Funds; or
- (d) forming part of the Centre Resources provided to an Essential Participant for the purposes of carrying out the Activities,

("Asset").

14.2 Acquisition of Assets

The Essential Participants:

- (a) must not use the Commonwealth Funding for capital works or for the purchase, construction, renovation or extension of buildings or facilities; and
- (b) must not use their Activity Payments to acquire a Capital Item unless it is specified in the Budget or otherwise approved by the Company.

14.3 Ownership

Unless otherwise agreed between the Parties, an Asset remains vested in the Party having title to the Asset (**Asset Owner**).

14.4 Obligations of Asset Owner

For the Term, the Asset Owner:

- (a) will make the Asset available for use as and when reasonably required for the Activities as determined by the Company, subject to the terms of any Project Agreement;
- (b) must not sell, hire, charge, mortgage, pledge or otherwise encumber the Asset;
- (c) must keep the Asset in good working order; and
- (d) is responsible for insurance, maintenance and repair of the Asset, and any other costs and liabilities associated with the Asset.

14.5 Costs

The Company may, at its discretion, treat the costs mentioned in clause 14.4(d), or part of them, as an additional Contribution by the Asset Owner.

15 Financial Management

15.1 Company obligations

The Company must:

- (a) establish and operate the Account;
- (b) pay the Commonwealth Funding into the Account;
- (c) liaise with, report to and meet any other accounting and financial requirements of the Commonwealth under the Commonwealth Agreement, in order to secure instalments of the Commonwealth Funding in a timely manner;
- (d) issue invoices for and accept from each Essential Participant the cash component of its Contributions;
- (e) seek and accept any money to be procured from other persons contributing to the Activities;
- (f) pay the amounts received under clauses 15.1(d) and 15.1(e) into the Account;

- (g) draw on the Account to make Activity Payments; and
- (h) draw on the Account for the operating costs of the Company, including:
 - (i) the costs associated with the maintenance or protection of Centre IP as described in clause 25.9;
 - (ii) Utilisation Expenses; and
 - (iii) the costs of remuneration of the Board, the CEO and the Company's other employees (if applicable).

15.2 Company not agent

Except as expressly permitted under this agreement, the Company is not the agent for an Essential Participant or the Essential Participants.

15.3 No authority

Nothing in this agreement shall be taken to in any way authorise or permit the Company or an Essential Participant to incur any liabilities or undertake any obligations on behalf of, or in the names of, any of the other Essential Participants except as specifically authorised in this agreement or, in the case of the respective Project Participants, any Project Agreement to which it is a party.

16 Accounting and Reporting Requirements

16.1 Essential Participant accounts

An Essential Participant must keep separate financial accounts recording:

- (a) the cash component of its Contribution;
- (b) the Activity Payments made to it by the Company; and
- (c) all expenditure incurred by the Essential Participant from its Activity Payments in carrying out the Activities.

16.2 Company accounts

The Company must establish and keep a separate Account recording:

- (a) receipt of the Commonwealth Funding;
- (b) the cash component of each Essential Participant's Contribution received;
- (c) other cash paid to the Centre by other persons for the Activities;
- (d) the payment of Centre Funds to the Essential Participants and other persons;
- (e) Utilisation Income and Utilisation Expenses;
- (f) withdrawals from the Account under clause 15.1(h);
- (g) any other expenditure associated with the conduct of the Activities and the operation of the Centre; and
- (h) any other income of or expenditure by the Company in relation to the operation or management of the Centre.

16.3 Provision of information by Essential Participants

- (a) An Essential Participant must supply to the Company, within 14 days of a written request from the Company:
 - (i) all necessary information from the accounts referred to in clauses 16.1 and 21.5, for the Company to:
 - A. comply with the financial reporting requirements contained in the Commonwealth Agreement;
 - B. report to the Essential Participants as required under this agreement; and
 - C. conduct its operations in accordance with best practice principles of corporate governance; and
 - (ii) any other information reasonably requested by the Company relating to the Projects and any other Activities involving the Essential Participant, including that information required to satisfy the requirements of the Commonwealth Agreement.
- (b) An Essential Participant must supply the information under clause 16.3(a) in the Approved Form.

16.4 Accounting for non-cash Contributions

An Essential Participant must:

- (a) keep separate records of its non-cash Contributions, including time spent by each of its Specified Personnel on the Activities; and
- (b) on receipt of a request of the Company, supply the records to the Company, in the Approved Form.

17 Reporting by Company

17.1 Reporting on Activities

Within 90 days of the end of each Financial Year, the Company must give a written report to each Essential Participant on the Activities conducted in that Financial Year, including information on:

- (a) entry into Projects and major agreements;
- (b) progress in relation to the Centre's strategic plan and fulfilment of the Centre Objectives;
- (c) likely or actual achievement of any Milestones and Deliverables that are material to the fulfilment of the Centre Objectives;
- (d) progress on research and development activities, including Projects;
- (e) progress on Utilisation of Centre IP;
- (f) the financial position of the Company, including:
 - (i) the income of and expenditure by the Company during the Financial Year;
 - (ii) the assets and liabilities of the Company at the end of the Financial Year;
 - (iii) cash flow statements for the Company;

- (iv) cash Contributions paid and owing by the Essential Participants; and
- (v) the non-cash Contributions made and owed by the Essential Participants.
- (g) if requested, and subject to clause 44 or any obligations of privacy or confidentiality owed by the Company, copies of the reports prepared under clauses 21.3 and 21.4; and
- (h) any other information reasonably requested by the Essential Participants.

17.2 Quarterly reports

Without limiting its obligations under the Corporations Act, within 60 days of the end of each Quarter the Company must give a written report to each Essential Participant on the financial position of the Company, including:

- (a) the income of and expenditure by the Company during the Quarter;
- (b) the assets and liabilities of the Company at the end of the Quarter;
- (c) cash flow statements for the Company;
- (d) cash Contributions paid and owing by the Essential Participants;
- (e) the non-cash Contributions made and owed by the Essential Participants; and
- (f) any other financial information reasonably requested by an Essential Participant.

17.3 Notification of critical events

The Company must give written notice to each Essential Participant within 14 days of the Company becoming aware of any of the following events:

- (a) litigation threatened or commenced against the Company;
- (b) a notification from any government department or agency of a breach or alleged breach of a legal obligation;
- (c) a substantial dispute between the Company and an Essential Participant;
- (d) a substantial dispute between the Company and another person;
- (e) receipt by the Company of a winding-up application; or
- (f) notice of circumstances that would warrant expulsion of an Essential Participant under clause 32.1(b).

18 Background IP

18.1 Contribution of Background IP for Activities

An Essential Participant may make its Background IP available for the Activities for purposes not directly related to the conduct of a Project under this clause 18 on terms agreed in writing with the Company.

18.2 Contribution of Background IP to Project

A Project Participant will make its Background IP available to a Project:

- (a) as specified in the applicable Project Agreement; or

- (b) on terms agreed in writing between the Company and the Project Participant.

18.3 **Warranty**

Each Essential Participant represents and warrants to the other Parties that:

- (a) to its actual knowledge or belief, without the need to make additional enquiries, conduct searches or seek a legal or patent attorney opinion, it is the owner of, or is otherwise entitled to supply, the Background IP for the Activities or the Project;
- (b) except to the extent:
 - (i) disclosed in the Project Agreement; or
 - (ii) if not disclosed in the Project Agreement, advised to the Company when Background IP was offered,the Essential Participant has not entered into an agreement affecting, nor has dealt with, the Background IP that is inconsistent with the rights granted to the other Project Parties as described in the Project Agreement or under this clause 18; and
- (c) it will not enter into an agreement in relation to or otherwise deal with the Background IP in a way that restricts the exercise of the rights granted to the other Project Parties as described in the Project Agreement or under this clause 18.

18.4 **Licence for Project use**

Each Project Participant in a Project grants to the other Project Parties an irrevocable, non-exclusive, royalty-free, worldwide licence to use, and in the case of DSE, to sub-license to Portfolio Agencies, the Project Participant's Background IP supplied to the Project for the purposes of the Project, subject to any restrictions on its use:

- (a) disclosed in the Project Agreement; or
- (b) if not disclosed in the Project Agreement, included in the terms agreed with the Company under clause 18.2(b).

18.5 **Licence for general use**

An Essential Participant who makes Background IP available under clause 18.1 grants the other Parties an irrevocable, non-exclusive, royalty-free, worldwide licence to use, and in the case of DSE, to sub-license to Portfolio Agencies, the Background IP during the Term for the Activities subject to any restrictions on its use included in the terms agreed with the Company under clause 18.1.

18.6 **Licence for Utilisation**

- (a) If:
 - (i) Centre IP is developed using an Essential Participant's Background IP; and
 - (ii) the Background IP is reasonably required for the Utilisation of the Centre IP,

then the Company will advise the Essential Participant that a licence to the Background IP is needed for the purposes of Utilisation of the Centre IP (**Licence Request**).

- (b) An Essential Participant who receives a Licence Request will grant a licence (including the right to sub-license) to the Company, on arms' length terms, to Utilise the Background IP to the extent it is reasonably required for the Utilisation of the Centre IP.
- (c) If the Essential Participant and the Company cannot agree on the licence terms under clause 18.6(b) within 90 days of issue of the Licence Request (or such longer period as the Company and Essential Participant agree) then the matter will be referred for expert determination under clause 18.6(d).
- (d) For a matter referred under clause 18.6(c):
 - (i) the matter will be referred to an expert agreed by the Essential Participant and the Company, or if there is no agreement, an expert appointed by the President of the Licensing Executives Society Australia and New Zealand;
 - (ii) the Essential Participant and the Company will share equally the costs of the expert determination unless the expert decides otherwise;
 - (iii) the decision of the expert will be binding; and
 - (iv) the Essential Participant is taken to have granted to the Company a licence (including the right to sub-license) to Utilise the Background IP to the extent it is reasonably required for the Utilisation of the Centre IP on the terms decided by the expert.

18.7 Acknowledgment

- (a) An Essential Participant keeps use and control of its Background IP and may use its Background IP freely if the use is not inconsistent with the terms of this agreement, or any Project Agreement.
- (b) Clause 18 does not change ownership of Background IP.

18.8 IP Register

The Company must record all Background IP supplied under this agreement in the IP Register established under clause 25.7, including any restrictions on use disclosed or notified in accordance with this clause 18 and any licences granted under clause 18.6.

18.9 Infringement of Background IP

The Parties must take all necessary steps to give each other prompt notice of an infringement of Background IP supplied under clause 18 coming to their attention.

19 Projects

19.1 Activities through Projects

The Activities may be carried out in part through discrete Projects.

19.2 Research Activities

All Activities involving research must be carried out through Projects.

19.3 Project Development

The Company will undertake a Project development process to consider and determine the focus of Activities and Projects from 1 July 2016. The process will involve:

- (a) gathering information from Essential Participants and Other Participants in regards to industry research needs;
- (b) identifying Centre outcomes and associated Research Program outputs to meet industry research needs;
- (c) consider and design projects within each Research Program and identify cross linkages and integration across the four Research Programs;
- (d) seek review and feedback from Essential Participants and Other Participants in relation to proposed Projects and their capacity to meet industry needs;
- (e) develop budgets for proposed Projects; and
- (f) an assessment of priority of Projects by the CRC Executive in consultation with the Essential Participants Reference Group,

and each Essential Participant agrees to cooperate with and provide reasonable assistance to the Company in relation to the Project development processes.

19.4 Project Plan

In relation to every proposed Project other than the Initial Projects, the Company will prepare, or may require the Project Participants to prepare, a draft Project Plan, with such document to include at a minimum the following details with respect to the Project:

- (a) the Project Leader;
- (b) the Project Commencement Date and Project Completion Date;
- (c) the Project Objectives;
- (d) the proposed strategy to be followed;
- (e) potential outcomes;
- (f) Project milestones;
- (g) Project deliverables;
- (h) a Project budget;
- (i) contributions to be made by other persons, including Third Parties;
- (j) resource requirements, including Contributions, Background IP and Centre Funds;
- (k) Student requirements (if any);
- (l) required access to or expenditure on new Assets (if any);
- (m) an analysis of Project risk;

- (n) an analysis of the likely opportunities for Utilisation of potential Project outcomes; and
- (o) such other matters as the Board may require.

19.5 Project Approval

Subject to the Commonwealth Agreement, the Board will decide the Projects to be undertaken, taking into account recommendations of the CRC Executive. The Board is not required to accept or act on the recommendations, and may:

- (a) approve the Project;
- (b) set conditions on the approval of the Project;
- (c) amend the proposal or Project Plan; or
- (d) reject the proposal.

19.6 Selection of Project Participants

- (a) When selecting Project Participants, the Company should take into account the need for an Essential Participant to be involved in sufficient Projects to enable that Essential Participant to comply with its Contribution obligations under this agreement.
- (b) Subject to this agreement and the Commonwealth Agreement, and taking into account recommendations of the CRC Executive together with any indications from a Party regarding their desired involvement in a Project, selection of Project Participants to participate in a Project (other than the Initial Projects) is a decision for the Board in its absolute discretion.

19.7 Initial Projects

The Parties acknowledge that Project Details concerning the Initial Projects (if any) will be agreed and entered into contemporaneously with this agreement (including Third Party Project Agreements in the event of Third Party participation).

19.8 Project Documents

The Essential Participants acknowledge that the Company will require:

- (a) that Project Agreements be agreed in writing by all Project Parties; and
- (b) without limiting clause 19.8(a), in the case of each Project which includes Third Parties as Project Participants, that a Third Party Project Agreement be executed by all Third Parties.

19.9 Project Commencement

The Project Participants must not start a Project unless:

- (a) the Project has been approved in accordance with this agreement;
- (b) all relevant ethics approvals have been obtained; and
- (c) the relevant Project Agreement is in place in accordance with clause 19.8.

19.10 Project Details

- (a) In the case of each Project which does not include Third Parties as Project Participants, the Project Details must include as a minimum the issues listed in Schedule 5.
- (b) For the avoidance of doubt, each Project which does not include Third Parties as Project Participants is governed by the Project Details and the terms of this agreement.

19.11 Third Party Project Agreements

Third Party Project Agreements may be entered into by the Company for the purpose of obtaining the support or contributions of a third party to a Project in circumstances where the third party is not a Commissioning Party or an Other Participant as long as the Third Party Project Agreement is consistent with this agreement.

19.12 Third Party Project Participants

For the avoidance of doubt, the rights and obligations applicable to Project Participants under this agreement do not apply to Third Parties except to the extent that such Third Parties have entered a Third Party Project Agreement containing corresponding rights and obligations.

19.13 Commissioned Project Agreements

Commissioned Project Agreements may be entered into by:

- (a) the Company, the Commissioning Party and those Essential Participants who will be Project Participants in the Project, in which case those Essential Participants must carry out the Commissioned Project in accordance with that Commissioned Project Agreement; or
- (b) the Company and the Commissioning Party only, in which case the Company will consult with those Essential Participants who will be Project Participants in the Project prior to entering into the Commissioned Project Agreement and subcontract those Essential Participants who are Project Participants to carry out the Commissioned Project, and those Essential Participants will carry out the Commissioned Project in accordance with those subcontracts and the Commissioned Project Agreement.

