

STATUTE 10.2 – COMMERCIAL ACTIVITY

Interpretation

1. “Amount Deemed to be Significant” means any amount which affects a line item in a profit and loss statement or balance sheet of the University by greater than 5% or any other amount resolved by Council from time to time as an amount of expenditure deemed to be significant having regard to relevant accounting standards.

“Commercial Activity” or “University Commercial Activity” means as defined in the Act and the Guidelines and is activity that:

- (a) commits the University to expenditure of equal to or greater than the amount deemed to be significant during the life of the activity (excluding any options to renew or extend the activity); or
- (b) exposes the University to liability of an amount equal to or greater than the amount deemed to be significant during the life of the activity (excluding any options to renew or extend the activity),

and includes commercial leasing and licensing arrangements entered into by the University which do not relate to the provision of goods or services to students and staff of the University and which are not exempted on grounds that the activity will commit the University to expenditure or expose the University to liability of less than the amount deemed to be significant.

“[Guidelines](#)” means the Guidelines concerning commercial activities of the University in accordance with Part 6 Division 6 of the Act.

“New Commercial Activity” means Commercial Activity entered into by the University (excluding the renewal or extension of previous contractual arrangements entered into on arms length commercial terms) on and from 4th November, 2010.

Words or expressions defined in the Act (including the Guidelines) and not defined in this Statute have the same meaning for the purposes of this Statute.

New Commercial Activities

2. The University must not enter into any new commercial activity until a report in relation to the assessments and measures specified in Guideline 1 has been presented to the Council and the Council has passed a resolution stating that it is satisfied that all relevant assessments and measures have been undertaken in accordance with Guideline 1.
3. The Council may make whatever further enquires it deems fit to determine whether all relevant assessments and measures have been undertaken in accordance with Guideline 1.

Indemnities

4. Any indemnity to be provided by the University must be referred to the University's Legal Office, which will determine if the indemnity is significant (having regard to relevant accounting standards) and if so whether it should be backed by an insurance policy which indemnifies the University to the same value where insurance coverage is available.

Register & Monitoring

5. In accordance with Guideline 4, a register of commercial activities will be held in the University's Legal Office.
6. In accordance with Guideline 3, the Council may make any directions as it deems appropriate for the regular monitoring of any commercial activity. Reports which monitor each commercial activity must be submitted to Council annually or otherwise as required by Council.

Corporations and Joint Ventures

7. Where the University becomes a member of, forms, manages, or participates in or enters into a company, association, trust, partnership or joint venture (collectively referred to as an "undertaking") pursuant to section 48(1) of the Act, a report must be tabled with the Council at the earliest reasonable opportunity specifying that the assessments required by Guideline 5 were completed prior to entering into the undertaking and the outcome of those assessments. This section does not apply to a controlled entity.

University Controlled Entities

8. Any proposed formation of or membership of a controlled entity must be approved in advance by the Council, which shall only approve the formation or membership of the controlled entity if it is satisfied that the requirements of Guideline 6 have been or will be met.
9. Reports regarding the significant activities of controlled entities must be submitted to the Council at each meeting of the Council or otherwise as required by the Council.
10. Any proposals regarding the transfer of ownership of controlled entities or investments in controlled entities (whether to a third party or as part of an internal re-organisation of the University) must be approved in advance by the Council.

Regulations

11. (1) The Council may at any time make Regulations, not inconsistent with this Statute, prescribing all matters which by this Statute are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Statute and by later Regulation revoke or amend any such Regulations.
- (2) Regulations made under this Statute shall be promulgated by being exhibited on the official notice boards of the University and after being so

promulgated shall remain so exhibited for at least fourteen days during which time the University is operating.

Made 31/05/11, Approved 09/08/11