Spin-out Documentation

The University has a precedent suite of documents covering all aspects of spin-out company formation which have been drafted by the University’s legal advisors.

- **Heads of Agreement**
  This sets out the key provisions of all aspects of the spin-out company and provides a summary upon which to build full documentation.

- **Memorandum & Articles of Association**
  These documents are standard company documents which set out the nature of the company’s business and its operations.

- **Shareholders Agreement**
  This addresses the relative shareholdings between the founding researchers, the University, management, and investors, and the protections which each shareholder seeks.

- **Technology Licence Agreement**
  This authorises the company to use specified unfettered intellectual property owned by the University. This IP is normally licensed in for equity. Any future IP is generally licensed in for royalties. It is to the advantage of founder inventors to recognise that this IP belongs to the University, not the company, and that proper agreements, which benefit all inventors, are put in place.

- **Consultancy Agreement**
  The company will want to secure access to the services of the founding researchers. The arrangements need to be approved by the University, via the IP Commercialisation Office. As in all consultancy agreements, founders cannot make an inventive contribute through consultancy. If an inventive contribution is made it will be in their capacity as a University employee and the IP will reside with the University.

As founders you should seek personal legal representation in your capacity as consultants to the company and as shareholders if there is anything in the process that is not clear to you.

When engaging advisers you must always consider who will pay them if the company is not formed. Do not sign a letter of engagement with an adviser until you have agreed who is going to pay.

The University is unable to indicate a preference or make a recommendation on advisors.