20 Project Funds and Project Contributions

20.1 Project Funds

- (a) Each Project Participant in a Project must pay its cash Project Contribution to the Company in accordance with this agreement and any Project Agreement, on receipt of an invoice from the Company.
- (b) Subject to clause 20.1(c) and 20.1(d), the Company must pay the Project Funds to the Project Participants for a Project quarterly in advance or otherwise in accordance with the Project Agreement.
- (c) The Company:
 - (i) may withhold Project Funds for a Project from a Project Participant if a Milestone has not been achieved, or a Deliverable has not been supplied by their required date; and

- (ii) must release the withheld Project Funds once the Project Participant has achieved the Milestone or supplied the Deliverable.
- (d) If a Project Participant has not paid a cash Project Contribution that is due to the Company in accordance with the Project Agreement, the Company does not have to pay to the Project Participants that part of the Project Funds corresponding to the unpaid cash Project Contributions while they remain unpaid. The Company must notify the Project Participants immediately upon becoming aware that it is unable to pay the Project Participants as a result of unpaid cash Contributions. The obligations of the Project Participants to carry out the Project is reduced to the extent of any Project Funds withheld under this clause 20.1(d).

20.2 Project Contributions

- (a) Contributions to a Project by Project Parties must be specified in the Project Details.
- (b) The Company must make its non-cash Project Contributions available for the Project at the times and in the manner specified in the Project Agreement.
- (c) Each Project Party must make its non-cash Project Contributions available to a Project in the manner specified in the Project Agreement.

20.3 Use of Project Funds and other Project Contributions

The Project Participants must only use the Project Funds and Project Contributions for the purposes of the Project in accordance with the Project Agreement.

21 Project Management and Reporting

21.1 Project Leader

Each Project must be managed by a Project Leader. The Responsible Participant must use its reasonable efforts to ensure that the Project Leader for the Project:

- (a) uses his or her reasonable efforts to ensure the Project is conducted:
 - (i) in accordance with the Project Plan;
 - (ii) so as to achieve the Milestones and Project Objectives; and
 - (iii) so as to provide the Deliverables;
- (b) manages the daily conduct of the Project in accordance with the Project Agreement;
- (c) gives scientific leadership to the Project;
- (d) is responsible for administration of all Project personnel, including Students; and
- (e) maintains financial, technical and research records in the Approved Form.

21.2 Carrying out the Project

The Project Participants for a Project must carry out the Project:

- (a) in accordance with the Project Plan, including the Project Budget;

- (b) to a professional standard;
- (c) so as to do all things necessary or desirable to achieve the Project Objectives;
- (d) so as to achieve the Milestones by their required dates;
- (e) so as to provide the Deliverables by their required dates;
- (f) in accordance with the Project Leader's reasonable directions, and using all reasonable endeavours to ensure that their personnel involved in the Project comply with this agreement.

21.3 Project reporting

- (a) The Responsible Participant must immediately advise (or ensure that the Project Leader advises) the Company of:
 - (i) a substantial deviation from the Project Plan; and
 - (ii) any matter that the Project Leader considers will, or may, affect the ability of the Project to:
 - A. meet Project Objectives;
 - B. satisfy Milestones;
 - C. supply Deliverables; or
 - D. come within the Project Budget.
- (b) The Responsible Participant must provide Quarterly reports to the Company in the Approved Form, or ensure that the Project Leader does so. The reports must include:
 - (i) a progress review of the Project, including scientific advances, outcomes, key achievements, Deliverables and Milestones;
 - (ii) any matter the Project Leader considers will, or may, affect the ability of the Project to:
 - A. meet Project Objectives;
 - B. satisfy Milestones;
 - C. supply Deliverables; or
 - D. come within the Project Budget.
 - (iii) a failure to receive Project Contributions;
 - (iv) significant difficulties encountered during the Project and actions taken or plans to resolve them;
 - (v) a description of Centre IP created, time of creation and author/inventor; and
 - (vi) any Background IP used in the Project.

21.4 Reports by Project Parties

- (a) If requested by the Responsible Participant, a Project Party must promptly give the Responsible Participant information on the Project (including in relation to status and outcomes) in the form reasonably requested by the Responsible Participant.

- (b) Each Project Party (excluding the Responsible Participant), must nominate a person as the Project Representative of the Project Party for the Project.
- (c) The Project Leader will direct all communication and requests for information for a Project to the Project Representatives.

21.5 Separate Project financial reports

A Project Participant must keep separate financial accounts for a Project recording:

- (a) Project Contributions made under clause 20.2;
- (b) receipt of Project Funds paid to it by the Company under clause 20.1(b);
- (c) all expenditure from Project Funds in carrying out the Project; and
- (d) any other expenditure associated with the Project.

21.6 Refund

If a Project Participant does not expend all the Project Funds paid to it by the Company on the Project, it must refund the unspent Project Funds to the Company within 30 days of the completion or termination of the Project, or as otherwise agreed by the Company. The Company will provide a Project Participant with an invoice for unexpended Project Funds upon request from the Project Participant.

22 Withdrawal and Expulsion of a Project Participant

22.1 Withdrawal from Projects

- (a) Subject to clause 22.1(c), a Project Participant may withdraw from the Project by giving six months' notice to each other Project Party.
- (b) If a Project Participant withdraws from the Project the remaining Project Parties must meet for the purpose of agreeing on whether or not to continue the Project or to vary the Project and the terms on which that continuation would proceed.
- (c) A Project Participant may not withdraw from a Project without the agreement of the other Project Parties if it would result in the Project Parties being in breach of any agreement with a Third Party, including a Third Party Project Agreement.

22.2 Expulsion from Projects

- (a) The Company may expel a Project Participant from a Project if Due Cause exists in relation to that Project Participant and it remains unremedied after 30 days following written notice to the Project Participant from the Company.
- (b) In clause 22.2(a), 'Due Cause' means:
 - (i) failure to make Project Contributions when required by the Project Agreement;
 - (ii) unauthorised use or Utilisation of Centre IP or Background IP;
 - (iii) any other material breach of this agreement in relation to the Project or of the Project Agreement;

- (iv) a change or proposed change to personnel that is likely to adversely affect the Project;
- (v) failure to remedy a Conflict in relation to the Project under clause 47 to the satisfaction of the Company;
- (vi) change in the direct or indirect beneficial ownership or control of the Project Participant in question that would affect its ability to comply with its obligations under this agreement or would be inconsistent with the Project Objectives;
- (vii) disposal of whole or any part of the Project Participant's assets, operations or business other than in the ordinary course of business;
- (viii) ceasing to carry on business;
- (ix) insolvency;
- (x) steps taken by a mortgagee to take possession or dispose of the whole or any part of the Project Participant's assets, operations or business;
- (xi) steps taken to enter into any arrangement between the Project Participant and its creditors other than in the ordinary course of business;
- (xii) steps taken to appoint a receiver, a receiver and manager, a trustee in bankruptcy, a liquidator, a provisional liquidator, an administrator or other like person, concerning the whole or any part of the Project Participant's assets, operations or business; or
- (xiii) assignment of its rights or obligations under this agreement other than in accordance with clause 52.2.

22.3 Consequences of withdrawal or expulsion from Project

- (a) If a Project Participant withdraws or is expelled from the Project, the Project Participant will from the date of effect of the withdrawal or expulsion:
 - (i) cease to be a Project Party;
 - (ii) subject to clause 22.3(b), relinquish all rights with respect to the Project and the Project IP; and
 - (iii) subject to clause 22.3(b), be relieved of its obligations to make Project Contributions, to carry out, report on or manage the Project, or otherwise participate in the Project.
- (b) The withdrawal or expulsion of any Project Participant from the Project:
 - (i) will not affect:
 - A. the enforceability of any obligations of that Project Participant;
 - B. rights against that Project Participant accrued at that time or arising as a result of the withdrawal or expulsion; or
 - C. any obligation upon the Project Participant to make its Background IP available to the Project;

- (ii) will not relieve that Project Participant of the obligations imposed upon it under this agreement other than as specified in clause 22.3(a)(iii); and
- (iii) subject to clause 22.1(b), will not relieve the remaining Project Parties of their obligations under this agreement with respect to the Project and they must continue to carry out the Project and perform the terms of this agreement with respect to the Project.

23 Variation to Projects

23.1 Approval Process

- (a) The Company may vary the Project Details for a Project provided always that:
 - (i) any decision made by the Company under this clause 23.1 will be made only after due consultation with the Project Participants and will be set out in writing, which will be signed by the CEO and the Project Leader and copied to each Project Participant and attached by the CEO to the Project Details; and
 - (ii) if the variation to the Project Details requires an increase to the Project Contributions of a Project Participant, that increase will be subject to the agreement of the Project Participant.
- (b) A Project Participant whose Activity Payment is reduced by the decision under clause 23.1(a) must be compensated for a loss necessarily incurred due to the reduction in payment provided that:
 - (i) the compensation paid is no more than the balance of the Activity Payment that would have been paid to the Project Participant if the variation or termination had not occurred;
 - (ii) the Project Participant has taken all reasonable steps to mitigate any loss; and
 - (iii) the Project Participant expends such compensation on, or provides an equivalent value of non-cash Contributions to, other Activities agreed with the Company.
- (c) A Project Participant will not be required to carry out any variation to the Project if:
 - (i) it is outside the Project Participant's capacity;
 - (ii) it is inconsistent with the Project Participant's Rules; or
 - (iii) it places the Project Participant in a conflict of interest having regard to:
 - A. existing obligations owed by the Project Participant to another person; or
 - B. current good faith negotiations between the Project Participant and another person.

23.2 Unauthorised work

A Project Participant will not be compensated for any work performed or expenditure incurred in relation to a variation to the Project that has not been approved under clause 23.1.

24 Termination of Projects

24.1 Termination of Projects by Company

- (a) The Company may terminate a Project on 30 days written notice to the Project Participants if:
 - (i) a Milestone has not been met by its due date and is not met within 30 days after the Company gives written notice of the failure to meet the Milestone to the Project Participants;
 - (ii) a Deliverable has not been supplied by its due date and is not supplied within 30 days after the Company gives written notice of the failure to supply the Deliverable to the Project Participants; or
 - (iii) in the reasonable opinion of the Company, the Project Objectives are unlikely to be achieved and remain unlikely to be achieved after 30 days following notice from the Company to the Project Participants of such opinion.
- (b) The Company may give more than 30 days written notice under clauses 24.1(a)(i) or 24.1(a)(ii).
- (c) The Company must not terminate a Project under clause 24.1 unless:
 - (i) if required under the Commonwealth Agreement, the Commonwealth has been informed of the proposed termination and does not object to the termination; and
 - (ii) if subject to any Third Party Project Agreement, the termination is in accordance with that agreement.

24.2 Consequences of Termination

- (a) If the Project is terminated under clause 24.1(a)(iii) and there are sufficient Project Funds, the Company must reimburse each Project Participant from the Project Funds for its reasonable expenses necessarily incurred (if any) because of the early termination of the Project.
- (b) A Project Participant who is reimbursed under clause 24.2(a) must take reasonable steps to mitigate the expenses incurred.
- (c) The total amount paid to each Project Participant must be no more than the balance of the Project Funds that would have been payable to the Project Participant if the Project had not terminated.
- (d) If there are insufficient Project Funds to reimburse all expenses, each Project Participant will be reimbursed on a pro rata basis according to their respective Project Contributions.
- (e) The Company must advise the Essential Participants of the termination of Projects in the next Quarterly report under clause 17.2.
- (f) Termination of a Project for any reason is without prejudice to the continuing enforceability of any rights and obligations of the Project Parties existing at the termination date.

24.3 Termination of the Essential Participants Agreement

Subject to any obligations under extant Commissioned Project Agreements or Third Party Project Agreements, all Projects will terminate if this agreement is terminated for any reason.

25 Centre IP

25.1 Ownership of Centre IP

Upon its creation, all Centre IP will be owned by the Company legally and beneficially. Each Party hereby assigns its legal and beneficial interest in current and future Centre IP to the Company.

25.2 Ownership of Commissioned Project IP

- (a) Commissioned Project IP will be owned in accordance with the relevant Commissioned Project Agreement.
- (b) Unless the Commissioned Project Agreement states otherwise, Commissioned Project IP will be owned the Company.

25.3 Vesting of ownership

The Parties must cooperate with each other Party and promptly do all acts and things and sign all documents necessary to vest legal and beneficial ownership of Centre IP in the Company as required under this agreement.

25.4 Management of Centre IP

The Company is responsible for the management of Centre IP including:

- (a) monitoring and recording Intellectual Property developed in Projects and other Activities;
- (b) recording Centre IP in the IP Register including the inventor/author of the Centre IP;
- (c) identifying and recording Centre IP used in other Projects and Activities;
- (d) deciding protection strategies for Centre IP; and
- (e) managing any licences granted to the Centre IP other than those granted under this agreement.

25.5 Protection of Centre IP

- (a) The Board must decide whether any outcomes from the Activities need patent protection or another type of Intellectual Property protection, and if it does, the countries in which protection will be sought.
- (b) Unless the Board agrees otherwise, the Company will apply for, maintain and prosecute Intellectual Property protection over the outcomes of the Activities.
- (c) If the Board determines that Centre IP:
 - (i) is not of any value (financial or otherwise) to the Centre; or
 - (ii) solely relates to activities which are not core to the Centre and will not be pursued or exploited by the Centre,

the Board may offer the Centre IP to the Project Participants, on terms to be agreed on a case by case basis between the Board and each Project Participant that expresses an interest in that Centre IP.

25.6 Registration in Company name

If Centre IP is the subject of a patent or other registrable form of Intellectual Property protection, the application and registration:

- (a) must be in the name of the Company; and
- (b) where required, will identify the inventors of the Centre IP.

25.7 IP Register

The Company must maintain an IP register recording Background IP, Centre IP and Commissioned Project IP that includes:

- (a) the date of entry on the register;
- (b) a description of the relevant Intellectual Property, including ownership details;
- (c) the terms on which Background IP is supplied, including restrictions on use;
- (d) the Party supplying Background IP;
- (e) the inventor and the Party that developed Centre IP or Commissioned Project IP; and
- (f) details of agreements made by the Company with Essential Participants and/or other persons for the disclosure or use of Background IP, Centre IP or Commissioned Project IP.

25.8 Notice of Infringement

- (a) The Essential Participants must give the Company prompt notice of any infringement of Centre IP or Commissioned Project IP coming to their attention.
- (b) Each Essential Participant must give the Company all assistance the Company reasonably requires to protect Centre IP or Commissioned Project IP if the Company pays the Essential Participant for all reasonable costs and expenses of providing the assistance.

25.9 Costs of Protection

- (a) The Company may draw on the Account to meet all costs associated with applying for, gaining initial protection, maintaining and prosecuting patent or any other form of Intellectual Property protection associated with Centre IP (including any action for infringement of the Centre IP).
- (b) Drawings under clause 25.9(a), are expenses incurred in the conduct of the Activities.

