
Guidelines for Establishment of Business Relationships with Outside Organisations

Purpose

The University of New South Wales (UNSW) enters into commercial relationships with outside organisations for the purposes of carrying out its functions. These Guidelines set out the information required to assess proposals for entering into business relationships with outside organisations, such as joint ventures, partnerships and corporation/consortium agreements.

Process

Proposals are to be prepared by the member of staff sponsoring the agreement, in accordance with the Proposal Outline below. Proposals are then to be submitted for endorsement by the Dean(s) of the relevant Faculty(ies). All documentation should then be sent to the Compliance Officer at UNSW who will be responsible for ensuring that it is properly evaluated. Finally, documentation will be submitted to Senior Management for consideration.

Proposal Outline

The Proposal should provide sufficient, relevant and timely information to assist UNSW in its decision-making process. It must be used with the Due Diligence Information Request which is designed to obtain information from third parties to assist in the evaluation and approval process. The information obtained from third parties should be presented with the proposal.

The Proposal should include the following information:

1. Overview – *A brief description of the proposed activity, including:*

- The parties involved
- The benefits to UNSW
- The major risks to UNSW
- The UNSW resources required and
- Key UNSW staff involved.

2. Business Plan – *The Business Plan should set out the benefits to UNSW and other parties that will be derived from participation. It must include:*

- The nature of the business to be carried on under the proposal
- Where business is to be conducted
- Projected revenue and expenditure over the life of the proposal or at least over 3 years
- All sources of funding and revenue
- Principal items of expenditure (both capital and recurrent)
- Performance indicators for evaluation of relationship and inputs/outputs
- Management reporting arrangements – timing and format.

3. Financial

- The investment required from UNSW, both in terms of cash and in-kind
- Source of UNSW funds
- Any factors which may affect this source of funding, and whether it is secured
- The financial benefits to UNSW and how will they be derived
- The investment required from other parties, both cash and in-kind.

4. Governance and Corporate Structure

- State the proposed structure for the activity eg incorporated entity (state exact type of corporation), unincorporated entity or unincorporated joint venture. Is the entity already registered?
- Describe how the proposed activity will be governed eg Board of Management, Executive Committee or Board of Directors
- Provide the names of those who will be Officers and Board Members of the entity identifying UNSW and non-UNSW persons. Provide their relevant qualifications and experience
- Are there any potential conflicts of interest (actual or perceived)? If so, how will this be managed?

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5. Facilities and Staffing - *State whether any of the following are required under the proposal and provide details:*

- UNSW premises. If so, specify which premises and set out the arrangements for use of those premises eg payment of rent, payment for ancillary costs such as telephone, cleaning and parking
- UNSW tools and equipment (assets). If so, specify which assets and the arrangements for hire, insurance, and joint use
- Access to UNSW Library. If so has this been agreed with University Librarian?
- Access to UNSW email/internet. If so set out any terms for payment for those facilities and whether agreed with DIS
- UNSW staff. If so, which staff and what arrangements have been made for the costs of these staff? Will staff be recruited specifically for this proposal, if so on what basis? Are staff to be seconded from other areas?

6. Intellectual Property - *If Intellectual Property is required for or expected to be generated under the Proposal, provide the following information:*

- What agreements have been reached regarding the ownership and licensing of IP? State briefly the effect of these agreements and how they are/will be documented and implemented
- If students are involved, what arrangements will be made for ensuring that the UNSW IP policy is complied with?

7. Insurance and Risk Assessment

- What insurances are required? Is UNSW insurance cover required? If so has Risk Management confirmed that this cover is available under the UNSW policies?
- Identify the major risks of the proposal to UNSW and state how they will be managed, this includes OH&S, legal compliance (eg with Genetech legislation), reputation and financial risks
- Provide details of other parties as required by the Due Diligence Information Request, and state why these other parties are appropriate associates of UNSW for the proposal

8. Taxation

- If activities are being or may be undertaken outside Australia, have possible foreign tax implications been taken into account? If so, what are those implications and how are they being dealt with?
- Will the entity have its own ABN and be responsible for its own obligations (such as GST, superannuation, workers' compensation and pay-roll tax) or will it be the University's responsibility?

9. External Constraints

- Address external factors such as Granting Body requirements or statutory obligations

10. Legal

- What agreements have been documented for the proposal? Who prepared this documentation and on whose instructions? Has it been approved by the UNSW Legal Office?

Ensure the Due Diligence Information Request is completed by each proposed partner organisation. After endorsement of the proposal by the relevant Dean(s), forward all documentation to: Compliance Officer, Legal Office, Chancellery Building, University of New South Wales 2052.

University of New South Wales Due Diligence Information Request

Please provide the following information on your organisation (the Entity)

1. Nature of incorporation or registration and date of incorporation or registration
2. Details of all business names used or registered by the Entity
3. ABN and confirmation that the Entity is registered for GST purposes
4. List of all places where the Entity engages in its business
5. List of all Officers, directors/board members, with their date of birth, years of office, and any affiliations potentially giving rise to a conflict of interest
6. Names and addresses of contact personnel of the Entity's professional advisors, including legal advisors, auditors, principal bankers and investment bankers
7. Any material change in the business of the Entity since the last audited accounts
8. All material guarantees and indemnities:
 - Given by the Entity for the obligations of any other person; and
 - Given by any person for the obligations of the Entity
9. Details of any current or contingent legal proceedings to which the Entity is a party or is likely to become a party
10. Details of the following insurance policies (i.e. amount of cover, insurance provider and certificates of currency):
 - Public indemnity
 - Comprehensive general liability
 - Director's and officer's liability
 - Professional indemnity
 - Any other material insurance policy

Please provide copies of the following:

1. Constituting documentation (Constitution, Shareholders/Members agreements)
2. Last two annual reports
3. Audited accounts [income tax return] from last two years
[If subsidiary company – last two audited annual accounts of parent company]
4. Licences and permits required by the Entity to carry on business
5. Any judgements or orders made in favour of or against the Entity, its Officers or Directors

Further Details and Declarations

Other Relevant Financial Information

Permission to obtain credit rating status and references

Permission to contact professional advisers

Certify information provided true, complete and correct