

Additive Manufacturing Cooperative Research Centre Draft Partner Term Sheet

1. PURPOSE

The objective of this draft Term Sheet is to assist potential Partners to identify key issues and reach agreement on the terms of collaboration in the proposed Additive Manufacturing Cooperative Research Centre (CRC)

The term sheet draft provides a general overview of the terms and is intended to serve as the basis for discussion amongst potential Partners in the CRC. The term sheet will guide the preparation of the CRC funding application to the Commonwealth under Round 25 of the CRC Program.

If the application is successful, the agreed term sheet will be used as a basis for drafting the terms and conditions of the Partners Agreement. An example is available at:

<https://business.gov.au/grants-and-programs/cooperative-research-centres-crc-grants>

The term sheet on its own, is not intended to be, and does not constitute, a legally binding document.

2. SUMMARY OF TERMS

Topic	Proposed Terms
CRC Name	Additive Manufacturing CRC – ‘Australia Makes’
Vision / Challenge	<p>Through collaborative investment in technology development and innovation, the new CRC aims to drive productivity, growth, and transformative change in Australia's manufacturing sector, which is crucial for the country's economic strength, resilience, and future viability. A healthy and vibrant manufacturing sector creates opportunities and fuels the Australian economy in prosperous times but also mitigates risks by keeping the country functioning in times of crisis.</p> <p>Recognizing that Australian manufacturing cannot compete solely on cost in the global marketplace, the focus will be prioritizing high-value, complex, and customized production. Additionally, there is a pressing need to transition towards sustainable, carbon-friendly, and circular manufacturing practices to effectively participate in the global supply chain and target export markets.</p> <p>Australia's exceptional access to a wide range of high-value critical minerals, metals, and bio-based materials, coupled with ever more affordable renewable energy provides unique opportunities for manufacturing growth. By strategically capitalizing on these resource strengths and addressing cost and sustainability challenges, Additive Manufacturing at scale can position Australian industry as technology leaders.</p> <p>Additive Manufacturing, as part of Advanced Manufacturing, aligns with the government's National Reconstruction Fund (NRF) mission to "diversify and transform the economy" and "strengthen Australian manufacturing to create jobs, grow our economy, and enhance our resilience." Moreover, it is recognized as a key part of the Australian Government Critical Technologies Statement in the national interest that will impact our GDP, security and social cohesion.</p> <p>Through harnessing the strength of Australia's research organizations in Additive Manufacturing, combined with the participation of cutting-edge technology Original Equipment Manufacturers (OEMs) and ambitious Small and Medium-sized Enterprises (SMEs), the AMCRC will foster a globally competitive innovation ecosystem for advanced manufacturing.</p>

Topic	Proposed Terms
	<p>By building on these existing achievements, the AMCRC will create a world leading Additive Manufacturing Industry in Australia, significantly enhance the Advanced Manufacturing abilities and build the sovereign capabilities in the seven priorities areas listed by the NRF.</p> <p>By joining researchers and industry in this collaborative effort, the AMCRC seeks to reshape the manufacturing landscape, driving sustainable growth and prosperity. By doing so, Australia can build its position as a leader in disruptive business models and innovative products.</p>
Rationale	<p>Given Australia's strong economic dependence on the mining, primary, and tertiary sectors, a viable and sustainable manufacturing sector becomes crucial for future economic prosperity, sovereignty, and resilience. The concept of "Making Things in Australia" will be the foundation for economic wealth, encompassing knowledge-intensive services and high-skill jobs. Additive Manufacturing will play a vital role in a circular economy approach to developing innovative products and services allowing a new wave of manufacturers to help fuel our economy in prosperous times but also mitigates risks by keeping the country functioning in times of crisis.</p> <p>In Australia's pursuit of transitioning to a lower carbon and sustainable economy, a thriving and innovative manufacturing sector holds the key to our future prosperity, resilience, and positive environmental impact. The country boasts abundant critical resources, access to renewable energy, and cutting-edge research capabilities. By synergizing these strengths, we can develop and commercialise new products across all our National priority Industries and emerge as leaders in climate technology, aligning with the growing imperative of achieving Net Zero emissions.</p> <p>Australian success stories in manufacturing reveal that those who invested in design, R&D, and new technologies, focusing on competitiveness beyond cost considerations, have achieved market leadership. Nevertheless, compared to economies of similar size, our manufacturers have struggled to scale up and become global leaders in their respective sectors. To compete effectively in the global market, it is essential for our manufacturers to develop disruptive business models that can swiftly scale up to meet rising demand. This requires industry-led manufacturing research, especially in the development of new technology platforms and materials, which will play a pivotal role in ensuring a successful journey towards competitiveness.</p> <p>Additive Manufacturing, which emerged in the early 1990s, has rapidly transformed the product development cycle across all industry sectors. Building parts by sequentially bonding layers of material one slice at a time, has sparked a wave of creativity and introduced transformative business models. From discrete aligners for straightening teeth to lightweight titanium wheels on the Mars Rover, Additive Manufacturing has inspired a new generation of innovation and products.</p> <p>The CRC's four research programs will serve as a collaborative platform, uniting partners from Australia and around the world to bolster the Additive Manufacturing sector's national capabilities. This initiative aims to drive the development of new and disruptive business models for our manufacturers, enabling them to bring complex and high-value products, processes, and services to global markets successfully. Through these efforts, Australia can establish itself as a leading player in Additive Manufacturing and forge a sustainable path to economic growth and technological advancement.</p>
CRC Program Funding Bid	<p>The CRC is seeking circa \$50 - \$60M of funding over 7 years from Round 25 of the CRC Program. It is expecting to match this with Industry, Research and Government Partner cash contributions of \$40 - \$50M and \$15M, respectively.</p> <p><i>Values are to be determined based on the aggregate value of Partner Contributions prior to Stage 1 Bid Submission</i></p>