25.10 Dealing with Centre IP

Each Essential Participant:

- (a) must respond to a request from the Company to provide Material in its possession regarding Centre IP or Commissioned Project IP that has

- been developed by the Essential Participant or is under development by the Essential Participant;
- (b) must use its best efforts to ensure that itself and its employees, agents, contractors, Students or other persons participating in the Project:
 - (i) identify Centre IP generated or developed by them;
 - (ii) promptly communicate details of the Centre IP to the Project Leader and the Company; and
 - (iii) do nothing to prejudice the protection of Centre IP; and
 - (c) must not use, Utilise, dispose of, encumber or otherwise deal with or enter any agreement in relation to any interest that it might hold in Centre IP, except as authorised in this agreement or otherwise with the written consent of the Company.

25.11 Essential Participants' right to use Centre IP

Subject to this agreement and any Commissioned Project Agreement, the Company grants to each Essential Participant a non-exclusive royalty-free worldwide perpetual licence to use, reproduce, modify and adapt the Centre IP (but not the right to sublicense except in the case of DSE who may sublicense the Centre IP to the Portfolio Agencies):

- (a) to conduct the Activities under this agreement;
 - (b) for Internal Business Operations other than Commercialisation;
- provided the Essential Participant or its sub-licensee:
- (c) registers its intention with the Company;
 - (d) maintains the confidentiality of Confidential Information;
 - (e) does not prejudice the Company's ability to:
 - (i) protect the Centre IP;
 - (ii) licence and use the Centre IP to achieve the Centre Objectives;
 - (iii) maximise the return from any Centre IP that has significant commercial potential; or
 - (iv) comply with its obligations under the Commonwealth Agreement.

25.12 Essential Participants' right to register security interest

An Essential Participant may register a security interest where permitted under the *Personal Property Securities Act 2009* (Cth) in respect of the licence granted to the Centre IP under clause 25.11.

25.13 Improvements

Intellectual Property in Improvements made by an Essential Participant under the licence granted under clause 25.11(b) vests in the Essential Participant upon creation.

26 Utilisation of Centre IP

26.1 Warranty by Company

The Company warrants to the Essential Participants that it will Utilise the Centre IP in accordance with this agreement and the Commonwealth Agreement.

26.2 Reporting on Utilisation

- (a) This clause applies once Utilisation has started.
- (b) The Company must include in the Quarterly reports under clause 17.2, a progress report on Utilisation of Centre IP.

26.3 Company Obligations

The Company must ensure that the Utilisation of Centre IP and commercial arrangements entered into by the Company comply with this agreement and the Commonwealth Agreement.

26.4 Utilisation Expenses

The Company may draw on the Account to pay Utilisation Expenses as part of the operating expenses of the Company.

26.5 Survival

Clause 26 survives expiration or earlier termination of this agreement.

27 Moral Rights

An Essential Participant will use reasonable efforts to obtain from its Specified Personnel, other employees, agents, Students and sub-contractors, any Moral Rights consents reasonably necessary for the conduct of the Activities or for Utilisation of Centre IP.

28 Indemnities

28.1 Mutual indemnity

Subject to clauses 28.2, 28.3 and 28.4, each Party (**Indemnifying Party**) irrevocably and unconditionally indemnifies and agrees to keep indemnified each of the other Parties and their respective directors, officers, employees, agents and contractors (**those Indemnified**) from and against any Loss however arising that those Indemnified may suffer, incur or sustain to the extent that such Loss is a result of:

- (a) a breach of this agreement by the Indemnifying Party;
- (b) the exercise by the Indemnifying Party of any rights granted to it in relation to the Centre IP or Background IP;
- (c) an unlawful or negligent act or omission by the Indemnifying Party or any of its directors, officers, employees, agents or contractors arising in connection with the Centre or the Activities; or

- (d) an act or omission of the Indemnifying Party that causes or contributes to a breach of the Commonwealth Agreement, a Third Party Project Agreement or a Commissioned Project Agreement.

28.2 Reduction of indemnity

The indemnities given under clauses 28.1 will be reduced proportionately to the extent that the Loss was caused or contributed to by:

- (a) a breach of this agreement by those Indemnified;
- (b) the exercise by any of those Indemnified of any rights granted to them in relation to the Centre IP or Background IP;
- (c) any unlawful or negligent act or omission by those Indemnified or any of their directors, officers, employees, agents or contractors arising in connection with the Centre or the Activities; or
- (d) an act or omission of those Indemnified that causes or contributes to a breach of the Commonwealth Agreement, a Third Party Project Agreement or a Commissioned Project Agreement.

28.3 Commonwealth exception

If the Commonwealth is a Party, it is excluded from the obligation under clause 28.1 to indemnify the other Parties.

28.4 Consequential losses

A Party is not liable for special, indirect or consequential loss or damages (including loss of income or profits and loss of expectation of income or profits) arising under this agreement.

28.5 Notification of acts

Each of those Indemnified under clause 28 must promptly notify every Indemnifying Party of any event or circumstance that may reasonably give rise to those Indemnified relying upon the indemnity in clause 28.

28.6 Operation of law

This clause 28 does not exclude or reduce the liability of, or benefit to, a Party that may arise by operation of the common law or breach of statute.

28.7 Enforcement as agent

The Parties agree that a Party may enforce the indemnities given under clause 28 on behalf of any of its directors, officers, employees, agents or contractors.

28.8 Survival

The indemnities in clause 28:

- (a) are a continuing obligation, separate and independent of each Party's other obligations;
- (b) survive the expiration or earlier termination of this agreement; and
- (c) continue to apply (both as a right and as an obligation) to any Party who is expelled or retires from the Centre.

29 Insurance

29.1 Obtain insurance

- (a) Each Party must effect and maintain current adequate insurance that a prudent person participating in the Activities would maintain to cover its participation in the Activities including all Projects in which it participates.
- (b) The insurance:
 - (i) must cover loss, damage and liability the Party may suffer or incur in conducting the Activities;
 - (ii) must be with an insurer authorised by the Australian Prudential Regulation Authority (APRA) or approved by the Commonwealth;
 - (iii) must include:
 - A. workers' compensation insurance for an amount required by the relevant State or Territory legislation;
 - B. public liability insurance for at least \$10,000,000 per claim; and
 - C. professional indemnity insurance for at least \$1,000,000 per claim.
- (c) The Parties must use reasonable endeavours to include adequate run-off cover after this agreement has ended.

29.2 Self-insurance

An Essential Participant may act as its own insurer, or be insured with an insurer other than those specified in clause 29.1(b)(ii) if the Company consents.

29.3 Evidence of insurance

Within 10 Business Days of a written request, each Essential Participant must provide the Company with a certificate of currency of its relevant insurance policies.

30 Amendments

30.1 Written variations

No agreement or understanding varying this agreement is legally binding unless it has been agreed to in writing by all Parties and each Party has signed a document acknowledging its agreement to the variation.

30.2 Commonwealth Approval

If a proposed variation to this agreement:

- (a) requires the prior approval of the Commonwealth under the Commonwealth Agreement; or
- (b) changes the Essential Participants without complying with clause 6 of the Commonwealth Agreement,

the variation will not take effect until the Company has obtained the consent of the Commonwealth to the variation.

31 Admission of New Parties

31.1 Admission

Subject to clauses 30.2(b) and 31.2, on recommendation of the Board, the Parties may, by unanimous agreement of the Essential Participants and approval of the Company:

- (a) agree to admit a person to be a Party to this agreement (**Joining Party**); and
- (b) set the terms of the Joining Party's admission, including the Joining Party's required Contributions and the Joining Party's rights and interest in Centre IP.

31.2 Deed of accession

- (a) If the Parties agree to admit the Joining Party under clause 31.1, the Joining Party will be admitted as an Essential Participant when it has signed a deed of accession with the Company, acting on behalf of the Parties, under which the Joining Party agrees to be bound by this agreement and agrees to the terms of its admission set under clause 31.1(b).
- (b) The Company will use all reasonable endeavours to enter into the deed of accession with the Joining Party as soon as reasonably possible after the Parties agree to admit the Joining Party under clause 31.1.

32 Retirement and Expulsion from the Centre

32.1 Retirement and expulsion from the Centre

Subject to the Commonwealth Agreement and this clause 32:

- (a) an Essential Participant may retire from the Centre by giving 12 months written notice to each other Party for reasons including but not limited to:
 - (i) an Essential Participant's loss of external funding or appropriation. If the loss of external funding or appropriation is announced in a State or Territory budget and will take effect on less than 12 months' notice, the Essential Participant impacted by the announcement will be excused from providing 12 months' notice of retirement, provided that the Essential Participant notifies the other Parties of its retirement as soon as reasonably practicable after the budget is announced;
 - (ii) where the Essential Participant considers that:
 - A. the Activities or their outcomes are not relevant to the Essential Participant's strategic requirements; or
 - B. the Centre has not been operated, or the Activities have not been performed, in accordance with this agreement, or
- (b) an Essential Participant (the **Defaulting Participant**) may be expelled from the Centre by the resolution of at least 75% of all other Essential Participants at that time (each Essential Participant having one vote) and agreement of the Company, provided Due Cause has arisen with respect to the Defaulting Participant and remains unremedied after 28 days following the Company giving notice to the Defaulting Participant.

32.2 Due Cause

For the purpose of clause 32.1, Due Cause means:

- (a) not making Contributions when required by this agreement, the Commonwealth Agreement or a Project Agreement unless otherwise agreed by the other Parties;
- (b) unauthorised disclosure of Confidential Information;
- (c) unauthorised publication of information or material;
- (d) unauthorised use or Utilisation of Centre IP, Commissioned Project IP or Background IP;
- (e) changes to Specified Personnel otherwise than in accordance with clause 13.4 that are likely to adversely affect the ability to achieve the Centre Objectives;
- (f) any other material breach of this agreement, the Commonwealth Agreement or a Project Agreement;
- (g) becoming insolvent, bankrupt or being subject to the appointment of a mortgagee, a receiver or manager or an investigator to investigate the Essential Participant's affairs, or making an arrangement or composition for the benefit of creditors (other than a solvent reconstruction) or being the subject of winding up proceedings;
- (h) assignment of its rights or obligations under this agreement other than in accordance with clause 52.2; and
- (i) such other matters as the Parties other than the Party to be expelled may by unanimous decision reasonably and properly declare to be a due cause.

32.3 Consequences

- (a) If an Essential Participant is expelled or retires from the Centre, the Essential Participant:
 - (i) will cease to be a Party to this agreement;
 - (ii) subject to (iii), relinquishes all rights under this agreement other than those specified to survive expiration or termination of this agreement; and
 - (iii) subject to clauses 32.3(c) and 32.3(d), is relieved of its obligation to make further Contributions.
- (b) Essential Participants who retire or are expelled from the Centre will retain all rights to the Centre IP that have accrued to that Essential Participant for Centre IP that is recorded on the IP register as of the date of retirement.
- (c) An Essential Participant who is expelled or retires from the Centre remains bound by any extant Project Agreement unless the Essential Participant is expelled from the Project, or is otherwise released from its obligations as a Project Participant.
- (d) An Essential Participant who is expelled or retires from the Centre will continue to be bound by its obligations as a subcontractor to the Company under any extant Commissioned Project Agreement unless it is released from those obligations by the Company.

- (e) The retirement or expulsion of any Essential Participant from the Centre does not affect:
 - (i) the enforceability of other obligations of the Essential Participant;
 - (ii) rights against the Essential Participant accrued at that time or arising from the withdrawal or expulsion; or
 - (iii) the obligation on the Essential Participant under clause 18 for Background IP supplied before the date of expulsion or retirement,and will not relieve the remaining Parties of their obligations under this agreement and they must continue to carry on the Activities and perform the terms of this agreement between them.

33 Effect of Termination

33.1 Expiration

Unless the Parties otherwise agree, this agreement terminates on expiry of the Term.

33.2 Accrued rights and obligations

Termination of this agreement is without prejudice to the continuing enforceability of rights or obligations of the Parties accrued at the time to termination.

33.3 Centre IP

- (a) The Company agrees to include the ownership of Centre IP as an issue for ongoing consideration in the Centre transition plan, and the Board will meet with the Essential Participants Reference Group to discuss the ownership of Centre IP prior to any transition strategy for the Centre being formally adopted.
- (b) Despite termination of this agreement, unless the Parties agree otherwise, ownership of the Centre IP will not change and the Company will remain responsible for Utilisation of Centre IP.

34 Continuing Obligations

On termination of this agreement, unless the Parties agree otherwise, the Parties and any former Parties remain subject to the following obligations:

- (a) clause 7.2 [Essential Participant Promises];
- (b) clause 18.6 [Licence for Utilisation];
- (c) clause 25 [Centre IP];
- (d) clause 26 [Utilisation of Centre IP];
- (e) clause 28 [Indemnities];
- (f) clause 29 [Insurance];
- (g) clause 32 [Retirement and expulsion from Centre];
- (h) clause 33 [Effect of termination];
- (i) clause 35 [IP in Agreement Material under Commonwealth Agreement];

- (j) clause 36 [Commonwealth Confidential Information];
 - (k) clause 39 [Safe and ethical research];
 - (l) clause 40 [Privacy];
 - (m) clause 41.1 [Maintenance of records];
 - (n) clause 41.2 [Access to premises by Commonwealth];
 - (o) clause 43 [Publications and public announcements]; and
 - (p) clause 44 [Confidential Information],
- to the extent the obligations are applicable.

35 IP in Agreement Material under Commonwealth Agreement

35.1 Essential Participant Acknowledgment

Each Essential Participant acknowledges and agrees that:

- (a) subject to the licence granted under clause 17.1(b) of the Commonwealth Agreement, Intellectual Property in the Agreement Material does not vest in the Commonwealth;
- (b) the licence granted by the Company to the Commonwealth under clause 17.1(b) of the Commonwealth Agreement applies to Agreement Material created or provided by an Essential Participant;
- (c) any Utilisation of Intellectual Property in Agreement Material must:
 - (i) maximise the national benefits accruing to Australia; and
 - (ii) be consistent with the CRC Program Objective and the Commonwealth Agreement;
- (d) if at any time, the Commonwealth is of the reasonable view that the Utilisation of Intellectual Property in Agreement Material by the Company or another person is not as contemplated under clause 35.1(c), the Commonwealth may, by notice, in its sole and unfettered discretion:
 - (i) require the Company to repay some or all of the Commonwealth Funding spent Utilising Intellectual Property;
 - (ii) reduce, suspend or terminate Commonwealth Funding; or
 - (iii) exercise any right it may have under the Commonwealth Agreement.

35.2 Procedures for publication of Agreement Material

- (a) Subject to clause 43, during the Funding Period, an Essential Participant must adhere to the procedures established under this agreement or by the Company to ensure that, before Agreement Material is published or disclosed (other than to the Commonwealth, the Company or another Essential Participant), consideration is given to the potential prejudice to the subsistence or Utilisation of Intellectual Property in the Agreement Material. This includes whether the publication or disclosure may prevent the grant of a patent or cause the loss of Intellectual Property.
- (b) Clause 35.2(a) does not prevent an Essential Participant from publishing Agreement Material if the Essential Participant has a statutory obligation to publish or is otherwise required to publish to comply with law.

