

SUBJECT: Permanent Open Call for Proposals for the Bulgarian Business Incubation Centre (“BBIC”)

Dear Madam/Sir,

As part of its endeavour to encourage the transfer and commercialisation of high energy physics technologies, CERN and Sofia Tech Park Jsc. through its own Foundation for Innovation and Technological Transfer (FITT) have set up a business incubation centre located in Sofia Tech Park. The purpose is to enable entrepreneurs to receive comprehensive commercial and technical assistance in order to set up their business using technology that could benefit from the support of CERN or Partner Organisations in their core fields of competences either into new markets or to further support research and development. Partner Organisations are those that are collaborating with CERN under framework agreements.

FITT is responsible for the administration and implementation of this Call.

CERN and FITT hereby invite you to submit a proposal for the above subject.

Please find enclosed the following documents:

Appendix 1: Call for Proposals

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|--------------|---|
| Section I: | Formal Requirements, Selection and Evaluation Process, Evaluation criteria |
| Section II: | Instruction for Proposal submission (Application form and Business & Activity Proposal) |
| Section III: | Draft Documents (Incubation Contract, Declaration of state aid) |

Appendix 2: Proposal Template

Your attention is drawn to the following:

I. Nature and purpose of this Call for Proposals:

1. The purpose of this Call for Proposals (Call) is to select projects and ideas for business incubation in the BBIC. Business Incubation is for a maximum of 24 (twenty-four) months.
2. CERN and FITT offer to support projects and ideas for business incubation by providing funding, business, technology and technical assistance, as well as office accommodation & services¹. The extent of the support provided is negotiated on a case-to-case basis. As a general rule the financial support

¹ In case FITT and or Sofia Tech Park Jsc. provides the Incubatee office accommodation and services, their amount will be deducted from the amount of funding

granted to one project for its prototyping and IPR development will not exceed EUR 40,000 (forty thousand euro) for the period of 24 months.

Financial support will be provided in instalments, depending on the stages of project implementation. The schedule for providing financial support will be specified in Appendix to the Incubation Contract.

3. This Call is of a permanent nature meaning that it has no closing date for the submission of proposals as long as FITT and CERN have not indicated otherwise.
4. Legal entities, registered at Bulgarian Commercial register and register of non-profit legal entities, as well as individuals, may apply for this call. If the applicant is an individual and her/his proposal is selected for funding, (s)he shall register a legal entity at Bulgarian Commercial register and register of non-profit legal entities before signing the Incubation Contract.
5. All the above categories are hereinafter referred to as 'Applicant'.
6. This Call is aimed at applicants who are developing technology that can be supported by CERN or a Partner Organisation but explicitly excludes activities promoting, or being related to, the military, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

II. Requirements

1. Applicants are required to closely follow the instructions provided in this Call when producing and submitting their proposals (see Section I and Section II of Appendix 1).
2. Only those Applicants that fulfil all formal requirements (see Section I of Appendix 1) will be accepted for evaluation.
3. Applicants should carefully read the contractual documentation provided in Section III of Appendix 1. The application shall include a clear, explicit and unambiguous statement whereby the Applicant has read and understood the terms and conditions contained in the contractual documentation and accepts them.
4. Conditions of access to CERN technology/expertise will be discussed between CERN and the Applicant and set out in a separate agreement.

III. Procedure steps (see Section I of Appendix 1):

1. *Submission of Application forms;*
2. *Evaluation of the application forms and informing the applicants of the outcome of their applications;*
3. *Submission of a Business & Activity Proposals by the Applicants, whose Application forms are selected;*
4. *Evaluation of the Business & Activity Proposals and informing the applicants of the outcome of the evaluation;*

5. *Live meeting with the applicants, whose Business & Activity Proposals are selected for funding. Live meeting aim is to discuss the Business & Activity Proposal;*
6. *Signing an Incubation contract with the Applicant whose Business & Activity Proposal is selected for funding.*