Topic	Proposed Terms									
Term	7 years, depending on the industry demand and direction for research and translation, sufficient to facilitate multi-party, collaborative projects of up to 5 years in duration									
Partners	<p>Partner Categories</p> <p>The CRC has 5 partner types as described:</p> <ol style="list-style-type: none"> Industry Partners (who apply for and undertake Projects with Research Partners) <ul style="list-style-type: none"> Manufacturing businesses (SMEs, large companies, multinationals) Other businesses Platform and service platform providers, including technology vendors Research Partners <ul style="list-style-type: none"> Australian Universities and Australian Public Research Institutes (who undertake Projects led by Industry Partners) Network Partners <ul style="list-style-type: none"> Trade Associations who identify and support their Industry Partner members apply for and undertake Projects with Research Partners Government Partners <ul style="list-style-type: none"> State and Territory Governments Associate Partners <ul style="list-style-type: none"> Collaboration, supporting and/or international collaborations, such as research organisations, institutes, manufacturing, technology, collaboration and innovation Hubs. <table border="1" data-bbox="475 1189 1410 2020"> <thead> <tr> <th data-bbox="475 1189 667 1267">Partner Category</th> <th data-bbox="675 1189 898 1267">Investment</th> <th data-bbox="906 1189 1410 1267">The value proposition</th> </tr> </thead> <tbody> <tr> <td data-bbox="475 1267 667 1928">Industry Partner</td> <td data-bbox="675 1267 898 1928"> Minimum \$250k and up to a maximum of \$2.5 million industry cash per project over the term of the CRC Additional in-kind contributions to the CRC, through projects </td> <td data-bbox="906 1267 1410 1928"> <ul style="list-style-type: none"> Cash contributions for projects are matched by CRC cash to fund eligible project expenditure incurred by Research Partner(s) as defined in Project Agreements budgets and milestones. Cash contributions are paid to the CRC on a monthly basis (in advance) in alignment with related project expenditure profile(s) Industry Partner cash cannot be used by the CRC for any purpose other than for agreed project expenditure, unless otherwise specifically agreed in advance by the Partners. Access to additional CRC programs where available such as student internships, training, education and awareness programs Where cash contributions are \$1million or greater, optional membership of CRC Entity and associated voting rights, including nomination of CRC Directors </td> </tr> <tr> <td data-bbox="475 1928 667 2020">Network Partner</td> <td data-bbox="675 1928 898 2020">Minimum \$1 million cash over the term</td> <td data-bbox="906 1928 1410 2020"> <ul style="list-style-type: none"> Cash contributions from Network Partner members for projects are matched by CRC cash to fund eligible project expenditure </td> </tr> </tbody> </table>	Partner Category	Investment	The value proposition	Industry Partner	Minimum \$250k and up to a maximum of \$2.5 million industry cash per project over the term of the CRC Additional in-kind contributions to the CRC, through projects	<ul style="list-style-type: none"> Cash contributions for projects are matched by CRC cash to fund eligible project expenditure incurred by Research Partner(s) as defined in Project Agreements budgets and milestones. Cash contributions are paid to the CRC on a monthly basis (in advance) in alignment with related project expenditure profile(s) Industry Partner cash cannot be used by the CRC for any purpose other than for agreed project expenditure, unless otherwise specifically agreed in advance by the Partners. Access to additional CRC programs where available such as student internships, training, education and awareness programs Where cash contributions are \$1million or greater, optional membership of CRC Entity and associated voting rights, including nomination of CRC Directors 	Network Partner	Minimum \$1 million cash over the term	<ul style="list-style-type: none"> Cash contributions from Network Partner members for projects are matched by CRC cash to fund eligible project expenditure
Partner Category	Investment	The value proposition								
Industry Partner	Minimum \$250k and up to a maximum of \$2.5 million industry cash per project over the term of the CRC Additional in-kind contributions to the CRC, through projects	<ul style="list-style-type: none"> Cash contributions for projects are matched by CRC cash to fund eligible project expenditure incurred by Research Partner(s) as defined in Project Agreements budgets and milestones. Cash contributions are paid to the CRC on a monthly basis (in advance) in alignment with related project expenditure profile(s) Industry Partner cash cannot be used by the CRC for any purpose other than for agreed project expenditure, unless otherwise specifically agreed in advance by the Partners. Access to additional CRC programs where available such as student internships, training, education and awareness programs Where cash contributions are \$1million or greater, optional membership of CRC Entity and associated voting rights, including nomination of CRC Directors 								
Network Partner	Minimum \$1 million cash over the term	<ul style="list-style-type: none"> Cash contributions from Network Partner members for projects are matched by CRC cash to fund eligible project expenditure 								