35.3 Endeavours to Utilise Intellectual Property in Agreement Material

Subject to this agreement, each Party must use its best endeavours to ensure that any Intellectual Property in Agreement Material developed as part of the Activities (other than reports or similar documents given to the Commonwealth for the Commonwealth's benefit) is Utilised.

35.4 Consistency

Subject to this agreement, a Party must ensure that Utilisation of Intellectual Property in Agreement Material by the Party or another person who is authorised by or is given access to the Agreement Material by that Party, is consistent with the nature of the Activities and the purpose of the Commonwealth Funding.

36 Commonwealth Confidential Information

36.1 No disclosure without consent

Subject to clause 36.3, an Essential Participant must not disclose Commonwealth Confidential Information to a Third Party, without the prior written consent of the Commonwealth.

36.2 Conditions of consent

- (a) The Essential Participants will comply with any conditions the Commonwealth imposes on a consent given under clause 36.1.
- (b) The Commonwealth may at any time ask an Essential Participant to arrange for:
 - (i) an organisation or person to whom disclosure is permitted under clause 36.3(a); or
 - (ii) its officers, employees, agents and subcontractors engaged in, or connected with, the Activities,

to give written undertakings in a form approved by the Commonwealth, in respect of non-disclosure of Commonwealth Confidential Information. The Essential Participant must promptly arrange for the undertaking to be given.

36.3 Non-application of confidentiality obligations

An Essential Participant will not breach this clause 36 to the extent that the relevant Commonwealth Confidential Information:

- (a) is disclosed to its financial and legal advisors and their respective officers and employees in order to comply with the obligations under the Commonwealth Agreement;
- (b) is disclosed by the Essential Participant to the responsible Minister;
- (c) is disclosed by the Essential Participant in response to a request by a House or Committee of the Commonwealth Parliament;
- (d) is disclosed by the Essential Participant to the Auditor-General, Ombudsman or Privacy Commissioner;
- (e) is required by law to be disclosed; or
- (f) is in the public domain otherwise than due to a breach of this clause 36.

36.4 Obligations of disclosure

Where an Essential Participant discloses Commonwealth Confidential Information to another person:

- (a) pursuant to clause 36.3(a), the Essential Participant must:
 - (i) notify the receiving person that the information is Commonwealth Confidential Information; and
 - (ii) not provide the information unless the receiving person agrees to keep the information confidential, including the receiving person giving the Commonwealth a legally binding undertaking to that effect in the form approved by the Commonwealth; or
- (b) pursuant to clauses 36.3(b), 36.3(c) or 36.3(d), the Essential Participant must notify the receiving person that the information is Commonwealth Confidential Information.

36.5 Period of confidentiality

The obligations under this clause 36 continue, notwithstanding the expiry or termination of the Commonwealth Agreement:

- (a) in relation to an item of information described in item 14 of Schedule 1 of the Commonwealth Agreement, for the period set out in that Schedule in respect of that item; and
- (b) in relation to any information which the Commonwealth and the Company agree in writing after the date of this agreement is to constitute Confidential Information for the purposes of this agreement, for the period agreed by the Commonwealth and the Company in writing in respect of that information.

The Company must not reach agreement with the Commonwealth under clause 36.5(b) without first notifying the Essential Participants.

36.6 No reduction in privacy obligations

Nothing in the Commonwealth Agreement derogates from any obligation which the Essential Participants may have under the *Privacy Act 1988* (Cth) as amended from time to time, in relation to the protection of Personal Information or information that is protected by the *Census and Statistics Act 1905* (Cth), or any other act, regulation or other legislative instrument requiring secrecy or confidentiality in dealing with information.

36.7 Return of information

At the request of the Commonwealth or the Company or on the expiry or termination of the Commonwealth Agreement, the Essential Participant must promptly return all of the Commonwealth's physical and written records containing Commonwealth Confidential Information, and all documentation relating to that Commonwealth Confidential Information (including copies), to the Commonwealth in a form reasonably requested by the Commonwealth. Alternatively, if requested by the Commonwealth, the Essential Participant must destroy such items in the manner specified by the Commonwealth and promptly certify to the Commonwealth in writing that it has done so.

36.8 No limitation

This clause 36 does not limit the Essential Participants' obligations under clauses 40 and 44.

37 Relationship with Commonwealth

37.1 No employee or agent

Nothing in this agreement makes an Essential Participant an employee, partner or agent of the Commonwealth.

37.2 No representations

An Essential Participant must not represent itself, and must ensure that its employees, partners, agents or sub-contractors do not represent themselves as being the Commonwealth's employees, partners or agents.

38 Compliance with Law and Policy

38.1 Agreement to comply with law

In carrying out this agreement, an Essential Participant must comply with all relevant statutes, regulations, by-laws and requirements of any Commonwealth, State, Territory or local authority.

38.2 Effect of Criminal Code etc

Each Essential Participant acknowledges that:

- (a) Chapter 7 of the *Criminal Code* (Cth) includes offences which attract substantial penalties, including for theft of Commonwealth property and other property offences, property or financial advantage by deception, offences involving fraudulent conduct, bribery, forgery and falsification of documents;
- (b) it is aware that giving false or misleading information is a serious offence under the *Criminal Code* (Cth);
- (c) the publication or communication of any fact or document by a person which has come to their knowledge or into their possession under this agreement (other than to a person to whom the Essential Participant is authorised to publish or disclose that fact or document) may be an offence under section 70 of the *Crimes Act 1914*, punishment for which may include up to 2 years imprisonment;
- (d) in respect of data, including personal information, held in connection with this agreement, any unauthorised and intentional access, destruction, alteration, addition or impediment to access or usefulness of the data stored in any computer in performance of this agreement is an offence under Part 10.7 of the *Criminal Code* (Cth) which may attract a substantial penalty, including imprisonment;
- (e) it is aware of the provisions of section 79 of the *Crimes Act 1914* relating to official secrets; and

- (f) it is aware of its obligation under the *Charter of the United Nations Act 1945* and the *Charter of United Nations (Anti-Terrorism Measures) Regulations 2002*.

38.3 Obligations relating to officers etc

Each Essential Participant undertakes with respect to any officer, employee, agent or subcontractor accessing documents, materials or information within the meaning of section 79 of the *Crimes Act 1914* that, prior to obtaining access, the officer, employee, agent and subcontractor must provide the Essential Participant with an acknowledgment that the officer, employee, agent or subcontractor is aware of the provisions of the section.

38.4 Other legislation

Each Essential Participant must:

- (a) comply with its obligations, if any, under the *Equal Opportunity for Women in the Workplace Act 1999*; and
- (b) in its dealings with its employees, have due regard to Commonwealth policies on employment and obligations under relevant occupational health and safety laws.

39 Safe and Ethical Research

39.1 Compliance with codes

- (a) Each Essential Participant must ensure that research it conducts for the Centre complies with and observes all relevant ethics codes and guidelines adopted by the National Health and Medical Research Council, the Australian Research Council, Universities Australia, the Office of Gene Technology Regulator and all other relevant regulatory agencies operating in Australia and any place where the research is being conducted, including obtaining approvals from a relevant ethics committee and any other approval needed before starting research.
- (b) Each Essential Participant must assist the Company to comply with clause 30.18(b) of the Commonwealth Agreement.

39.2 Ionising radiation

If the Essential Participant is conducting research in Australia involving ionising radiation, the Essential Participant must ensure that persons performing procedures involving ionising radiation are appropriately trained and hold a relevant current licence from the appropriate State authority.

39.3 Evidence of compliance

Whenever reasonably required by the Company or the Commonwealth, an Essential Participant must promptly give the Company or the Commonwealth (as required) written evidence of compliance with clause 39.

39.4 Responsible conduct of research

- (a) An Essential Participant must ensure that research conducted by it for the Centre conforms to the principles outlined in the following documents:

- (i) the NHMRC/ARC/UA *Australian Code for the Responsible Conduct of Research* (2007); and
 - (ii) if applicable, the NHMRC/ARC/AVCC *National Statement on Ethical Conduct of Human Research* (2007).
- (b) Each Essential Participant must:
 - (i) promote the responsible conduct of research;
 - (ii) keep high standards of responsible research;
 - (iii) report research responsibly;
 - (iv) respect all research participants;
 - (v) respect animals used in research;
 - (vi) respect the environment; and
 - (vii) report research misconduct.
- (c) Each Essential Participant must have in place, and must provide reasonable assistance to the Company to ensure that the Centre has in place, procedures for dealing with instances of suspected or alleged research misconduct which are consistent with the documents described in clause 39.4(a).

40 Privacy

40.1 Compliance

Each Essential Participant must comply with its obligations under the *Privacy Act 1988* (Cth) and a privacy law of a State or Territory (**Privacy Legislation**).

40.2 Procedures

- (a) If an Essential Participant has no obligations under the Privacy Legislation, the Essential Participant must ensure that it has procedures in place to deal with Personal Information received, created or held by the Essential Participant under this agreement.
- (b) The procedures must at least comply with the National Privacy Principles under the *Privacy Act 1988* (Cth).

40.3 Obligations

An Essential Participant must:

- (a) only use Personal Information received, created or held by the Essential Participant under this agreement (**Essential Participant-held Personal Information**) to meet its obligations under this agreement;
- (b) ensure that any person who has access to Essential Participant-held Personal Information with the Essential Participant's approval, is aware of, and gives a written undertaking to comply with, clause 40;
- (c) ensure that any subcontract made under this agreement includes enforceable obligations requiring the subcontractor to comply with clause 40; and

- (d) cooperate with reasonable requests or inquiries made by the Federal Privacy Commissioner or the Commonwealth in respect to the management of Essential Participant-held Personal Information.

41 Records and Access

41.1 Maintenance of records

Each Essential Participant must:

- (a) ensure its records and accounting books in relation to the Activities are maintained in accordance with applicable Australian accounting standards and controls; and
- (b) either:
 - (i) maintain the records and accounting books for 7 years after termination of this agreement; or
 - (ii) deliver them to the Company or to another person as directed by the Company.

41.2 Access to premises and records

Each Essential Participant must:

- (a) at all reasonable times provide the Commonwealth and its agencies access to premises, records and staff as required in the Commonwealth Agreement; and
- (b) at all reasonable times allow the Company and its directors, officers, employees, agents and contractors to:
 - (i) access the parts of the Essential Participant's premises where the Activities are being conducted and view the performance of the Activities; and
 - (ii) access, inspect and copy material, records, accounts and other financial material relevant to the Activities, including for an audit; and
- (c) ensure that any subcontract signed by the Essential Participant related to this agreement, contains an equivalent clause granting the rights set out in this clause 41.

41.3 Limitation on access

Despite clause 41.2(a), an Essential Participant granting access (**Host**) to the Company, or its directors, officers, employees, agents or contractors (**Invitee**), may require as a condition of access that the Invitee sign an agreement in an acceptable form to the Host, which:

- (a) sets out reasonable terms of the visit, including compliance with the Host's reasonable policies and guidelines;
- (b) contains reasonable obligations of confidentiality and non-disclosure that protect the interests of the Host;
- (c) reasonably addresses the liability of the parties if the Invitee is injured while visiting the Host's premises; and

- (d) requires the Invitee to comply with relevant security and workplace health and safety legislation.

41.4 Commonwealth right of access

The Commonwealth's rights under clause 41.2(a) are subject to:

- (a) the provision of reasonable prior notice to the Essential Participant; and
- (b) reasonable security and safety procedures of the Essential Participant, except that clause 41.4(a) does not apply if a matter is being investigated which, in the opinion of a member of the National Investigations Unit in the Department, or any person authorised in writing by the Secretary, may involve an actual or apprehended breach of the law.

41.5 Audit by Essential Participants

Each Essential Participant and its nominated employees, agents and auditors will be entitled at all reasonable times and at the expense of the Essential Participant to inspect and obtain copies of:

- (a) all documents, records and accounts under the control of the Company relating to the Activities; and
 - (b) all reports, statements and certificates material to the Activities,
- in each case with such explanation thereof as the Essential Participant may reasonably require.

41.6 Survival of obligations

This clause 41 will continue to apply for a period of seven years from the expiry or termination of the Commonwealth Agreement.

42 Student Involvement

42.1 Obligations on Essential Participants

Essential Participants who have enrolled Students must ensure that:

- (a) Students comply with clauses 43 and 44;
- (b) Centre IP developed by Students is owned in accordance with clause 25, provided that a Student will own copyright in his or her thesis and in publications by the Student arising from the thesis; and
- (c) restrictions as reasonably necessary to protect Party Confidential Information, Background IP, Centre IP or Centre Confidential Information are imposed on publication of a Student's thesis.

42.2 Examination of Student thesis

A copy of the Student's thesis must be provided to the Company at least 7 Business Days prior to submission for examination. The Company will not inhibit the right of a Student to have his or her thesis examined but the Company may require the enrolling Essential Participant to ensure that the Student's examiner has signed a confidentiality agreement in an Approved Form to protect Confidential Information.

42.3 Publication of Student thesis

Where a Student proposes to publish his or her thesis or a publication arising from the thesis, then subject to clause 42.5, the enrolling Essential Participant must ensure the publication is submitted for approval in accordance with clause 43 and must comply with any reasonable request of the CEO including a request necessary to protect Party Confidential Information, Background IP, Centre IP, Centre Confidential Information and any Utilisation strategy with respect to the Background IP, Centre IP or Centre Confidential Information by either:

- (a) placing the thesis on restricted availability for a period of 18 months or the maximum period permitted under the applicable enrolling Essential Participant's Rules; or
- (b) placing any Confidential Information contained in the thesis into a separate schedule to be placed on restricted availability for a period not exceeding that stipulated in the enrolling Essential Participant's Rules.

42.4 Student agreement

Before a Student becomes involved in the Activities, the Company may require the Student and the enrolling Essential Participant enter into a written agreement in an Approved Form and consistent with clause 42, setting out the terms on which the Student participates in the Activities.

42.5 Application of Rules

The Parties acknowledge the application of the enrolling Essential Participant's Rules and nothing in this agreement will override the operation of those Rules.

43 Publications and Public Announcements

43.1 Publication of information or material

The Parties acknowledge that the dissemination of knowledge is an important Centre function. However, the Parties will only publish information or material arising from the Activities in accordance with this clause 43.

43.2 Publication by Company

The Company may publish information or material arising from the Activities if it decides at its absolute discretion, after consultation with the Research Essential Participants, that publication is in the best interests of the Centre, having regards to the Centre Objectives, and whether the benefits of publication outweigh any potential loss of commercially valuable Intellectual Property rights or other potential disadvantage for the Company or the Centre.

43.3 Request for permission

At least 20 Business Days before submitting or making a publication, an Essential Participant wishing to publish information or materials arising from the Activities (**Requesting Party**) must forward:

- (a) a written request for permission to the Company. The request must state any Centre IP, Background IP or Confidential Information contained or referred to in the proposed publication;

- (b) a copy of the proposed publication to any other Essential Participant referred to in the publication.