IV. Miscellaneous

1. The contents of the Applicant proposals shall be treated as confidential.
2. In spite of the efforts undertaken by FITT to ensure full confidentiality, the Applicant's idea may through the application with FITT (if not specifically protected for example by patent rights) fall into the public domain. Therefore it is strongly recommended that the Applicant discusses the protection of his/her idea/data with a dedicated expert in this field prior to application with FITT.
3. As far as allowed by law, any title held by the Applicant to his/her idea shall remain vested in him/her. This application shall under no circumstances result in the acquisition of any title whatsoever to the idea.
4. No expenses incurred in any stage of the application procedure will be reimbursed to the Applicant by FITT unless previously approved by FITT. No expenses will be reimbursed by FITT or CERN.
5. In no event shall this Call for Proposals be construed as imposing any obligation whatsoever upon FITT, CERN and/or any third party to enter into negotiations with any Applicant or to enter into any other specific arrangement for business incubation in any of the CERN and FITT's establishments.
6. FITT and CERN are committed to ensure equal opportunities and the elimination of discrimination of any type for all applications complying with the conditions and requirements set forth in this Call.

Any queries relevant to the submissions of proposals are to be addressed, in writing, to: office@bic.fitt.bg .

Appendix 1: Call for proposals (for business incubation)

Section I. Formal Requirements, Selection and Evaluation Process, Evaluation criteria

- 1. Formal Requirements**
- 2. Selection and Evaluation Process**
- 3. Evaluation criteria**

Section II. Instructions for Proposal submission (Application form and Business & Activity Proposal)

- 1. Instructions for submission of an Application form.**
- 2. Instructions for submission of Business & Activity Proposal.**
 - A. Content of Business & Activity proposal;**
 - B. Business & Activity proposal**

Section III: Draft documents (Incubation contract, Declaration of state aid)

Section I. Formal Requirements, Selection and Evaluation Process, Evaluation criteria

Section II of this Call is intended to inform Applicants of the Formal Requirements (1), Selection and Evaluation Process (2), Evaluation criteria (3).

1. Formal requirements

In order for the Applicant's proposal to be accepted for evaluation, the requirements listed below need to be fulfilled. The application requirements are applicable to all Applicants.

Application Requirements

- The Applicant's product or service is based on technology that could benefit from the support of CERN or Partner Organisations in their core fields of competences either into new markets or to further support research and development.
- The Applicant shall sell and deliver innovative products, processes or services (advice/consultancy is excluded) for their own account and risk.
- The Applicant's first registration at Bulgarian Commercial register and register of non-profit legal entities shall have taken place no longer than 5 years prior to submission of Applicant's proposal to this Call.
- In case the Applicant is a legal entity, the Applicant shall not form part of a group at the time of submission of the Applicant's proposal to this Open Call. In case

the Applicant is a legal entity without legal personality, the Applicant shall be a fully authorised general partner.

- In case the Applicant is an individual, (s)he shall be over eighteen years of age and of sound mind, and therefore able to enter into a binding agreement.
- In case the Applicant is an individual before signing the Incubation Contract the Applicant shall register a legal entity at the Bulgarian Commercial register and register of non-profit legal entities.
- The Applicant shall not conduct business activities promoting, or being related to, the military, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.
- The Applicant shall communicate in the English language.
- Eligible ideas will have to be broadly related to CERN activities. This includes in particular:
 - o Any innovative project that could clearly benefit from the support of CERN or Partner Organisation's experts in their core fields of competences.
- The Applicant states that the terms and conditions of the draft Incubation contract are read, understood and accepted without any reservations.
- The Applicant confirms if they are/aren't to be hosted in another business incubator – or entity or organisation providing similar support, for the duration of the Incubation contract. (The Applicant may be hosted in and receive funding by other incubator/accelerator for the duration of the Incubation contract if that is clearly declared to and expressly permitted by FITT).

The applicant should declare that the proposal is compliant to application formal requirements and that has read, understood and accepted the terms and conditions of the draft Incubation contract without any reservations.

