



## Contract Creation and Management

After companies agree to enter into a collaboration, agreement(s) are put in place that define the rights and obligation of all parties, including grant and exclusivity, field of use, upfront and milestone payments, as well as running royalties. Some obligations become due years after the agreement has been signed, e.g. a milestone payment after the first commercial sales.

To ensure compliance it is essential to manage and track contractual obligations over the lifetime of the agreement. This is often done with tools that require substantial manual input and which are not consistently kept up to date. The people responsible for this task often change over the lifetime of the agreement and knowledge is lost. Years after the agreement has been executed, the task of managing its obligations is left to someone who has to gather all the information from scratch.

**Missing contractual obligations or contractual rights can result in thousands or millions of dollars in lost opportunities or legal liabilities.**

**Carizma helps users to easily create and manage contracts and to ensure compliance.**

- The agreement is automatically generated based on a template selected by the user and the master data captured in the pre-contractual phase, e.g. external partners and contacts, compound, technology. The MS Word® document generated is stored as a draft version in Carizma's internal document management system
- Carizma manages the approval process, document revisions and coordination with the external partner
- Contractual obligations, rights and risks, and the corresponding due dates are recorded and assigned to the right person straight away
- Carizma supports users by ensuring that:
  - All rights are duly exercised
  - All obligations are duly fulfilled
  - All risks are monitored
- Carizma links obligations and due dates to events like "First Commercial Sales" and ensures that this event and the resulting obligation "Milestone Payment" are monitored and tracked
- The ownership of a contract or obligation may change over time. Carizma provides a controlled and audited – yet easy – process to transfer responsibilities and ensure that information is not lost
- Carizma integrates with SAP and manages financial information such as:
  - Quarterly budget
  - Intangible assets
  - Financial transaction by contract