43.4 Notification

- (a) The Company must advise the Requesting Party whether approval for the publication has been granted within 20 Business Days of receipt of a request under clause 43.3. If the Company does not advise the Participant within 20 Business Days of receipt of a request under clause 43.3, then the Company is taken to have approved the publication.
- (b) An Essential Participant referred to under clause 43.3(b) may request that their name be removed from the publication, and the Requesting Party must comply with that request.

43.5 Grant of permission

- (a) If the Company decides in the Company's absolute discretion that publication is in the best interests of the Centre taking into account the Centre Objectives and whether the benefits of publication outweigh any potential disadvantage for the Company or the Centre including any potential loss of commercially valuable Intellectual Property rights, then the Company must advise the Requesting Party that approval for publication has been granted.
- (b) The Company may impose conditions on its approval, including that the publication comply with the Commonwealth Agreement and include acknowledgments of:
 - (i) the Centre's role in and contribution to the creation of information or material in the publication; and
 - (ii) the Requesting Party's affiliation with the Centre.

43.6 Refusing permission

If the Company decides in the Company's absolute discretion that the publication is not in the best interests of the Centre taking into account the Centre Objectives and whether the potential disadvantage for the Company or the Centre including any potential loss of commercially valuable Intellectual Property rights outweighs any benefits of publication then the Company will advise the Requesting Party that approval for the publication has been denied and of the reasons for the refusal to approve the publication and may either:

- (a) suggest alterations to the publication which, if made, would enable publication to proceed; or
- (b) if altering the publication is impractical, specify a date (being no longer than 18 months from the date of the request for permission), if any, after which publication will be permitted.

43.7 Party Confidential Information

Nothing in this clause 43 permits a Party to publish any information or material containing Party Confidential Information of another Party unless authorised by the relevant Party or unless an exception in clause 44.3 applies.

43.8 Recognition

Subject to clause 45, each Essential Participant must ensure that any publication made under this clause 43 acknowledges the contributions (if any)

made by other Essential Participants and the support of the Commonwealth and the Company unless directed otherwise by the Essential Participant, the Commonwealth or the Company (as the case may be).

43.9 Public announcements

- (a) The Company is principally responsible for making public announcements about the Centre.
- (b) Subject to clause 43.9(c), an Essential Participant must not make a public announcement about the Centre or this agreement, other than in accordance with any guidelines approved by the Board, without the prior approval of the Company.
- (c) If the Essential Participant is required by law or a regulatory body (including a stock exchange) to make a public announcement about the Centre or this agreement, then the Essential Participant must, to the extent practicable, first consult with and take into account the reasonable requirements of the Company and the other Essential Participants.

44 Confidential Information

44.1 Obligation

- (a) Unless otherwise provided in this clause 44, a Party must keep confidential and not disclose Party Confidential Information.
- (b) Unless authorised under the Project Agreement or this clause 44, an Essential Participant must not disclose Centre Confidential Information to another person.

44.2 Permitted use and disclosure

A Party may:

- (a) use Party Confidential Information for the purposes of this agreement;
- (b) if the Party is the Company, use and disclose Centre Confidential Information as required at its discretion for the purposes of this agreement or otherwise for the purposes of the Centre Objectives;
- (c) disclose Party Confidential Information to its:
 - (i) employees;
 - (ii) directors and officers;
 - (iii) enrolled Students; and
 - (iv) legal, financial or other professionals advisers,
who have a need to know under this agreement (and only to the extent that each has a need to know) provided the disclosure is made subject to an obligation of confidentiality in accordance with clause 44.6;
- (d) use and disclose Party Confidential Information if authorised under the Project Agreement;
- (e) disclose Party Confidential Information to the extent required by law or court order; and

- (f) if the Party is the Commonwealth, disclose Confidential Information to its responsible Minister or in response to a request by a House or a Committee of the Parliament.

44.3 Exceptions

- (a) Clause 44 does not apply to Confidential Information which:
 - (i) before disclosure is in the public domain, or after disclosure to a Party becomes part of the public domain other than due to an unauthorised act or omission by the Party;
 - (ii) is received by a Party from another person without an obligation to hold in confidence and which has not been obtained by the person directly or indirectly from any Party;
 - (iii) is independently developed by an employee or officer of the Party owing the obligation of confidentiality while having no knowledge of the Confidential Information;
 - (iv) if Party Confidential Information, the Party claiming confidentiality has consented to the disclosure; or
 - (v) if Centre Confidential Information, the Company has consented to the disclosure.
- (b) A Party is not required to maintain the confidentiality of its own Party Confidential Information or observe any restrictions on its use other than restrictions that apply under clause 18.

44.4 Onus

The Party receiving or accessing Confidential Information of another Party has the onus of showing that any of the above exceptions apply.

44.5 Combination of information

A combination of information is not taken to be in the public domain merely because it contains information in the public domain.

44.6 Employees

Each Party must use its reasonable efforts to ensure that:

- (a) its enrolled Students, employees, directors, officers and advisers (**the Party's Associates**), who participate in the Activities or acquire access to Party Confidential Information, comply with clause 44 as if parties to this agreement; and
- (b) the Party's Associates remain bound by clause 44 if their employment or association with the Party ends.

44.7 Survival

The obligations in this clause 44 survive termination or earlier expiration of this agreement and apply to a Party who has been expelled or retires from the Centre.

45 Use of Party's Name and CRC Indicia

45.1 Use of Party's name

- (a) Subject to clause 45.1(b), a Party must not use the name or logo of another Party without the Party's prior written consent.
- (b) The Company may use the name and logo of an Essential Participant for the purpose of identifying the Essential Participant as a participant in the Centre.

45.2 Sublicence to use CRC Indicia

- (a) The Commonwealth owns the CRC Indicia.
- (b) The Company grants each Essential Participant a non-exclusive licence to use the CRC Indicia during the Funding Period subject to any reasonable conditions required by the Commonwealth and advised to the Essential Participants by the Company.
- (c) Unless the Company otherwise agrees in writing, an Essential Participant must ensure that all publications and publicity about the Centre prominently use the CRC Indicia in the manner required by the Commonwealth and advised to the Essential Participant by the Company.
- (d) Unless the Company otherwise agrees in writing, the licence granted under clause 45.2(b) immediately ends if:
 - (i) the Funding Period ends; or
 - (ii) the Essential Participant is expelled or retires from the Centre.
- (e) During the Term, an Essential Participant must ensure that all publications (including reprints) and publicity about the Activities, whether published by the Essential Participant or by another person under the Essential Participant's control or direction:
 - (i) include an acknowledgement of the funding of the Activities by Commonwealth in the Approved Form; and
 - (ii) refer to the CRC Program.

45.3 Use of Centre logo

A Party must use the Centre's logo only in accordance with the guidelines approved by the Board (if any) or as otherwise approved by the CEO.

46 Notification of Breach

Each Essential Participant must, immediately upon becoming aware of a breach or suspected breach of this agreement that would affect the Company's ability to comply with its obligations under the Commonwealth Agreement, notify the Company of the breach or suspected breach. Once the Company has been notified, the Essential Participant must, in accordance with the Company's reasonable instructions and within 5 Business Days:

- (a) provide notice to the Commonwealth of that breach or suspected breach;
- (b) provide all information reasonably required by the Commonwealth in relation to the breach or suspected breach;

- (c) identify to the Commonwealth any steps that the Essential Participant is aware that the Company and the Board intend to take to address the matter;
- (d) keep the Commonwealth informed of any action it or the Company takes, including action requiring remedy of the breach; and
- (e) provide notice to the Commonwealth once the breach is remedied, or if not remedied upon the matter being resolved.

47 Conflicts

47.1 Definition of Conflict

In clause 47, “**Conflict**” means any conflict of interest, or an apparent or potential conflict of interest arising through a Party (**Affected Party**) engaging in any activity that is likely to interfere with or restrict the Affected Party in meeting its obligations under this agreement fairly and independently.

47.2 Warranty

Each Party warrants to the other Parties that, to the best of its knowledge after making diligent inquiry, at the date of signing this agreement no Conflict exists or is likely to arise in the performance of the Activities.

47.3 Dealing with Conflict

If a Conflict arises or appears likely to arise, the Affected Party must:

- (a) notify the Company immediately;
- (b) subject to any confidentiality obligations, disclose all relevant information relating to the Conflict to the Company; and
- (c) take the steps reasonably directed by the Company to resolve or otherwise deal with the Conflict.

47.4 Register of Conflicts

The Company must keep a register of Conflicts disclosed under this agreement.

48 Dispute Resolution

48.1 No arbitration or court proceedings

If a dispute arises under this agreement (**Dispute**), a Party must comply with clause 48 before starting arbitration or court proceedings (except proceedings for interlocutory relief).

48.2 Notification

A Party claiming a Dispute has arisen must give the other Parties to the Dispute and the Company written notice setting out the details of the Dispute.

48.3 Parties to resolve Dispute

- (a) For 20 Business Days after notice is given under clause 48.2, each Party to the Dispute must use reasonable efforts to resolve the Dispute.

- (b) The Parties to the Dispute may agree to a longer period to resolve the Dispute under clause 48.3(a) and may involve the Chief Executive Officers (or their nominees) in negotiations.
- (c) If the Parties cannot resolve the Dispute during the agreed period, they must refer the Dispute to a mediator if one of them requests.

48.4 Appointment of mediator

If the Parties to the Dispute cannot agree on a mediator within 10 Business Days after a request under clause 48.3(c), the chairperson of LEADR or the chairperson's nominee will appoint a mediator.

48.5 Role of mediator

The role of the mediator is to assist in negotiating a resolution of the Dispute. A mediator may not make a binding decision on a Party to the Dispute except if the Party agrees in writing.

48.6 Confidentiality

Any information or documents disclosed by a Party under clause 48:

- (a) must be kept confidential; and
- (b) may only be used to attempt to resolve the Dispute.

48.7 Costs

- (a) A Party to a Dispute must pay its own costs of complying with clause 48.
- (b) The Parties to the Dispute must share equally the costs of any mediator.

48.8 Termination of process

- (a) A Party to a Dispute may terminate the dispute resolution process by giving written notice to each other Party to the Dispute after it has complied with clauses 48.1 to 48.3.
- (b) Clauses 48.6 and 48.7 survive termination of the dispute resolution process.

49 GST

49.1 Meaning of words

In this clause 49:

- (a) “**GST-exclusive consideration**” means the consideration payable or to be given for a Supply, but for the application of clause 49;
- (b) “**Recipient**” means a Party to whom a Supply is made;
- (c) “**Supply**” means a supply made under or in connection with this agreement;
- (d) “**Supplier**” means a Party making a Supply; and
- (e) words or expressions that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the same meaning in clause 49.

49.2 Presumption

Any consideration to be paid or provided for a Supply, unless specifically described in this agreement as 'GST-inclusive', does not include an amount on account of GST.

49.3 Gross-up

Despite any other provision in this agreement, if a Supplier makes a Supply on which GST is imposed (not being a Supply the consideration for which is specifically described in this agreement as 'GST-inclusive'):

- (a) the GST-exclusive consideration for that Supply, is increased by, and the Recipient must also pay to the Supplier, an amount equal to the GST-exclusive consideration multiplied by the prevailing rate of GST; and
- (b) the amount by which the GST-exclusive consideration is increased under clause 49.3(a) must be paid to the Supplier by the Recipient without set-off, deduction or requirement for demand, at the same time as the GST-exclusive consideration is payable or to be provided.

49.4 Reimbursement or indemnification

If a payment to a Party under this agreement is a reimbursement or indemnification, calculated by reference to a loss, cost or expense incurred by that Party, then the payment will be reduced by the amount of any input tax credit to which that Party is entitled for that loss, cost or expense.

49.5 Tax invoices

A Recipient need not make a payment for a taxable Supply until the Supplier has given the Recipient a tax invoice for the Supply to which the payment relates.

50 Force Majeure

50.1 Definition

- (a) In clause 50, a "**Force Majeure Event**" affecting a Party means, subject to clause 50.1(b), anything outside that Party's reasonable control including fire, storm, flood, earthquake, explosion, war, invasion, rebellion, sabotage, epidemic, labour dispute, labour shortage and failure or delay in transportation and an act or omission (including laws, regulations, disapprovals or failures to approve) of another person (including subcontractors, customers, government or government agencies).
- (b) If a Party is a government agency, it is not within the reasonable control of the Party, merely because that Party is part of the government, that it has the legal capacity to perform an act or omission that may otherwise constitute a Force Majeure Event.

50.2 Suspension of obligation

If due to a Force Majeure Event, a Party is totally or partially unable to carry out an obligation under this agreement (other than an obligation to pay money) and the Party:

- (a) gives each other Party prompt notice of that Force Majeure Event including reasonable particulars, and in so far as is known, the probable extent to which it will be unable to perform or be delayed in carrying out that obligation; and
- (b) uses all possible diligence to remove the Force Majeure Event as quickly as possible,

the obligation is suspended so far as it is affected by the Force Majeure Event during the continuance of the Force Majeure Event and that Party will be allowed a reasonable extension of time to perform its obligations.

50.3 Parties to meet

If after 20 Business Days, the Force Majeure Event has not ended, the Parties must meet in good faith to discuss the situation and endeavour to achieve a mutually satisfactory resolution.

50.4 Exceptions

Clause 50 does not:

- (a) affect any obligation to pay money; or
- (b) require the settlement of strikes, lockouts or other labour disputes, claims or demands on terms contrary to the Rules or policies of the Party affected.

51 Notices and Other Communications

51.1 Service of notices

A notice, consent, approval, communication under this agreement (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or facsimile or email transmission to the recipient's address for Notices set out in Schedule 3, as varied by a notice given by the recipient to the other Parties.

51.2 Effective on receipt

A Notice given under clause 51.1 takes effect when taken to be received (or at a later time set out in the Notice) and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the tenth Business Day after posting if posted to or from a place outside Australia);
- (c) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the entire Notice unless, within 8 Business Hours after the transmission, the recipient informs the sender that it has not received the entire Notice; and
- (d) if sent by email transmission, at the time that would be the time of receipt under the *Electronic Transactions Act 1999* (C'th),

but if the delivery, receipt or transmission is not on a Business Day or is after 5pm on a Business Day, the Notice is taken to be received at 9am on the next Business Day.

52 General

52.1 Approvals and consents

Except where this agreement expressly states otherwise, a Party may in its discretion, give conditionally or unconditionally or refuse any approval or consent under this agreement.

52.2 Assignment

No Party may assign or attempt to assign or otherwise transfer or encumber any right or obligation arising out of this agreement except:

- (a) in accordance with the Commonwealth Agreement; and
- (b) with the written consent of the other Parties, such consent not to be unreasonably withheld.

52.3 Subcontracting

A Party may not subcontract the performance of a substantial part of the Activities without the Company's prior written consent.

52.4 Costs

A Party must pay its own costs of negotiating, preparing and executing this agreement.

52.5 Survival

- (a) The continuing obligations described in clause 34 are independent and survive termination of this agreement.
- (b) Any term by its nature intended to survive termination of this agreement also survives termination of this agreement.

52.6 Counterparts

This agreement may be signed in counterparts. All signed counterparts constitute one document.

52.7 No merger

The rights and obligations of the Parties under this agreement do not merge on completion of any transaction contemplated by this agreement.