2. Selection and Evaluation process

Until further notice by CERN and FITT, Applicants are invited to submit their proposal for the BBIC at all times. The Selection Panel meets regularly (typically quarterly) to evaluate the proposals received in the preceding three months. Proposals will be accepted for the current evaluation round where they reach FITT at least 15 working days before the Selection Panel meeting, the date of which will be published on www.bic.fitt.bg.

The Applicant fills the Application form on the following address: <https://bic.fitt.bg/application-form/>. The Applicant should fill all the boxes.

The Selection Panel meets to evaluate the received Applications. The evaluation procedure is carried out locally by FITT with participation of CERN. The evaluation of all Applications received shall take place in accordance with the requirements set out in this Section.

Upon receipt of an Application form, FITT and CERN shall first assess the admissibility of the Application. The Application is only admitted for further evaluation where all formal requirements (*See 1 above - Formal requirements*) have been met. In all other cases the Application shall be rejected. The outcome of this first assessment shall be communicated to the Applicant.

All Applicants will be informed of the outcome of their Applications.

Upon receiving notice that the Application has been unsuccessful the Applicant may request FITT to advise him/her of the reasons why the Application was unsuccessful. This outcome of the evaluation will not be construed as to prevent the Applicant from submitting a renewed Application form.

If an Application is selected, the applicant is asked to submit a Business & Activity Proposal. The Business & Activity Proposal should be filled on the following address: www.bic.fitt.bg. The Applicant should fill all the boxes. The Selection Panel determines the deadline for submitting the Business & Activity Proposal.

The Selection Panel meets to evaluate the received Business & Activity Proposals. The Proposals will be marked against the selection criteria detailed under Evaluation criteria (3) below.

Shortlisted Applicants, whose Business & Activity proposals are selected, will be invited in writing to Sofia Tech Park for final evaluation. Applicants will be requested to present their proposals in person to the abovementioned Selection Panel and to provide answers to any further questions the Selection Panel might have.

The final decision regarding the proposal shall be notified to the Applicant in writing by FITT. This decision is without appeal, and neither FITT nor CERN will enter into correspondence on the reasons for the decision.

At each stage of the evaluation process, the Selection Panel may ask the applicant to submit additional documents in connection with their proposal.

An Incubation contract will be signed with the Applicant whose Business & Activity Proposal is selected for funding.

If a selected Applicant is an individual, upon receiving the notice that the application has been successful the Applicant is requested to register their entity at Bulgarian Commercial register and register of non-profit legal entities before signing the Incubation contract. The registration of an entity by the Applicant is a mandatory condition for signing an Incubation contract.

3. Evaluation criteria

3.1. The evaluation of the Applicant's Application form shall be conducted under the following 3 criteria:

Product

Evaluation of the degree of novelty of the proposed innovation, compared to existing products, the understanding of the problem the product solves.

Market

Evaluation of the timing for this innovation, scale-up potential as well as understanding of customer needs.

Team

Evaluation of the overall capability(including identified gaps) and structure of the team.

For each criterium the Application form could receive a Yes or No score. To pass the Application form needs to receive a Yes score for each of the three criteria, respectively a cumulative Yes score. Yes scores for two of the criteria and Nos score for the third criterium shall not cumulatively be considered for a Yes score for the Application form.

3.2. The evaluation of the Applicant's Business Plan and Activity Proposal as well as Final presentation (if applicable) shall be conducted the following the same 3 criteria, but explored in deeper detail:

Product

The credibility and market potential of the innovation should be supported by product roadmap and Intellectual property strategy.

Market

Evaluation of the competitive environment in the industry as well as if the selected business model allows meeting the suggested market potential.

Team

Evaluation of the full team, including supporters, partners, board members, etc. and their capability to deliver the vision for the business.

For each criterium the Business & Activity Proposal could receive a Yes or No score. To pass the Applicant's Business & Activity Proposal needs to receive a Yes score for each of the three criteria, respectively a cumulative Yes score. Yes scores for two of the criteria and Nos score for the third criterium shall not cumulatively be considered for a Yes score for the whole Business & Activity Proposal.