Topic	Proposed Terms		
	<p>(e.g. Industry Associations)</p> <p>of the CRC from Partner members</p> <p>Additional in-kind contributions and support to the CRC, including through projects</p> <p>Minimum \$3 million cash contribution over the term of the CRC</p>		<p>incurred by Network Partner member Research Partner(s) as defined in Project Agreements budgets and milestones.</p> <ul style="list-style-type: none"> ▪ Cash contributions are paid by Network Partner members to the CRC on a monthly basis (in advance) in alignment with related project expenditures profile(s) ▪ Network Partner member cash cannot be used by the CRC for any purpose other than for agreed project expenditure, unless otherwise specifically agreed in advance by the partners. ▪ Access to additional CRC programs where available such as student internships, training, education and awareness programs ▪ Network Partner to help amplify CRC knowledge transfer through Industry Network Partner membership and wider industry to help drive design, R&D and technology uptake and transformation. ▪ Network Partner entity optional membership of CRC Entity and associated voting rights, including nomination of CRC Directors ▪ As above plus ▪ Optional Membership of CRC Entity and associated voting rights, including nomination of CRC Directors
	<p>Research Partner</p> <p>Minimum \$500k cash contribution over the term of the CRC</p> <p>Additional in-kind contributions to the CRC, including through projects.</p> <p>Minimum \$1 million cash contribution over the term of the CRC</p>		<ul style="list-style-type: none"> ▪ Australian university or public research institute ▪ Eligible to partner with Industry Partners on CRC co-funded research projects. ▪ Up to a 4x times multiple return on cash contributions (e.g. \$500k Research Partner cash contributions will enable up to \$2 million cash for approved Research project activities) ▪ No cap on number of projects or aggregate income from research projects, noting additional 'top up' cash will be due to the CRC to maintain but not exceed the 4x return on total cash contributions. ▪ Membership cash contributions are paid on a quarterly or annual basis (in advance) to the CRC ▪ Additional 'top up' cash contributions (if applicable) are paid quarterly in alignment with related project expenditure profile(s) ▪ As above plus ▪ Optional Membership of CRC Entity and associated voting rights, including nomination of CRC Directors