52.8 Entire agreement

With the exception of the Commonwealth Agreement and any Project Agreement, this agreement constitutes the entire agreement between the Parties in respect of the subject matter and supersedes all earlier agreements, or understandings of the Parties on its subject matter.

52.9 Further action

Each Party must do, at its own cost, everything reasonably necessary (including signing documents) to give full effect to this agreement and any transaction contemplated by it.

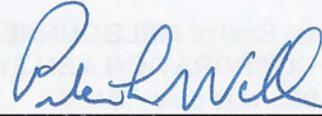
52.10 Waiver

- (a) A Party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy.
- (b) A single or partial exercise of a right, power or remedy does not stop another or further exercise of that or another right, power or remedy.
- (c) A waiver of a right, power or remedy must be in writing and signed by the Party giving the waiver.

52.11 Governing law and jurisdiction

This agreement is governed by the law of the Applicable Jurisdiction and each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the Applicable Jurisdiction.

Signed for and on behalf of
THE STATE OF VICTORIA
THROUGH THE DEPARTMENT
OF SUSTAINABILITY AND
ENVIRONMENT ABN 90 719 052
204 in the presence of



Minister for Water

Peter Walsh

Print Full Name



Witness

Luke O'Sullivan

Print Full Name

6/6/12

Date of Execution

This page is signed on the basis that it is an extract from the CRC for Water Sensitive Cities Essential Participants Agreement and conditional upon this separately signed page being incorporated into a complete and bound copy which contains the same terms and conditions, signed by all other parties and then returned to each party to the CRC for Water Sensitive Cities Essential Participants Agreement.

The Official Seal of MELBOURNE
WATER CORPORATION ABN 81
945 386 953 was duly Affixed
hereto in the presence of:



[Handwritten signature]

Director of Melbourne
Water Corporation

SHAWN LESLIE COX

Print Full Name

Jane Denton

Director/Secretary of
Melbourne Water
Corporation

JANE DENTON

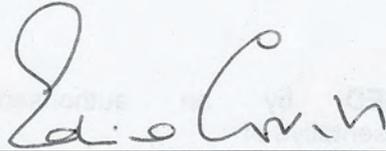
Print Full Name

31 May 2012

Date of Execution

This page is signed on the basis that it is an extract from the CRC for Water Sensitive Cities Essential Participants Agreement and conditional upon this separately signed page being incorporated into a complete and bound copy which contains the same terms and conditions, signed by all other parties and then returned to each party to the CRC for Water Sensitive Cities Essential Participants Agreement.

Signed by an authorised representative of **MONASH UNIVERSITY ABN 12 377 614 012** in the presence of



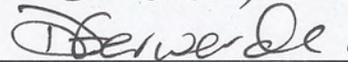
Authorised Representative

Edwina Cornish

Print Full Name

Senior Deputy Vice-Chancellor
+ DVC (Research)

Position



Witness

Diana Ferwerda

Print Full Name

Personal Assistant

Position

31 May 2012.

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This page is signed on the basis that it is an extract from the CRC for Water Sensitive Cities Essential Participants Agreement and conditional upon this separately signed page being incorporated into a complete and bound copy which contains the same terms and conditions, signed by all other parties and then returned to each party to the CRC for Water Sensitive Cities Essential Participants Agreement.

Schedule 1 – Definitions and Interpretation

Definitions

Account	has the same meaning as ‘Account’ in the Commonwealth Agreement.
Activities	means the activities described in Schedule 2 of the Commonwealth Agreement (including the Projects), and that for convenience is repeated in Schedule 4 of this agreement and such other research, development, education and training activities that are consistent with the Centre Objectives approved by the Board.
Activity Payment	means a payment made to an Essential Participant from Centre Funds for the purpose of carrying out the Activities.
Advisory Sub-Committee	means the Research Advisory Sub-Committees and Stakeholder Advisory Sub-Committees.
Agreement Material	means all material brought or required to be brought into existence as part of or for the purpose of the Company performing the Commonwealth Agreement, including documents, equipment, information and data stored by any means. For the avoidance of doubt Agreement Material does not include any Commonwealth Material.
Annual Budget	means the annual budget for the Centre prepared and approved under clause 12.1.
Applicable Jurisdiction	means the jurisdiction specified in item 4 of the Centre Details.
Approved Form	means a form and manner specified or approved by the Company.
Asset	has the meaning given to that term in clause 14.1.
Background IP	means: <ul style="list-style-type: none">(a) the Intellectual Property specified in the Project Details that a Project Party has agreed to contribute as Background IP to the Project; and(b) any other Intellectual Property that the Project Party has offered to contribute as Background IP for the Project and has been agreed in writing by all Project Parties as being accepted as Background IP for the Project, and, for the avoidance of doubt, does not include any Centre IP.

Board	means the board of directors of the Company from time to time.
Budget	means the budget for the Activities set out in Schedule 4 of the Commonwealth Agreement as varied in accordance with this agreement and the Commonwealth Agreement.
Business Day	means, in relation to the doing of any action in a place, any day other than a Saturday, Sunday, public holiday or bank holiday in that place.
Business Hours	means 9am to 5pm on a Business Day.
Capital Item	means an asset of a durable nature, the purchase price of which exceeds \$20,000.
Centre	means the research collaboration established by and between the Essential Participants and the Company pursuant to clause 4.1 of this agreement.
Centre Confidential Information	means Confidential Information generated as a result of the Activities.
Centre Field	means the field of research specified in item 3 of the Centre Details.
Centre Funds	means the money comprised in the Account including the cash Contributions from Essential Participants, the Commonwealth Funding, cash contributions to the Centre received from third parties and interest on the Account, but does not include any proceeds derived from the Utilisation of Intellectual Property.
Centre IP	means all Intellectual Property created or developed in the course of the Activities and any Commissioned Project IP that is owned by the Company.
Centre Objectives	means the objectives of the Essential Participants for the Centre as set out in clause 8.1.
Centre Resources	means the non-cash resources made available for use by the Parties in carrying out the Activities, including the non-cash Contributions and any non-cash resources received from third parties.
CEO	means the chief executive officer of the Company.
Chairperson	means the chairperson of the Board.
Commencement Date	means the date specified in item 2 of the Centre Details.
Commercialisation	means, in relation to Intellectual Property: <ul style="list-style-type: none"> (a) to manufacture, sell, hire or otherwise commercially exploit a product or process, that uses or incorporates part or all of that Intellectual Property; (b) to provide or supply a service, incorporating

	that Intellectual Property;
	(c) to licence any other person to do any of those things; or
	(d) to otherwise licence or assign the Intellectual Property,
	for commercial purposes regardless of whether any revenue is generated or intended to be generated.
Commissioned Project	means a Project that falls within the Centre Field but has been commissioned and funded by:
	(a) a Third Party; or
	(b) an Essential Participant outside its Contributions.
Commissioning Party	means the person commissioning a Commissioned Project.
Commissioned Project Agreement	means the agreement entered into by the Company with the Commissioning Party for the conduct of the Commissioned Project.
Commissioned Project IP	means Intellectual Property developed in the course of a Commissioned Project.
Commonwealth	means the Commonwealth of Australia.
Commonwealth Agreement	means the agreement referred to in Recital E.
Commonwealth Confidential Information	means the Confidential Information of the Commonwealth as defined in the Commonwealth Agreement.
Commonwealth Funding	means the funding to be given by the Commonwealth to the Company under the Commonwealth Agreement.
Commonwealth Material	means any material provided to the Company by the Commonwealth, including the material (if any) specified in item 13 of Schedule 1 of the Commonwealth Agreement.
Confidential Information	means all information that:
	(a) is not in the public domain;
	(b) is by its nature confidential;
	(c) has been designated as confidential by the disclosing party; or
	(d) the recipient knows or ought to know is confidential,
	and includes all trade secrets, know-how, financial information and other commercially or scientifically valuable information of any description and in any form (whether written, oral, visible or invisible).
Constitution	means the constitution of the Company.

Contribution	means, in relation to a Party, all of the money, Assets, Specified Personnel, facilities and services to be contributed by the Party to the Activities, as set out in the Budget and any additional contributions made by a Party under this agreement, but does not include Intellectual Property.
COO	means the chief operating officer of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
CRC Advisory Committee	means the committee established under clause 4.4.
CRC Executive	means the body established under clause 4.2.
CRC Indicia	means the terms “CRC”, “Cooperative Research Centre”, “CRC Australia” and the CRC Program logo including registered trade mark (No. 742859) and any additional items specified by the Commonwealth at any time.
CRC Program	means the program referred to in Recital A.
CRC Program Objective	means the objective listed in Recital B.
Deliverables	means the required deliverables for a Project as described in the Project Plan.
Department	means the Commonwealth department responsible for the administration of the CRC Program.
Director	means a director of the Company.
Essential Participants	means those persons or bodies (other than the Company) who are listed in Schedule 6 to the Commonwealth Agreement and sign this agreement or become bound to this agreement by signing a deed of accession under clause 31 but does not include a person or body that has retired or been expelled from the Centre under clause 32.
Essential Participants Reference Group	means the reference body referred to in clause 4.7.
Financial Year	means a period of 12 months beginning on 1 July and ending on 30 June or where the context necessitates a part of such period.
Funding Period	means the funding period set out in the Commonwealth Agreement.
Heads of Expenditure	has the same meaning as in the Commonwealth Agreement.
Improvements	mean a modification, enhancement or improvement of Centre IP that cannot be used without infringing the Intellectual Property Rights in the underlying Centre IP.
Initial Projects	means the Projects that are specified in Schedule 7.

Intellectual Property or IP	includes all copyright (including rights in relation to phonograms and broadcasts), all rights in relation to inventions (including patents), plant varieties, trade marks (including service marks), design, circuit layouts, all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields and any rights to have confidential information kept confidential, but does not include Moral Rights or rights of performers.
Internal Business Operations	means: <ul style="list-style-type: none"> (a) in the case of Research Essential Participants, the Non-Commercial Research, education and training activities of the Essential Participant; and (b) in the case of Non-Research Essential Participant, internal use in their own business operations, including public policy development in the case of government department Essential Participants, but does not include Commercialisation.
IP Register	means the IP register established under clause 25.7.
LEADR	means LEADR ACN 008 651 233 the incorporated association of dispute resolvers.
Loss	means any liability, loss, harm, damage, cost or expense (including reasonable legal fees on a full indemnity basis) but excludes special, indirect or consequential loss or damages (including loss of income or profits and loss of expectation of income or profits).
Material	means material in whatever form that relates to the Centre IP or Commissioned Project IP (or where the Essential Participant is required by law or its Rules to retain the original material, copies of such material) including products, property, prototypes, equipment, information, software, source code, firmware, documented methodology or process, other documentation (including laboratory books, reports, specifications, business rules or requirements, user manuals, user guides, operations manuals, training materials and instructions), biological, chemical or plant material, and the subject matter or physical embodiment of any category of Intellectual Property.
Member	means a person who is a member of the Company.
Milestones	means the milestones for a Project set out in the Project Plan.
Moral Rights	has the same meaning as in the <i>Copyright Act 1968</i> (Cth).

Non-Commercial Research	means research that is internally funded by an Essential Participant or funded by the Commonwealth or a State or Territory government or by a philanthropic or charitable organisation under a funding agreement that does not transfer Intellectual Property rights in the results of that research to the funding party.
Non-Research Essential Participant	means any Participant who is not a Research Essential Participant.
Other Participant	means other persons or bodies who wish to participate in the Activities and enter into an Other Participants Agreement.
Other Participants Agreement	means a long or short form agreement entered into between the Company and an Other Participant.
Party	means a party to this agreement who has signed this agreement and any other person that becomes a party to this agreement at any time, but does not include an Essential Participant who has retired or been expelled.
Party Confidential Information	means any Confidential Information owned or controlled by a Party that is made available, accessed or disclosed to another Party for the purposes of, or in the course of, the Activities. It includes Centre Confidential Information which, for this agreement, is deemed to be the Company's Confidential Information.
Personal Information	has the same meaning as in the <i>Privacy Act 1988</i> (Cth)
Portfolio Agencies	means Victorian Government agencies which carry out water resources management and other related work, including (but not limited to): <ul style="list-style-type: none"> (a) all Catchment Management Authorities established under the <i>Catchment and Land Protection Act 1994</i> (Vic); and (b) all Water Corporations established or restructured under the <i>Water Act 1989</i> (Vic) or the <i>State Owned Enterprises Act 1992</i> (Vic).
Program Leader	means the person responsible for each Research Program.
Project	means a discrete, time-bounded research, training or Utilisation activity or series of activities to be carried out under clause 19 by some or all of the Parties or third parties and that has been recognised as a 'Project' by the Company agreeing to Project Details in accordance with this agreement but does not include a Commissioned Project.

Project Agreement	means: <ul style="list-style-type: none"> (a) Project Details and the provisions of this agreement that apply to the conduct of a Project; (b) a Third Party Project Agreement; and (c) a Commissioned Project Agreement.
Project Budget	means the budget for a Project set out in the Project Plan including any variations to that budget agreed in writing by the Project Parties.
Project Commencement Date	means the date on which a Project is to commence as set out in the Project Plan.
Project Completion Date	means the date on which a Project is to be completed as set out in the Project Plan.
Project Contribution	means a Contribution to a Project by a Project Party as set out in the Project Details.
Project Details	means the details applicable for a Project as agreed in writing by all Project Parties, including the issues contained in Schedule 5, as amended by the Project Parties. In the case of a Project including one or more Third Parties as Project Participants, the Project Details means the details contained in the respective Third Party Project Agreement.
Project Funds	means the money to be paid to the Project Participants for conducting the Project.
Project Leader	means the person identified as such in the Project Plan and any person subsequently appointed to replace that person.
Project Objectives	means the objectives for a Project as set out in the Project Plan.
Project Participants	means, with respect to a Project, the Project Parties other than the Company.
Project Parties	means the participants in a Project including the Company.
Project Plan	means the plan for carrying out a Project as set out in the Project Details including any variations to that plan as agreed by the Project Parties in writing.
Project Representative	means a person nominated as a Project Party's representative under clause 21.4(b).
Quarter	means a 3 month period ending on 31 March, 30 June, 30 September or 31 December during the Term.
Research Advisory Sub-	means the committees established under clause