Section II. Instructions for Proposal (Application form and Business & Activity Proposal)

1. Instructions for submission of an Application form:

The application form should be filled on the following address: <https://bic.fitt.bg/application-form/>. The Applicant should fill all the boxes.

2. Instructions for submission of a Business & Activity Proposal

Applicants, whose Proposals have approved, and are eligible to submit Business & Activity Proposals, shall be given access to the Business & Activity Proposal template section in the platform www.bic.fitt.bg, where they could submit their Business & Activity Proposal.

Use the writing tips that will pop-up on the abovementioned website.

This Business & Activity Proposal is a “living” document and will be updated regularly within the incubation phase.

A. Content of Business & Activity proposal

The Business & Activity proposal shall contain the following information:

- **Cover Letter**

The Applicant is asked to introduce the application with a cover letter. The cover letter must clearly state that the draft contract conditions are read, understood and accepted.

It shall also provide the name, address, email address and telephone number of the Applicant whom all communications relating to the Call for proposals shall be addressed to, as well as the names, email address and telephone numbers of the persons who will be responsible for the day-to-day management of any resulting contract and the legal representative signing the contract (if applicable).

- **Executive Summary**

The Applicant is asked to produce an executive summary. The executive summary shall cover the following aspects:

Business idea

Describe your business idea in brief, including the relationship to CERN or one of its Partner Organisations.

Implementation

Describe how you are planning on implementing your business idea.

Bulgarian Business Incubation Centre investment opportunity

State the funding or/and the technical support requested from CERN or Partner Organisation Describe how the FITT's resources, funding and incubation can benefit your business idea and business development. Explain why the FITT shall invest in your business in terms of resources, funding and incubation.

Goals

Outline your short-term goals, meaning what your entity wants to achieve during the incubation period. Outline your long-term goals, meaning where your entity aims to be in 3-5 years.

- **Business & Activity Proposal**

The Applicant is asked to produce a Business & Activity Proposal with the following content:

Presentation of the Applicant

This part of the proposal shall provide an overview of the Applicant, covering the following aspects:

Background and history of the applicant (if applicable)

Describe the background of the entity, including the official name of the entity, contact details, registration date of entity, ownership details, entity capital, grants already received and industrial scope of the entity. Provide an overview of any milestones already reached.

Introduction of the entrepreneur

Describe the entrepreneur/inventor by providing the background and CV, as well as his/her role in the entity or current involvement with the entity. Has the entrepreneur/inventor committed personal time and investments to the entity?

Introduction of the management team

Describe the management team by providing the background, references and CVs of the involved persons, as well as their role in the entity. Have members of the management team committed personal time and investments to the entity?

Support entities

List other supporting entities and what type of support they provide, if any (in kind, in cash, etc.).

Vision

Describe the future of the entity. Where do you expect to be in 3-5 years?

Note: If the applicant is individual: Describe your contact details, experience, skills, goals achieved, background and CV, references, publications, letters of support, patents filed, etc.; List other supporting entities and what type of support they provide, if any (in kind, in cash, etc.).

Description of business idea

This part of the proposal requires you to give a presentation of your business idea, covering the following aspects:

Business idea

Describe your business idea, including the stage of implementation.

Core related customer needs

Identify the customer needs which your business idea will address, if any.

Identified market

Describe how your business idea will meet the customer needs.

Unique selling proposition

Describe the specific benefit your business idea offers the customers.

Description of the product and/or service

This part of the proposal requires you to give a presentation of the product or service, covering the following aspects:

Description of product/service and use

Describe the product/service you/your entity provide(s), and the use. Include how you convert your ideas and materials/labour into goods or services.

Technology and CERN or Partner Organisation relationship

Describe the CERN or Partner Organisations technology or expertise (hardware, software, process, methodology or data) your product/service is utilizing.

Economic benefit

Describe the benefit from the use of your product/service.