Topic	Proposed Terms							
		<ul style="list-style-type: none"> ▪ Optional Membership of a planned Research Transformation and Education Committee to provide science and technology direction to the CRC (including into each Research Program), the CRC Program and more widely to both the industry and research communities <hr/> <table border="0"> <tr> <td data-bbox="467 465 662 593">Government Partner (eg State or Territory)</td> <td data-bbox="670 465 901 772">No minimum cash contribution over the term of the CRC Additional in-kind contributions and support to the CRC</td> <td data-bbox="909 465 1444 929"> <ul style="list-style-type: none"> ▪ Eligible to invest cash through the CRC to assist with matched funding for projects with Industry Partners or other agreed strategic initiatives where these are designed to support and help drive Government Partner policies and programs. ▪ Government Partner cash cannot be used by the CRC for any purpose other than for agreed project or other strategic initiative expenditure, unless otherwise specifically agreed in advance by the partners. ▪ Cash contributions are paid quarterly to the CRC in alignment with agreed eligible expenditure on projects or other strategic initiatives </td> </tr> </table> <hr/> <table border="0"> <tr> <td data-bbox="467 940 662 1108">Associate Partners (eg collaboration partner, international partner)</td> <td data-bbox="670 940 901 1019">No minimum cash contribution</td> <td data-bbox="909 940 1444 1019"> <ul style="list-style-type: none"> ▪ Access to CRC Partners, network and collaborative activities to provide mutual benefit. </td> </tr> </table> <hr/> <p data-bbox="467 1176 694 1205">Partner Agreement</p> <p data-bbox="467 1220 1428 1310">The following Partners are expected to agree, and be signatories to, the Partner Agreement at the formation of the CRC, subject to approval for the CRC and associated funding by the Commonwealth.</p> <ul style="list-style-type: none"> • Industry Partners whose cash contributions are \$1m or greater. • Industry Network Partners • Research Partners • Government Partners • Other Partners whose cash contribution is \$500K or greater. <p data-bbox="467 1579 1428 1668">Industry Partners whose cash contributions are less than \$1m are not required to be a signatory to the initial Partner Agreement and will join the CRC through Project Agreements with the CRC and the Research Partner(s).</p> <p data-bbox="467 1736 678 1765">SME Engagement</p> <p data-bbox="467 1780 1316 1848">Start-Ups and SMEs are an important contributor to the sector and can play a significant role in the uptake of research and innovation.</p> <p data-bbox="467 1870 1428 1960">The CRC will engage with ambitious and willing SMEs to join its program of planned activities. To facilitate this, it will implement a proven model for SME's to work with the CRC at a variety of levels and which will:</p>	Government Partner (eg State or Territory)	No minimum cash contribution over the term of the CRC Additional in-kind contributions and support to the CRC	<ul style="list-style-type: none"> ▪ Eligible to invest cash through the CRC to assist with matched funding for projects with Industry Partners or other agreed strategic initiatives where these are designed to support and help drive Government Partner policies and programs. ▪ Government Partner cash cannot be used by the CRC for any purpose other than for agreed project or other strategic initiative expenditure, unless otherwise specifically agreed in advance by the partners. ▪ Cash contributions are paid quarterly to the CRC in alignment with agreed eligible expenditure on projects or other strategic initiatives 	Associate Partners (eg collaboration partner, international partner)	No minimum cash contribution	<ul style="list-style-type: none"> ▪ Access to CRC Partners, network and collaborative activities to provide mutual benefit.
Government Partner (eg State or Territory)	No minimum cash contribution over the term of the CRC Additional in-kind contributions and support to the CRC	<ul style="list-style-type: none"> ▪ Eligible to invest cash through the CRC to assist with matched funding for projects with Industry Partners or other agreed strategic initiatives where these are designed to support and help drive Government Partner policies and programs. ▪ Government Partner cash cannot be used by the CRC for any purpose other than for agreed project or other strategic initiative expenditure, unless otherwise specifically agreed in advance by the partners. ▪ Cash contributions are paid quarterly to the CRC in alignment with agreed eligible expenditure on projects or other strategic initiatives 						
Associate Partners (eg collaboration partner, international partner)	No minimum cash contribution	<ul style="list-style-type: none"> ▪ Access to CRC Partners, network and collaborative activities to provide mutual benefit. 						