Committee	4.5(a)(i), and each of them separately.
Research Hub Coordinator	means the person responsible for coordinating each research hub referred to in Schedule 4.
Research Essential Participant	means an Essential Participant who is a university or research organisation.
Research Program	means a research program to be carried out by the Centre referred to in Schedule 4.
Responsible Participant	means, in relation to a Project, the Essential Participant or Other Participant that employs the Project Leader.
Rules	means the constitution, enacting legislation and its provisions, or any other form of provisions or policy statements governing the organisation and operation of a Party.
Shortfall	has the same meaning as in the Commonwealth Agreement.
Special Board Resolution	means a resolution of the Board passed by at least 75% of the Directors present at the relevant meeting and entitled to vote.
Special Resolution of Essential Participants	<p>means a resolution that is:</p> <ul style="list-style-type: none"> (a) notified in writing to every Essential Participant; and (b) at least 75% of the Essential Participants issue a written document, authorised or signed by the person authorised to receive notices on behalf of the Essential Participant, containing a statement that they are in favour of the resolution set out in the notice. <p>The resolution is passed when the last Essential Participant required to reach the requisite majority issues its written authorisation.</p>
Specified Personnel	means those persons identified in Item 12 of Schedule 1 to the Commonwealth Agreement and any replacement or substitute appointed in accordance with this agreement and the Commonwealth Agreement.
Stakeholder Advisory Sub-Committee	means the committees established under clause 4.5(a)(ii) and each of them separately.
Student	means a student enrolled at an Essential Participant university and involved in the Activities.
Tax Paying Participant	means an Essential Participant who has advised the Company that it intends to claim the research and development tax concession under section 73B of the <i>Income Tax Assessment Act 1936</i> (Cth) (or any equivalent or replacement concessional treatment or tax benefit associated with expenditure on research

	and development activities) in relation to its cash Contributions to the Centre.
Term	means the term of this agreement determined under clause 2.
Third Party	means, in the context of the conduct of Projects, a person who is involved in the Project other than an Essential Participant, Other Participant or the Company.
Third Party Project Agreement	means an agreement between the Company and one or more Third Parties setting out the terms on which the Third Party may contribute to, or participate in, a particular Project other than as a Commissioning Party.
Utilisation	means technology transfer, take up and use of research outputs of Activities by end-users and includes Commercialisation, and Utilise has a similar meaning.
Utilisation Expenses	means expenses incurred by the Company in Utilising Centre IP (not including costs attributed to time spent by its employees or the initial costs of obtaining IP protection) including: <ul style="list-style-type: none"> (a) government fees, taxes (other than income and withholding taxes), duties, charges or imposts paid or payable in relation to Utilisation Income; (b) ongoing costs of maintaining IP protection over the Centre IP, including patent attorney fees; (c) legal expenses incurred in relation to Utilising Centre IP; (d) relevant travel, insurance, packaging or transportation costs; (e) costs of seeking licensees of the Centre IP or other persons to be involved in Utilisation of Centre IP; and (f) any other out-of-pocket expenses incurred by the Company in carrying out Activities and entering into agreements required for Utilising Centre IP.
Utilisation Income	means all royalties, licence fee and other monetary proceeds (including monetary proceeds from the use or disposal of any non-monetary assets) from Utilisation of Centre IP received by the Company.
Valuation Principles	means the principles set out in item 5 of the Centre Details, as amended by the Board from time to time.

Interpretation

In this agreement, unless the contrary intention appears:

- (a) Headings are for ease of reference only and do not affect the meaning of this agreement and do not form part of the clause.
- (b) The singular includes the plural and vice versa and words importing a gender include other genders.
- (c) Words used in this agreement and defined in the dictionary will have the meaning set out in the dictionary. Other grammatical forms of defined words or expressions have corresponding meanings.
- (d) A reference to a clause, paragraph, schedule or annexure is a reference to a clause or paragraph of or schedule or annexure to this agreement and a reference to this agreement includes any schedules and annexures attached to this agreement.
- (e) A reference to a document or agreement, including this agreement, includes a reference to that document or agreement as novated, altered or replaced from time to time.
- (f) A reference to "\$", "\$A", "dollar" or "A\$" is a reference to Australian currency.
- (g) A reference to a Party includes its executors, administrators, successors and permitted assigns and if more than one, includes those persons jointly and each of them severally, their respective executors administrators and assigns.
- (h) Words and expressions importing natural persons include partnerships, bodies corporate, associations (whether incorporated or not), firms, joint ventures, trusts, authorities, governments and governmental, semi-governmental and local authorities and agencies.
- (i) A reference to any legislation or statutory instrument or regulation is construed in accordance with the *Acts Interpretation Act 1901* (Cth) or the equivalent State legislation, as applicable, and includes a reference to an enactment, amendment or consolidated statute and any enactment substituted for the enactment and all legislation and statutory instruments issued under, such legislation or provision.
- (j) Any provision in this Agreement stating that a Party "must" do something or "must" not do something should be read and construed as an agreement by that Party to do or not to do the matter or thing referred to.
- (k) "Including" is not a word of limitation.
- (l) Each clause in this agreement is not, except where expressly provided, limited in meaning or effect by any other clause in this Agreement.
- (m) A reference to writing includes typewriting, printing, lithography, photography and any other method of representing or reproducing words, figures or symbols in a permanent and visible form.
- (n) Any agreement, covenant, obligation, representation, undertaking, indemnity, guarantee or warranty entered into by a Party for or with another person binds them jointly and severally and an agreement, covenant, obligation, representation, undertaking, indemnity, guarantee or warranty in favour of a Party for or with another person is for the benefit of them jointly and severally. A release given to the other person does not release the Party from any other

obligation. The granting of time or another indulgence to another person does not release the Party of its obligations under this Agreement.

- (o) If the day on which:
 - (i) anything, other than a payment, is to be done is not a Business Day, that thing must be done on the preceding Business Day;
 - (ii) a payment is to be made is not a Business Day it must be made on the next Business Day but if the next Business Day falls in the next calendar month it must be made on the preceding Business Day; and
 - (iii) If an act, other than a payment or the giving of a communication, is required to be done on a particular day and the act is done after 5:00pm on that day, it will be deemed to have been done on the following day.

Schedule 2 - Centre Details

Item	Issue	Clause Ref	Details
1.	Name of the CRC	Recital C	Cooperative Research Centre for Water Sensitive Cities
2.	Commencement Date		The date of commencement of this agreement will be the later of: <ul style="list-style-type: none"> (a) the date of commencement of the Funding Period; (b) the date on which this agreement is signed by all Parties; or (c) the date on which the condition in clause 2.1 is satisfied.
3.	Centre Field		Water sensitive approaches to urban water management
4.	Applicable Jurisdiction	Clause 52.11	Victoria
5.	Valuation Principles	Clause 11.4	<p>Untied cash* - 1.50 x face value</p> <p>Tied cash – 1.00 x face value</p> <p>Non-cash (staff) – 2.80 x salary</p> <p>Non-cash (Other) – 1.00 x cost</p> <p><i>*For the purposes of this agreement, semi-tied R&D corporation cash Contributions will be classified as untied cash.</i></p>

Schedule 3 – Notice Details

<p>CRC For Water Sensitive Cities Ltd</p>	<p>Contact for notices: Ms Robyn McLachlan Position: Chief Operating Officer Address: CRC for Water Sensitive Cities, P.O Box 8000, Monash University LPO, Clayton, VIC 3800 Tel: +61 (0) 3 9902 0542 M: +61 (0) 402 013 497 Fax: +61 (0) 3 9905 9348 Email: robyn.mclachlan@watersensitivecities.org.au</p>
<p>The State Of Western Australia Acting Through The Department Of Housing</p>	<p>Contact: Mr Kieran Kinsella Position: Program Director – Strategic Projects Address: Department of Housing, Level 2, 99 Plain Street, East Perth WA 6004 Tel: +61 (0) 8 9440-2205 M: +61 (0) 418 908-062 Fax: +61 (0) 8 9221-1627 Email: kieran.kinsella@housing.wa.gov.au</p>
<p>The State Of Western Australia Acting Through The Department Of Water</p>	<p>Contact for notices: Ms Antonietta Torre Position: Senior Engineer Address: Urban Water Management Branch, Department of Water, 168 St Georges Terrace, Perth, WA 6000 PO Box K822, WA 6842 Tel: +61 (0) 8 6364 6629 Fax: +61 (0) 8 6364 6516 Email: antonietta.torre@water.wa.gov.au</p>
<p>The State Of Victoria Through The Department Of Sustainability And Environment</p>	<p>Contact for notices: Ms Sara Harbidge Position: Director, Urban Planning and Sustainability Address: Department of Sustainability and Environment, PO Box 500, 8 Nicholson Street, East Melbourne, VIC 3002 Tel: +61 (0) 3 9637 8023 Fax: +61 (0) 3 9637 8487 Email: sara.harbidge@dse.vic.gov.au</p>
<p>Melbourne Water Corporation</p>	<p>Contact for notices: Mr Jamie Ewert Position: Regional Integrated Water Strategy Manager – South East Address: Melbourne Water Corporation, 990 Latrobe Street, Docklands, VIC 3008 PO Box 4342, Melbourne, VIC 3001 Tel: +61 (0) 3 9679 6832 Fax: +61 (0) 3 9679 7099 Email: jamie.ewert@melbournewater.com.au</p>

South East Water Limited	<p>Contact for notices: Mr Ian Johnson</p> <p>Position: Manager Water Resource Strategy</p> <p>Address: South East Water Limited, 20 Corporate Drive, Heatherton, VIC 3202. Locked Bag 1, Moorabbin, VIC 3189</p> <p>Telephone: +61 (0) 3 9552 3725</p> <p>Fax: +61 (0) 3 9552 3771</p> <p>Email: ian.johnson@sewl.com.au</p>
Central SEQ Distributor – Retailer Authority (trading as Queensland Urban Utilities)	<p>Contact for notices: Mr Paul Belz</p> <p>Position: General Manager Planning</p> <p>Address: Level 6, Brisbane Transit Centre, 171 Roma Street, Brisbane, QLD 4000</p> <p>GPO Box 2765, Brisbane, QLD 4001</p> <p>Telephone: 07 3403 3279</p> <p>Fax: 070 3403 3436</p> <p>Email: paul.belz@urbanutilities.com.au</p>
Monash University	<p>Contact for notices: Prof. Edwina Cornish</p> <p>Position: Senior Deputy Vice Chancellor & DVC (Research)</p> <p>Address: Office Senior DVC & DVC Research Building 3A, Monash University, Wellington Road, Clayton 3800</p> <p>Telephone: +61 (0) 3 9902 9468</p> <p>Fax: +61 (0) 3 9905-5011</p> <p>Email: edwina.cornish@monash.edu</p>
The University Of Queensland	<p>Contact for notices: Director, Research Partnerships</p> <p>Postal address: The University of Queensland, Brisbane, QLD 4072</p> <p>Telephone: +61 (0) 7 3365 3559</p> <p>Fax: +61 (0) 7 3365 8383</p> <p>Email: director.partnerships@research.uq.edu.au</p>
The University Of Western Australia	<p>Contact for notices: Dr Campbell Thomson</p> <p>Position: Director, Research Services</p> <p>Address: Registrar's Office, The University of Western Australia, 35 Stirling Highway, Crawley, WA 6009</p> <p>Telephone: +61 (0) 8 6488 3027</p> <p>Fax: +61 (0) 8 6488 1075</p> <p>Email: campbell.thomson@uwa.edu.au</p>

Schedule 4 – Activities

The Australian Government has made the creation of liveable, sustainable and productive cities a national priority and identified reform of urban water systems as a key goal.

The economic health of our cities and towns are in many ways, either directly or indirectly, influenced by the strategies we adopt in the provision of urban water services. By urban water services, we mean all facets of services including those services beyond the traditional association with water supply, sewerage and drainage (stormwater and groundwater) infrastructure. Specifically, our definition of urban water services includes ecosystem services to the built and natural environment.

The benefits of Water-Sensitive approaches to urban water management are well known but the practical tools required for implementation on a large scale are not currently available. The challenge is that there is no one clearly definable problem and hence no one big solution - there are many small mutually dependent problems involving multiple sectors and disciplines that must be tackled as systems, or as systems within systems. Collaborative efforts across multiple industry and community sectors and across social and biophysical research disciplines are essential to address this very complex and multi-disciplinary problem.

The CRC for Water Sensitive Cities will address the key challenge of ensuring the water services and planning processes in Australian cities and towns can meet the challenges of population growth, and economic and climatic uncertainty. Our end-users, including various departments at all levels of governments, the water sector and the land development sector, recognise that our research will guide capital investments of more than \$100 billion by the Australian water sector and more than \$550 billion of private sector investment in urban development over the next 15 years. It will facilitate orderly and sustainable growth of cities.

The CRC will deliver the planning, technology and decision support tools required to improve the efficiency and effectiveness of urban water systems. To achieve this, the CRC has four complementary research programs, comprising 19 high priority projects. These programs are: (1) Society; (2) Water sensitive urbanism; (3) Future technologies; and (4) Adoption pathways.

The CRC will produce a blueprint or “how to” guide to the management of urban water resources for practitioners and developers to apply water sensitive design principles to the planning of urban developments and re-developments; toolkits including novel technology software packages and frameworks that will be instrumental in supporting the delivery of the blueprint; and capacity building and demonstration sites that provide opportunities for urban communities and for the public and private sectors to participate in the development of social and institutional capital associated with the establishment of water sensitive cities.

These outputs will provide support legislative and regulatory reform, investment prioritisation, the design and construction of water sensitive cities, and the education and training of a skilled workforce needed to secure safe, reliable and resilient water supplies for Australia’s towns and cities.

The total expected risk adjusted benefit associated with all CRC for Water Sensitive Cities research programs is \$165,432,960; the expected cost is \$98,522,304; resulting in an expected cost to benefit ratio for the CRC of 1.68.

Schedule 5 – Template Project Details

Item	Issue	Details
1.	Project Parties	
2.	Responsible Participant	
3.	Project Funds	
4.	Project Contributions	Amount per Project Party Timing for Contribution Manner of payment
5.	Background IP	Description: Warranties Restrictions
6.	Project Plan	<p><i>[Note: this is likely to be a separate attachment]</i></p> <p><i>Plan should include, as a minimum, the following details specified in clause 19.3:</i></p> <ul style="list-style-type: none"> (a) the Project Leader; (b) the Project Commencement Date and Project Completion Date; (c) the Project Objectives; (d) the proposed strategy to be followed; (e) potential outcomes; (f) Project milestones; (g) Project deliverables; (h) a Project budget; (i) contributions to be made by third parties; (j) resource requirements, including Contributions, Background IP, Centre Funds; (k) Student requirements (if any); (l) required expenditure on new Assets (if any); (m) an analysis of Project risk; and (n) an analysis of the likely opportunities for Utilisation of potential Project outcomes.

Schedule 6 – Essential Participants Contributions

	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21
Dept of Housing (WA)									
Cash	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Staff inkind	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Department of Sustainability and Environment (Vic)									
Cash	\$ 150,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Staff inkind	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dept of Water (WA)									
Cash	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Staff inkind	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Melbourne Water									
Cash	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Staff inkind	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monash University									
Cash	\$ 650,000	\$ 650,000	\$ 250,000	\$ 250,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Staff inkind	9.54	9.34	8.40	7.26	5.12	4.65	4.55	2.37	2.37
Non-staff inkind	\$ 118,733	\$ 414,141	\$ 559,392	\$ 302,329	\$ 128,121	\$ 204,207	\$ 130,387	\$ -	\$ -
Queensland Urban Utilities									
Cash	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Staff inkind	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
South East Water									
Cash	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Staff inkind	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Non-staff inkind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University of Queensland									
Cash	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Staff inkind	3.97	4.07	4.17	3.97	3.00	2.95	2.95	1.95	1.95
Non-staff inkind	\$ 147,543	\$ 277,934	\$ 225,044	\$ 105,612	\$ 85,586	\$ 121,891	\$ 118,043	\$ -	\$ -
University of Western Australia									
Cash	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Staff inkind	4.01	4.01	3.81	3.81	3.04	2.81	2.81	1.76	1.76
Non-staff inkind	\$ -	\$ 163,938	\$ 144,602	\$ 137,600	\$ 83,289	\$ 72,546	\$ 68,032	\$ -	\$ -

Schedule 7 – Initial Projects

Summary of Initial Projects

A nine-year research and development program has been developed for the CRC. The program is split into three distinct phases. The first phase covers Years 1 to 4 and involves 19 high-priority research projects. Some of the projects are further divided into sub-projects to ensure an adequate level of focus in research objectives, outputs and outcomes as well as a rigorous level of project management to realise these outcomes. In total there are 31 discrete project or sub-project in Phase 1.