In-depth description of technology

Describe the core technology of your product/service (a “technology” is not necessarily hardware/software, but can also be a means of converting ideas, materials or labour into goods or services).

Stage of development of the product/service

Describe the current status of development of the product/service.

Research and development

Describe the way forward by stating the needed short-term and long-term developments of the product/service.

Intellectual property

If relevant, explain how you secure your own IP (e.g. by means of patents, copyrights, trademarks, trade secrets, exclusive license....)

Explain how you use 3rd party IP, including details on rights of use and details on ownership.

Market Analysis

This part of the proposal requires you to give a presentation of the identified market, covering the following aspects:

The market

Describe the market in which your business will be conducted, and state if you are familiar with working in this market.

The market sectors

Describe the market sectors within the market in which your business will be conducted, and state if you are familiar with working in any of these market sectors.

The customer

Describe the customer your business is targeting and state if you are familiar with working with this type of customer.

The geographical coverage

State the geographical area your business will cover.

Business model

This part of the proposal requires you to give a presentation of your business model, covering the following aspects:

Supply chain

Describe where your service/product is placed in the supply chain.

Suppliers

List the main suppliers for your product/service (raw materials, components, services and/or data).

Production

Describe how the production will be organized. Include by whom, where and the capacity.

Distribution

Describe the distribution network.

Strategy

This part of the proposal requires you to give a presentation of the business strategy, covering the following aspects:

The market approach

Describe how you will reach your customers/clients.

Marketing strategy

Describe how you will do your marketing, and who will be doing it.

Sales strategy

Describe how you will do your sales, and who will be doing it.

Pricing strategy

Describe how you will be pricing your product/service.

Risk analysis

Perform a risk analysis covering competition, your competitive advantage, barriers to market entry, and third party issues – and how you will address these risks. When submitting the Business and activity proposal, the Applicant will be asked to visualize this information in a SWOT analysis on the website.

Finance

When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website.

Activity proposal

This part of the proposal requires you to provide a plan of activities for the period of incubation at the BBIC, covering the following aspects:

Milestone planning

Explain what you want to do during the incubation by listing all tasks you want to start/complete. When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website.

Task description and related costs

For each task identified, fill in the task description template document indicating the related costs and technical assistance per task. When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website.

Funding

Explain how you want to finance your tasks, describe which ones you want FITT to fund, describe the expertise needed from CERN or Partner Organisation in terms of manpower and sources of funding. When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website. The Applicant may also indicate in the same table other sources of funding if applicable.

Technical Support

Indicate the number of hours of technical support and from whom you require it. Please indicate technical domains you feel your company can benefit support from. When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website.

Business Support

Indicate what kind of business support you are expecting and estimate the number of hours and from whom you require it. Note, the support provider may differ for individual CERN BICs as well as the number of support hours available per applicant. For guidance, please contact the individual CERN BIC that you apply for before you submit the application. When submitting the Business and activity proposal, the Applicant will be asked to complete this information in Table on the website.

Management

Explain how you will organize your management, reporting, meetings and deliverables during the incubation (see draft contract in Appendix 1 section 3).

- **Additional Information**

Any additional information relevant to the application (such as CVs, References, Publications, Letter of Support, Patents filed, etc.) may be included in this section of the proposal.

The applicant may submit a list of additional documents that he/she could submit in connection with the application. The Selection Panel may request from the applicant

the listed documents, as well as additional documents at its discretion, which the applicant is obliged to provide.