Topic	Proposed Terms
	<ul style="list-style-type: none"> • Provide an opportunity for SMEs to participate in, and nominate, research projects in the CRC. • Promote networking, training and knowledge transfer opportunities amongst SMEs within the CRC. • SMEs will provide inputs to the CRC, via cash and in-kind contributions, for approved projects with Research Partner(s) <p>New Network, Research or Government Partners</p> <p>New Network, Research or Government Partners may join with the approval of the CRC Board after consultation with existing signatories to the Partners Agreement.</p> <p>Admission of new Network, Research or Government Partners will require agreement by a special majority of 75% of the membership.</p> <p>All Partners must provide 6 months' notice to exit and fulfil obligations under the Partners Agreement and any Project Agreements to which they are a signatory. Early exit will forfeit contributions already made.</p>
Structure	<p>Structure of the CRC</p> <p>In accordance with CRC Guidelines, the CRC will operate as an incorporated company limited by guarantee and will be registered as not-for-profit entity.</p> <p>Companies limited by guarantee are particularly suited for conducting for-impact and non-profit activities. Specifically:</p> <ul style="list-style-type: none"> • they cannot pay dividends; • they cannot issue shares and therefore no person can acquire a controlling interest or profit from a share sale; and • each member of the company has a single vote. <p>Like all other companies, companies limited by guarantee must comply with the applicable provisions of the Corporations Act. They are formed on the principle that the liability of members is limited to the amount they agree to contribute if the company is wound up. This amount will be agreed upon and set out in the company's constitution.</p> <p>The CRC Entity will be the grant recipient identified in the Commonwealth Grant Agreement.</p> <p>Members of the CRC entity</p> <p>Members of the CRC entity will have the right to attend and vote at CRC general meetings, including for the selection of CRC Directors. Members will be those organisations that:</p> <ul style="list-style-type: none"> • have signed the Partners Agreement; • are also <ul style="list-style-type: none"> ○ an Industry Partners whose cash contribution is \$1m or greater. ○ a Research Partner whose cash contribution is \$1m or greater. ○ Network Partner whose cash contribution from members is \$3m or greater. ○ a Government Partner whose cash contribution is \$2m or greater.

Topic	Proposed Terms
	<ul style="list-style-type: none"> ○ a Research Affiliate whose cash contribution is \$1m or greater. • have indicated to the Board they wish to be members of the CRC Entity; and • agreed to be bound by the company constitution. <p>In some cases, signatories to the Partners Agreement will not always be members of the CRC Entity.</p>
Tax Status	<p>A for-impact and not-for-profit company limited by guarantee should gain tax exemption from the ATO, and potentially also from the State Revenue Office.</p> <p>Assets (or proceeds of assets), if any, cannot be distributed to Members but must be passed to a similar organisation with similar objects on wind-up.</p> <p>Taxable Partners may be eligible to claim tax offsets through the R&D Tax Incentive.</p> <p>Subject to appropriate tax advice, the CRC intends to seek the protection of tax-exempt status, considering in particular education activities and objectives, and the spinout of any Centre owned IP (noting the CRC will not own Project IP).</p> <p>This document gives no warranties as to the accuracy of the taxation implications of the CRC and note that all Partners should rely upon their own independent legal and tax advice and acknowledge that Australia taxation laws may change during the duration of the CRC.</p>
Research Programs	<p>Supporting the Commonwealth’s recently announced Industry Growth Program, the CRC will focus on multi-party collaborative research projects, up to 7 years in duration (directed by industry), allowing ambitious businesses to invest in multiple strategic horizons in their quest to develop the next generation of products and services.</p> <p>The CRC will be delivering 5 programmes centred around additive manufacturing technologies and research. These programmes are focussed on the NRF priority areas including Defence capabilities, Renewables & low emission technologies, Resources, Transport, and Medical Science, plus others where significant wider industry benefits can be realised.</p> <p>Each Research Program will embrace projects and initiatives that solve problems and deliver outcomes to both the project partners and provide benefits to the broader Australian manufacturing industry. Collaborative projects will be designed and industry-led, taking proof of concepts through to pilot line and commercial investment readiness - from Manufacturing / Technology Readiness Level (MRL/TRL) 4 – 8.</p> <p>The four Research Programs proposed are:</p> <ul style="list-style-type: none"> • Program 1 – Sustainability and Transformation • Program 2 – Application and Materials Development • Program 3 – Surface Technologies and Post Processing • Program 4 – Technology and Process Development, Product Qualification, and Validation • Program 5 – Digital Eco System – Data Management, AI, and Digital Twins
Projects	<p>Only Industry can apply for research project co-investment through the CRC for projects that are designed to deliver real world manufacturing and commercial outcomes. Research Partners work collaboratively with Industry to develop and deliver projects. Collaborative projects will be designed by and led by industry. The emphasis of the projects will be in translation of technology, taking manufacturing proof of concepts through to pilot line and commercial investment readiness – from Manufacturing / Technology Readiness Level (MRL/TRL) 4 – 8. There will also be an opportunity for smaller projects to be co-invested in. These will be designed to get SME’s involved in</p>