Phase 2 begins in Year 4 with a review of our achievements and, based on the outcome, set and prioritise our research program for Years 5 to 7. In Phase 3 (Years 8 & 9) we will be directing our efforts towards establishing an enduring legacy for the CRC. To do this, we will be monitoring and documenting the effectiveness of our research adoption activities and working closely with our stakeholders to ensure that they can apply our research outputs in ways that deliver the maximum possible benefits.

The 19 research projects, identified as priorities for Phase 1, have been grouped into four research themes (Programs) and to effectively address the complex inter-dependencies between the projects we will employ a matrix style interdisciplinary delivery approach. This approach will place practitioners, policy makers and regulators in inter-disciplinary teams with researchers whose expertise may be in areas such as: water engineering; urban planning; commercial and property law; urban ecology; climate science; social and institutional science; organisational behaviour; change management; the water economy; risk assessment; social marketing; and community health. These teams will be located at research hubs in Brisbane, Melbourne, Perth, and Singapore.

Details of each projects and sub-projects including their research plan, budget, timeline, deliverables and milestones are contained in a separate document that will be submitted to the CRC Board for approval. As individual projects and sub-projects are still being refined and in some cases regrouped, some project titles may change or some activities re-located to other projects.

Program A – Society

This program will focus on understanding and delivering the social transformations needed to support water sensitive cities, including community attitude and behavioural change, governance & economic assessment practices, management systems and technological innovation. By developing a richer understanding of underpinning social norms & behaviours, the research will provide evidence-based guidance on institutional rules and economic & regulatory frameworks for water sensitive decisions, policies and practices. The goal is to deliver governance models, policy tools and practical guidance that will facilitate social, institutional, regulatory and economic reforms that are mutually reinforcing, flexible and adaptable to different social scales and contexts.

There are four projects grouped under this program:

1. **Project A1 – Economic Modelling and Analysis** – This project will research: the economics diversifying water sources; CRC-developed technologies (with Program C); and community valuation of environmental and social benefits from WSUD (with Program B). The project will design incentive programs to promote water-sensitivity. The outcome of the project will be that decision makers will have the knowledge and tools required to identify when implementing water-sensitive infrastructure systems and technologies will generate a net welfare gain. This project comprises three sub-projects:-

- i. Project A1.1 – Cities as Water Supply Catchments – Economic Valuation
 - ii. Project A1.2 – Valuation of economic, social and ecological costs and benefits
 - iii. Project A1.3 – Economic incentives and instruments
- 2. Project A2 – Societal Innovation and Behaviour Change** – This project will research: community norms and expectations in relation to water-use practices (with Program B); identify potential behavioural pathways for reducing water footprints of households and businesses; and develop strategies for accelerating societal change. This project will also develop an in-depth understanding of current levels of water literacy across different socio-demographic groups and geographic regions in Australia and develop strategies to engage with community members on issues of water sensitivity. This project comprises three sub-projects:-
- i. Project A2.1 – Understanding social processes to achieve water sensitive futures
 - ii. Project A2.2 – Accelerating transitions to Water Sensitive Cities by influencing behaviour
 - iii. Project A2.3 – Engaging communities with Water Sensitive Cities
- 3. Project A3 – Governance and Regulatory Reform** – This project will research: the policy and regulatory impediments to best-practice innovation; best-practice governance models for local and regional scales of water sensitive developments; innovative risk management, risk sharing and risk diversification strategies; and an analysis of the mix of standards, incentives and related strategies required to accelerate transition. The project will also develop strategies for influencing opinion formation and policy-making. Studies will include: elicitation and assessment of expert political knowledge for connecting science to policy processes and improving evidence-based decision-making in contested knowledge and preference situations. The project will develop methods for better reconciling scientific findings, expert opinion, policy-making imperatives and community concerns entailing societal change. This project comprises three sub-projects:-
- i. Project A3.1 – Better governance for complex decision making
 - ii. Project A3.2 – Better regulatory framework for Water Sensitive Cities
 - iii. Project A3.3 – Strategies for influencing the political dynamics of decision making
- 4. Project A4 – Social-Technical Transitions** – This project is aimed at reviewing and documenting the various factors that would facilitate the institutional transition of cities and towns to water sensitive cities. The project will develop tools that can support and influence strategic planning at different scales and by different stakeholder groups to enable a city's transition to a water sensitive future. The project will also model the interactions between social acceptance, urban form, economics and technical feasibility. The model will be used to test possible urban water management scenarios under a range of different development and climate scenarios. The outputs will include city-specific scenarios of visions and transition pathways for Melbourne, Brisbane and Perth and guidelines for building transition scenarios and integrating participatory processes into formal strategic planning initiatives. This project comprises three sub-projects:-
- i. Project A4.1 – Cities as Water Supply Catchments – Society and Institutions
 - ii. Project A4.2 – Mapping Water Sensitive City scenarios
 - iii. Project A4.3 – Socio-technical modelling tools to examine urban water management scenarios

Program B – Water Sensitive Urbanism

This program will focus on the influence of urban configurations on resource flows across a range of scales. It will apply green infrastructure and climate responsive design principles to water security, flood protection and the ecological health of terrestrial and aquatic landscapes from whole-of-catchment to street level. It will establish the integrative socio-technical urban planning and design processes that will deliver the practical tools required to improve resilience of Australian urban environments. There are 5 projects grouped under this program:

- 1. Project B1 – Catchment-scale Landscape Planning for Water Sensitive Cities in an age of Climate Change** – This project will apply whole-of-landscape planning to city and regional catchments as a way of accommodating urban growth and adapting to climate change. The project aims to derive a first order urban metabolism evaluation framework for the city region across urban, peri-urban and rural landscapes. This framework will be encapsulated within a whole-of-landscape planning and management city-region model that links cities ecologically and hydrologically to their region whilst accommodating the assessment of urban growth adapted to climate change. The project will ground this inquiry in statutory and non-statutory regional (catchment) scale planning processes. Within this project there are two sub-projects:-
 - i. Project B1.1 – Cities as Water Supply Catchments – Urban rainfall in a changing climate
 - ii. Project B1.2 – Catchment-scale landscape planning for water sensitive city-regions in an age of climate change
- 2. Project B2 – Planning, Design and Management to Protect and Restore Receiving Waters** – This project will provide the ecological and hydrological bases and management guidelines for urban water bodies and groundwater dependent ecosystems that are: resilient to changes in climate, population and land use; fulfil recreational and aesthetic expectations; optimise biodiversity values; and assist in water cleansing. Within this project there are four sub-projects:-
 - i. Project B2.1 – Cities as Water Supply Catchments – Stream Ecology
 - ii. Project B2.2 – Ecological planning, design and management to protect and restore receiving waters
 - iii. Project B2.3 – Design of the Public Realm for Ecological Ecosystem Services
 - iv. Project B2.4 – Hydrology and Nutrient Transport Processes in Groundwater/Surface Water Systems
- 3. Project B3 – Water Sensitive Urban Design and Urban Micro-climate** – This project will improve the sustainability and liveability of cities by using public realm landscapes to enhance urban microclimate. In this project a combination of observational and modelling approaches will be used at different scales (household to city) to understand the processes linking urban climate, Water Sensitive Urban Design/green infrastructure and health. The project will also address how Water Sensitive Cities can benefit from climate sensitive design. Within this project there are two sub-projects:-
 - i. Project B3.1 – Cities as Water Supply Catchments – Green Cities and Microclimate
 - ii. Project B3.2 – The design of the public realm to enhance urban micro-climates

4. Project B4 – Building Socio-technical Flood Resilience in Cities and Towns – This project will develop socio-technical decision support tools to improve flood resilience of cities. It will model the structural and non-structural measures needed to adapt drainage and flooding systems in existing urban areas (retrofit) to accommodate climate change. The overall objective is to integrate flood risk analysis and flood risk management with other management practices to enhance asset protection and help facilitate the overall objectives of the water sensitive city. The deliverables are tools that will enable better land-use planning processes by presenting geographically distributed hazard and risk maps and identifying suitable adaptation options based on different decision criteria such as economics and ethics. Within this project there are two sub-projects:-

- i. Project B4.1 – Social-technical flood resilience in water sensitive cities – predict and adapt
- ii. Project B4.2 – Enhancing social-economic-technical flood resilience by mainstreaming in water sensitive cities

5. Project B5 – Statutory Planning for Water Sensitive Urban Design – The project will assess the role of statutory planning legislation, regulation and processes in facilitating or constraining the adoption of Water Sensitive Urban Design (WSUD) and identify best practice planning policies and planning legislation to facilitate water resilience in cities. This Project seeks to determine how town planning frameworks can be reformed to more effectively support the implementation of WSUD. More particularly, it is concerned with the benchmarking of standards for strategic planning of new communities (structure planning) and subdivisions, including requirements for land reservation, drainage easements, drainage standards, delivery of reticulated recycled water, stormwater management and infrastructure funding for WSUD across varying scales. It is also concerned with the integration of WSUD policy with related town planning policy objectives relating to subdivision, public open space planning, water recycling and stormwater management.

Program C – Future Technologies

This program will develop integrated and multi-functional urban water systems that manage and/or use multiple water sources at a range of scales. It will deliver innovative technologies for: integrative management of the urban water systems; fit-for-purpose production of water; the recovery of energy, nutrients and other valuable materials embedded in urban water; minimising the carbon footprint and ecological impacts of water systems; and maximising the potential multiple beneficial values of urban water services. There are five projects grouped under this program:

1. Project C1 – Innovative Technologies for fit-for-purpose Water Production – This project will develop innovative technologies to deliver fit-for-purpose water from a range of alternate water sources including stormwater and various types of wastewater, by building on previous and on-going work on wastewater recycling and stormwater harvesting. The technologies to be developed will feature low-cost and low energy-consumption and will be embedded as part of urban landscape. Within this project there are three sub-projects:-

- i. Project C1.1 – Cities as Water Supply Catchments – Sustainable Technologies
- ii. Project C1.2 – Cities as Water Supply Catchments – Risk and Health: Understanding Stormwater Quality Hazards
- iii. Project C1.3 – Fit-for-purpose water production

2. **Project C2.1 – Resource Recovery from Wastewater** – This project aims to develop and demonstrate technologies suitable for the recovery of energy, valuable elements, including phosphorous, nitrogen, and potassium, and water from wastewater. The technologies to be developed will be applicable in a range of situations, including supplementing existing wastewater treatment plants. This will enable a transition from wastewater treatment to full resource recovery at a variety of scales.
3. **Project C3.1 – Managing interactions between decentralised and centralised water systems** – This project aims to understand and assess the interactions between decentralised water treatment/reuse systems and central infrastructure, to support optimized integration of decentralised and centralised systems. The project will facilitate the future provision of water services through the integration of decentralised and centralised systems including the extension of the capacity of existing centralised water supply infrastructure through the provision of alternative water sources at local scales. It also addressing the emerging impact of decentralised water reuse on the reduction of sewer flow and corresponding increase in the organic content of 'sewage'.
4. **Project C4.1 – Integrated multi-functional urban water systems** – This project will deliver hybrid systems capable of treating multiple water sources (such as stormwater, partially treated wastewater, or polluted groundwater) within urban landscapes and therefore provide ecosystems services to the city. It will focus on further development and optimisation of stormwater biofiltration (raingardens, bioretentions) and wetland systems, which are the key Water Sensitive Urban Design WSUD technology for efficient waterway protection, and water recycling of multiple water sources in urban areas.
5. **Project C5.1 – Intelligent Urban Water Systems** – Intelligent Urban Water Systems are systems that provide data monitoring, data analysis, and decision support for making optimal decisions on the management of water in urban environments. State of the art sensors distributed throughout urban water systems collect data about the state of the whole system and its components. This project is to develop innovative data processing techniques for utilising sensor data to optimise the efficiency and safety of urban water systems. The project will focus on smart household water meters and pumping in pipe delivery systems that manage water from alternative sources. The project will deliver new methods for data analysis with software and guidelines for applying these methods.

Program D – Adoption Pathways

The program will deliver a suite of capacity building projects and socio-technical modeling tools that will provide a focus for participants and stakeholders at a national regional and community level to interact, experiment, and learn from each other. This in turn will: improve community engagement; enrich educational and training programs at the professional and sub-professional levels; and support the development of robust science-policy partnerships. There are five projects grouped under this program:-

1. **Project D1 – Establishing a National ‘Alliance’ for Transitioning to Water Sensitive Cities** – This project will support interaction, experimentation, and information exchange at national and local levels. It will also provide participants and stakeholders with the opportunity to become directly acquainted with, and involved in, full-scale demonstration projects that will serve as living laboratories and innovation incubators in Melbourne, Brisbane, Perth, Singapore and Rotterdam. Within this project there are three sub-projects:-
 - i. Project D1.1 – Cities as Water Supply Catchments – Integration and Demonstration through Urban Design

- ii. Project D1.2 – Research Communication and Learning
 - iii. Project D1.3 – Seeding a Community of Practice
2. **Project D2.1 – Developing Practitioner Capacity and Capability** – This project will build ‘institutional capacity’ as well as the skills and knowledge of individual practitioners, by translating research outcomes from Programs 1, 2 and 3 into actionable activity sets and frameworks.
 3. **Project D3.1 – Science-Policy Partnerships** – This project will align the research activities of the CRC with national state and local government policy agendas. It will facilitate communication and knowledge sharing between researchers and those engaged in policy development, while supporting the development of water sensitive city science policy partnerships.
 4. **Project D4.1 – Strengthening Educational Programs to foster future Water Sensitive Cities leaders** – This project will provide PhD students with scholarships, networking opportunities, relevant training and opportunities to integrate their research with the work of other CRC researchers and practitioners. It will also provide coursework Masters programs for decision-makers working in government and the water sector.
 5. **Project D5.1 – Urban Intensification & Green Infrastructure: Towards a Water Sensitive City** – This project will examine, through applications in demonstration projects, the issues and processes involved in delivering best-practice WSUD areas by designing demonstration projects for precinct development and redevelopment in Australian cities. The scale, design and delivery of each case study project will be determined by the particular constraints and contexts of each location, such as strategic urban planning, building regulations, climate, site availability, local catchment issues including ecology, water quality and flood risk. It will develop templates of staged scenarios for the transformation of existing middle suburban areas into integrated infill precincts.