Section III: Draft documents (Incubation Contract, Declaration of state aid)

1: Incubation Contract SCB XXXX -

Between:

Foundation for Innovation and Technological Transfer (hereinafter called "FITT"),
Located at: Sofia, ZIP code 1784, Mladost district, 111 Tsarigradsko Shosse Blvd.,
Sofia Tech Park, Laboratories building, 2nd floor

Through the Bulgarian Business Incubation Centre (hereinafter called "BBIC"),
Represented by Vassil Karaivanov, Chairman of the Management Board

of the one part,

And:

Whose Registered Office is at:

Whose Entity Registration Number is:
(hereinafter called the "Incubatee")

Represented by

of the other part,

(together, hereinafter referred to as the "Parties" or individually as a "Party")

Commencement Date: XX

Contract End Date: XX

the following has been agreed:

P R E A M B L E

1. WHEREAS CERN is an intergovernmental organisation established by the Convention for the Establishment of a European Organization for Nuclear Research, open for signature at Paris from 1 July to 31 December 1953 and which entered into force on 29 September 1954.
2. WHEREAS Article II of the Convention assigns to CERN the task to promote cooperation in nuclear research and technology and to elaborate and implement activities and programmes in high energy physics.
3. WHEREAS CERN manages a technology transfer initiative to encourage the utilisation of CERN related technology for general industrial, scientific and commercial uses.

4. WHEREAS as part of the technology transfer initiative CERN and FITT have set up the Bulgarian Business Incubation Centre initiative to enable start-up entities (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using CERN related technology for such general industrial, scientific and commercial uses.
5. WHEREAS FITT will implement and manage the BBIC.
6. WHEREAS the Incubatee wishes to participate in the BBIC and benefit from the assistance which may be offered to it through the provisions of this Contract.
7. WHEREAS, as part of the assistance offered to the Incubatee, the Incubatee will sign, in case it is necessary, a lease agreement covering the same period as this Contract for the provision of office accommodation and related services to the Incubatee, and CERN or the Partner Organisation and the Incubatee will sign an agreement concerning access to the CERN or Partner Organisation's technology or expertise.

ARTICLE 1 - CONTRACTUAL BASELINE

1.1. Definitions

For the purpose of this Contract the following words shall have the meanings assigned to them.

“Activity” means all the activities that the Incubatee will undertake under this Contract in relation to its participation in the BBIC, including the preparation of the Mid Term Report, the Executive Summary, the Annual Performance Report and the Business Plan and all other obligations and deliverables to be made by the Incubatee under this Contract.

“Annual Performance Report” shall have the meaning set out in Appendix 1 to this contract, section 5.6.

“Partner Organisation” shall mean any entity that is collaborating with CERN under framework agreements.

“Business Plan” shall have the meaning set out in Appendix 1 to this contract, section 5.5.

“CCN” shall mean a contract change notice.

“Change Review Board” shall be a board consisting of a contractual and a technical representative of each Party established to discuss and agree upon the approval or rejection of a change proposal, and final CCN.

“Commencement Date” shall mean the date that this Contract shall come into force, as set out in Article 4.

“Confidential Information” shall have the meaning set out in Article 9 of this Contract.

“Contract” shall mean an agreement between FITT and the Incubatee regulating the Activity.

“Contract End Date” shall mean the date that this Contract shall come to an end, as set out in Article 5 of this Contract.

“Contract Term” shall be the period between the Commencement Date and the Contract End Date.

“Conversion Proposal” shall mean a proposal detailing all costs incurred in relation to the Activity, to be submitted by the Incubatee to FITT.

“Deliverables” shall have the meaning set out in Article 2 of this Contract.

“Disclosing Party” shall mean the Party disclosing Confidential Information.

“BBIC” shall have the meaning set out in the Preamble.

“Executive Summary” shall have the meaning set out in Appendix 1, section 5.4.

“Final Report” shall mean the complete statement of the work undertaken by the Incubatee during the Contract Term, as further defined in Appendix 1, section 5.3.

“Intellectual Property Rights” shall mean all rights in copyright, patents, know-how, Confidential Information, database rights, rights in trademarks and designs (whether registered or unregistered), applications for registration of any of the foregoing and the right to apply for registration, and all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

“Mid Term” shall mean the midpoint date between the Commencement Date and the Contract End Date.

“Mid Term Report” shall have the meaning set out in Article 2.1.1 of this Contract.

“Mid Term Review” shall have the meaning set out in Appendix 1, section 4.2.