Topic	Proposed Terms
	<p>R&D with our Research partners that may not had had experience before in collaborative projects. These projects will be limited to 12-month duration and between \$200k and \$400k in total project value (half of which is industry cash contribution). They may also have an MRL/TRL level either side of 4 – 8, especially if there is a national or industry priority identified.</p> <p>The CRC will match dollar-for-dollar Industry cash for collaborative manufacturing R&D and innovation projects with CRC Research Partners.</p> <p>This is a potential fit for Industry Partners (e.g. manufacturing and related businesses) where their strategy includes:</p> <ul style="list-style-type: none"> • investing in an eligible additive manufacturing R&D project with a CRC Research Partner of between 2 and 6 years in duration, that can commence from 2025 onwards. • spending at least \$250,000 cash per project to fund the cost of researcher salaries and operating costs at a CRC Research Partner (which, if eligible, the CRC can match dollar for dollar up to a maximum of \$5million per business) • with the Research Partner(s) conducting at least 50% of the overall project research effort. • utilising and/or developing new additive manufacturing technologies, applications and business models aligned with the CRC Research Programs to deliver commercial outcomes, including within Australia, ideally within 3 years of completion of the project. • collaborating with other Australian manufacturing SMEs through the project <p>It is important to note that the CRC;</p> <ul style="list-style-type: none"> • will only use Industry Partner cash contributions for the approved project, and that Industry Partner payments are paid monthly in advance to the CRC in line with an approved project budget and Research Partner expenditure profile (i.e. cash payments are not required from Industry Partners to the CRC until project commencement) • will only provide matching cash funding for eligible expenditure at the Research Partner(s) and not for the Industry Partner’s own internal project or other expenses (these may be eligible to be valued as in-kind costs) • will require in-kind contributions to be valued by the project parties, with the expectation that the total project in-kind (staff in-kind and other non-staff in-kind) is at least three times the value of the Industry Partner project cash contribution. • will not provide funding for capital equipment, production tooling, buildings or facilities. <p>Project Investment Committee</p> <p>A Project Investment Committee, chaired by the CRC CEO, along with other members elected from external experts, will be responsible for reviewing research proposals against criteria pertaining to industry need, commercial potential and scientific basis.</p> <p>The Committee will assess:</p> <p>Why – projects must solve problems, deliver outcomes and benefits to the project partners and to the broader Australian manufacturing industry in line with the NRF priority areas.</p>

Topic	Proposed Terms
	<p>How – projects must apply additive manufacturing / industry 5.0 technologies and support unique business models, access global supply chains and involve effective collaboration (with SMEs).</p> <p>What – projects must provide pathways to new markets, address the competition, develop an IP and commercialisation strategy, and deliver a return on investment.</p> <p>Following assessment, the Investment Committee will (based on agreed delegations of authority) approve or make recommendations to the Board for a proposal’s approval and / or to project partners for its further development.</p>
CRC Project Valuation Principles	<ol style="list-style-type: none"> 1. Industry Partner led projects are co-funded by the Commonwealth Government through the CRC on a dollar-for-dollar basis, i.e. \$1 of Commonwealth cash (CRC cash) for every \$1 of Industry Partner cash invested in the project. 2. Cash contributions provided through a Network Partner may be considered as Industry cash. 3. Research Partners also contribute cash and in-kind to the CRC, with the expectation of a maximum of up to 4x times multiple return on cash contributions via eligible Research Project expenditure over the term of the CRC. Research Partner cash contributions will also be utilised to operate the Centre. 4. The maximum cash contribution profile of a single new project is \$10 million (\$5 million cash contribution from Industry matched with \$5 million cash CRC contribution) over the term of the CRC. 5. The Total Project Value will be greater than the total cash value of the project as it will include cash and in-kind contributions. 6. All Projects are required to have both staff and non-staff in-kind contributions, with an expectation that the total value of eligible in-kind contributions of the project is at least three times that of the Industry cash contribution (ie the Total Project Value is a multiple of \$1 of Industry cash contribution plus \$1 of CRC cash contribution plus at least a further \$3 of in-kind contributions combined from the Industry and Research Partners in the project). 7. In-kind contributions are not matched with CRC funding but are valued and important as evidence of the Total Project Value being invested and the importance that the Partners attach to the project. 8. Staff contributions are the provision of employees of a project Partners, or a consultant hired by a project Partner to work on a project or otherwise for the benefit of the CRC. 9. Salary cost of a staff contribution is the direct base salary, or remuneration cost to the project Partner of providing the staff contribution. 10. The deemed monetary value of staff contributions will be salary cost to the relevant project Partner of providing the staff contribution plus 30% for on-cost (allowing for superannuation and other employment costs). 11. The value of non-staff in-kind contributions is determined by the Partner and must be realistic and justifiable and agreed to by the CRC. 12. The value of facilities and equipment should be identified separately from the cost of employees or other personnel. 13. Capital expenditure if valued can only be considered as an in-kind contribution.
Intellectual Property (IP) ownership	The CRC will not own any share in Project Intellectual Property (IP) created through co-funded projects.

Topic	Proposed Terms
	<p>Background IP is to be agreed by the individual project partners prior to the commencement of any co-funded project, on a project-by-project basis.</p> <p>Project IP ownership is to be agreed by the individual Project Participants, on a project-by-project basis.</p> <p>Upon its creation, Project IP will be owned by the project partners best positioned to commercialise and protected and used in accordance with the terms of the applicable Project Agreement.</p> <p>The partners, with the CRC's assistance, are to ensure that no barriers are created that prevent use and commercialisation of IP.</p>
Diversity	<p>The CRC will encourage diversity, including gender diversity, including during the establishment and ongoing operation of the CRC.</p> <p>This will include aiming where possible and practical for a minimum 40% representation of both women and men across Board, management, and research lead positions over the CRC's term.</p>
Security	<p>Collaboration with foreign entities is welcomed where this adds value, however, must be transparent, undertaken with full knowledge and consent, and in a manner that avoids harm to Australia's interests.</p> <p>It will be the responsibility of the CRC and all Australian Partners within the CRC to have disclosed all affiliations with foreign governments and foreign government organisations, and memberships of foreign government talent programs.</p> <p>Partners will be required to report any material changes in the nature of the activity or key personnel involved, including affiliations/links with foreign governments.</p> <p>The CRC and Partners should undertake appropriate due diligence, proportionate to the risk, and subject to available information, of any international partner(s) and their personnel participating in any project.</p> <p>This should take account of the potential ethical, security, legal and reputational risks, and where necessary, the CRC and Partners should be prepared to demonstrate they will manage and mitigate any identified risks.</p>
Governance	<p>Board composition</p> <p>The Board will comprise an independent Chair and skills-based directors, the majority of whom will be independent (i.e., not a representative of Members or Partners of the CRC). The Board will be governed by the constitution of the Company.</p> <p>The Board will comprise of no more than nine directors, elected by the Members of the Company, comprising at least four directors independent of the Company, including a Chair, with the remainder comprising non-independent Directors.</p> <p>The CEO may also be a director.</p> <p>The Board will meet monthly for the first 6 months of the CRC before reverting to a quarterly meeting schedule.</p> <p>All Directors will be appointed based on their skills and experience.</p> <p>The selection criteria for nomination and election to the Board will consider:</p> <ul style="list-style-type: none"> • managing additive manufacturing processes. • demonstrated capability in delivering innovation. • corporate governance; • accounting and finance;

Topic	Proposed Terms
	<ul style="list-style-type: none"> • managing risk; • managing people and achieving change; • business strategy and business model innovation; • manufacturing leadership; • experience with the dynamics of fundraising; and • any additional skills as decided from time to time by the Company in general meeting. <p>Board membership will be for a minimum term of 3 years and a maximum of 2 terms (other than the CEO if also a director). The terms of office for directors will be staggered to ensure continuity. Directors may be remunerated for their services, provided that</p> <ul style="list-style-type: none"> • the total amount or value of remuneration to all directors must not exceed an aggregate maximum determined by the Company in general meeting; and • if no maximum amount has been determined by the Company in general meeting, then the directors may not be paid remuneration for their services as directors; and • if the director is an employee of a Member or Partner in the AMCRC, such Member or Partner has formally notified the Company that it consents to that director receiving such remuneration. <p>The Board will reach decisions by consensus. Each director will have one vote. A quorum for Board meetings is a majority of directors or three directors, whichever is higher and a quorum of 4 will be required to reach consensus on decisions.</p> <p>Board Committees</p> <p>The Board will form appropriate Board Committees that will add the most value to the CRC including the following:</p> <ol style="list-style-type: none"> 1. Project Investment Committee - that will be responsible for reviewing research proposals against criteria pertaining to industry need, commercial potential and scientific basis. Following assessment, the IC will (based on agreed delegations of authority) approve or make recommendations to the Board for a proposal's approval and / or to project partners for its further development. 2. Research Transformation and Education Committee – that will provide science and technology direction to the CRC (including into each Research Program), the CRC Program and more widely to both the industry and research communities. 3. Nominations and Remuneration Committee - that will set the remuneration packages for the directors and Chair as well as the CEO, management and CRC staff. 4. Audit, Risk and Privacy Committee – that will oversee the CRC financials, annual audits, and the CRC risk register, that will log key risks group by importance and articulate risk mitigation strategies in place. <p>Research Program and Project Governance</p> <p>Early-stage projects will be nominated through industry consultation during the Stage 1 and 2 CRC application process. Subsequent research projects will be nominated and</p>