“Receiving Party” shall mean the Party receiving Confidential Information.

“FITT” means Foundation for Innovation and Technological Transfer, an entity which, under this contract, provides business development support and office accommodation to start-up entities.

The total amount of funding for Incubatee`s projects, as well as all other state aid that the Incubatee has received for a period of three years, should not exceed EUR 200,000, and the Incubatee declares that it undertakes to notify FITT immediately upon reaching 200 EUR 000 total amount of funding for a period of three years.

“Third Party” shall mean any person or entity other than CERN and the Parties to this Contract or their personnel.

“Third Party Services” shall have the meaning set out in Article 3 of this Contract.

1.2 Contractual baseline

The Incubatee shall perform the Activity in accordance with the following applicable documents listed hereunder in order of precedence:

- 1.2.1 This Incubation Contract;
- 1.2.2 Standard Requirements for Management, Reporting, Meetings and Deliverables as set out in Appendix 1 to this Contract;
- 1.2.3 The Incubatee’s Business & Activity Proposal, dated XX, not attached hereto but known to both Parties.

ARTICLE 2 – ACTIVITY OF THE INCUBATEE

The Incubatee undertakes to deliver the items mentioned below (the “Deliverables”), as part of the Activity in accordance with the following provisions:

2.1 Documentation

2.1.1 Mid Term Report

At Mid Term, the Incubatee shall provide to FITT’s representatives, described in Article 7.3., a report detailing the technical and commercial work carried out by the Incubatee as part of the Activity during the first half of the Contract Term (“Mid Term Report”). Templates are provided in Appendix 2 herein.

2.1.2 Business Plan

The Business Plan shall be provided to FITT’s technical representative stated in Article 7.3. in 2 copies, not later than the Contract End Date.

2.1.3 Final Report and Executive Summary

- (a) At least two months prior to the Contract End Date, the Incubatee shall provide FITT with draft versions of the Final Report and the Executive Summary. FITT shall have one month to review the draft documents and provide comments on each to the Incubatee. The Incubatee shall then have

the remaining month in which to produce the final version of the Final Report and the Executive Summary and submit them to FITT. Templates are provided in Appendix 3 herein.

- (b) The Final Report and the Executive Summary shall be delivered by the Incubatee to FITT in an electronic format (preferably PDF).

2.2 Other Deliverables

As part of the Incentive Scheme, it is expected from the Incubatee to deliver proof of the developed product or service. It is to be delivered to CERN through FITT. Its use by CERN is restricted to demonstration and exhibition purposes.

2.2.1 Software

- (a) In the event that the Incubatee develops software during the Contract Term as part of its Activity, the Incubatee shall deliver such software to FITT in a form to be agreed with FITT in order for FITT to promote the results of the project.

- (b) The Incubatee shall deliver such software at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties.

2.2.2 Hardware

- a) In the event that the Incubatee develops any hardware during the Contract Term and as part of its Activity, CERN is entitled to request the Incubatee to provide the hardware to CERN for the purposes of displaying it in an exhibition or for CERN's promotional purposes for a period of five (5) years from the end of the Contract Term or from the cancellation of this Contract, unless otherwise agreed in writing by the Parties.
- b) Any photographs and visual presentations (i.e. an automatic slide show and/or video trailer) of any hardware developed by the Incubatee during the Contract Term and as part of its Activity shall be provided to CERN at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties.

ARTICLE 3 - SERVICES TO BE PROVIDED BY THIRD PARTIES

The Incubatee is entitled to enter into separate agreements with Third Parties to obtain specific advice relevant to the Activity ("Third Party Services"), as notified in advance with FITT. FITT shall bear no responsibility for such advice given.

ARTICLE 4 - CONTRACT TERM

This Contract shall enter into force upon signature by the legal representatives of both Parties (“Commencement Date”) and shall continue in force until (“Contract End Date”), unless it is cancelled or otherwise terminated in accordance with Article 16. In no case shall the Contract Term exceed the duration of 2 (two) years.