Topic	Proposed Terms
	<p>commissioned through a project call process aligned to the goals and objectives of the CRC.</p> <p>The Investment Committee will be responsible for the review of project proposals submitted by Partners against agreed selection criteria. The Investment Committee will approve or will make recommendations to the Board for approval in line with agreed delegations of approval.</p> <p>Proposals will adopt a set template which will include a description of methodology, outputs, utilisation strategy, expected impacts, commercialisation and IP ownership, partners, and budgets.</p> <p>Upon approval, a Project Agreement will be established, and will articulate terms such as partners involved, background and project IP ownership and project timing, milestones, budget and agreed outcomes.</p>
Management and Administration	<p>The CRC will be managed by a senior management team that will include the following roles and positions:</p> <p>The Chief Executive Officer (CEO) will be responsible to the Board of the CRC and may also be a Director on the Board. The CEO will be responsible for the overall goals and objectives of the CRC. The CEO will work closely with the Board, its committees, and the management team to deliver outcomes for industry.</p> <p>The Research Program Director will have oversight over the Research Programs and approved projects within the Programs. The Research Program Director will ensure project selection, management and reporting are in line with approved processes, as well as providing scientific direction on the delivery and integration of outputs across the Programs.</p> <p>The Chief Operating Officer will ensure the efficient operation of the CRC's head office including the oversight of contracts, business, financial and accounting systems as well as reporting and governance arrangements, and will work closely with the Finance and IT Manager and the Research Program Director to ensure consistency and quality of approach.</p> <p>Recruitment and Performance Management</p> <p>The performance of the CEO will be managed by the Board in accordance with agreed Key Performance Indicators. Performance Management of senior management staff will be led by the CEO in accordance with agreed key performance indicators aligned to the key deliverables as specified in the Commonwealth Agreement.</p>
Indemnity and Insurance	<p>Partners and the CRC Entity will indemnify each other.</p> <p>Each party will indemnify other parties for negligence.</p> <p>Each party will indemnify each of the other parties from and against any and all liability, loss, harm, or expense that the indemnified entities suffer as a result of any unlawful or negligent act or omission by the indemnifying party in the performance of the indemnifying party obligations under the Partners Agreement.</p> <p>In addition to the above, the CRC will indemnify and agree to keep indemnified each of the Partners from and against any and all liability, loss, harm or expense that those indemnified may suffer as a result of any breach of the Commonwealth Grant Agreement by the CRC.</p> <p>Each Partner will maintain adequate insurance for the term of the CRC to cover potential liability arising as a result of performance under the Partners Agreement. All Partners are required to maintain for the term of the CRC, the following with an</p>

Topic	Proposed Terms
	<p>insurance company authorised by APRA or as otherwise approved by the Commonwealth:</p> <ul style="list-style-type: none"> - Workers' compensation in the amount required under the relevant State Legislation - Public Liability insurance for \$20m or more per claim - Professional indemnity insurance for \$1m or more per claim <p>Cyber resilience and security insurance is also highly recommended.</p> <p>A copy of the relevant insurance documentation will be made available to the CRC or the Commonwealth.</p> <p>All Partners are required to take appropriate insurance cover taking into account the nature and risk of the projects being undertaken. The Partner will provide the certificates of currency as requested by the CRC or the Commonwealth.</p>
Transition and Legacy	<p>The primary aim of the CRC for Additive Manufacturing is for Industry Partners to develop, own and commercialise IP and research outcomes relevant to their business needs and growth strategies, and to the wider benefit of Australian manufacturing. As such, rights to IP and matters relating to future use will be established in Project Agreements.</p> <p>Assets of the CRC at the end of the term will reside largely in the form of educational and consulting tools and capability.</p> <p>Through operation of the CRC, opportunities may be identified for a continuing role of some activities of the CRC which could continue to add value in the manufacturing and related industries.</p> <p>Any legacy opportunities will be reviewed and pursued by decision of the Board.</p>