ARTICLE 5 – MEETINGS AND REPORTING REQUIREMENTS

Full details of reporting and meeting requirements are set out in Appendix 1 sections 3 and 4 respectively.

ARTICLE 6 – FINANCIAL CONTRIBUTION AND PAYMENT

6.1 Financial Contribution

6.1.1 FITT’s total financial contribution to the Activity amounts up to:

EUR 40,000 (Forty thousand euro) for IPR & product development.

6.1.2 For the purpose of this Contract the above mentioned total financial contribution is stated to be a ceiling which amount shall not be exceeded and for which the Incubatee shall perform the Activity in full.

6.1.3 The above amount includes all taxes and duties.

6.2 Payment Terms

All payments shall be made according to the provisions of this Article 6.

6.3 Categories of Payment

Relative to the financial contribution set out under Article 6.1, FITT shall make the following payments to the Incubatee:

6.3.1 Progress Payments

(a) FITT may authorise progress payments in connection with this Contract.

(b) Progress payments are not final payments and shall be deducted from the sums due to the Incubatee under this Contract.

(c) Except with the specific agreement of FITT, the Incubatee shall not divert to uses not provided for in this Contract any material or services in respect of which advances or progress payments have been made. In the event of any violation of this provision FITT reserves the right to require the return of the advances or progress payments without prejudice to its rights under Article 15.

6.4 Final Settlement

6.4.1 The Incubatee shall be allowed to claim final settlement when all the Incubatee's obligations under this Contract have been fulfilled.

6.4.2 Final settlement to the Incubatee is due by FITT upon:

- a) receipt by FITT of the Conversion Proposal;
- b) receipt by FITT of the relevant invoice(s) from the Incubatee; and
- c) certification by FITT of the satisfactory completion of the Activity under this Contract.

6.4.3. Unless otherwise provided for in this Contract, a period of 15 (fifteen) calendar days shall be granted to FITT for the execution of the final payment.

6.4.4. FITT shall make the payments the Incubatee according to payment schedule, attached to this Contract.

6.5 Invoices, place and payments

6.5.1 The Incubatee is required to submit invoices for all payments due under this Contract.

6.5.2 Payments shall be made by FITT to the account specified by the Incubatee. Such information shall clearly indicate the IBAN (International Bank Account Number) and BIC/SWIFT (Bank Identification Code). Payments shall be considered as effected on time if FITT'S orders of payment reach Incubatee's bank within the payment period stipulated in Article 6.4.3 above.

6.5.3 Any special charges related to the execution of payments will be borne by the Incubatee.

ARTICLE 7 - PARTIES REPRESENTATIVES AND COMMUNICATIONS

7.1 All correspondence affecting the terms and conditions of this Contract and concerning its execution shall be made or confirmed in writing. All communications or correspondence between the Parties shall be in English.

7.2 All correspondence for either Party shall be sent to both representatives of each Party stated in Articles 7.3 and 7.4, i.e. depending on the subject, addressed to one representative with a copy to the other.

7.3 For the purpose of this Contract the BBIC representatives are:

.....

7.4 For the purpose of this Contract the Incubatee's representatives are:

(a) For technical matters:

(b) For contractual and administrative matters:

ARTICLE 8 - PUBLICITY AND VISUAL IDENTITY OF INCUBATEES

8. Publicity

- 8.1. The Incubatee shall not produce or disseminate any form of communication material, press releases or other publicity documents, including the Incubatee's advertising and news bulletins, which are intended by the Incubatee for the press, internet/web-sites or television, which refer to Bulgarian Business Incubation Centre or any aspect of Bulgarian Business Incubation Centre activities, or permit any Third Party to do so, without the prior written consent of SIL.
- 8.2. By signing this contract, the incubator gives his consent to FITT to produce or disseminate any form of communication material, press releases or other publicity documents which are intended by Bulgarian Business Incubation Centre for the press, internet/web-sites or television, which refer to the Incubatee or any aspect of the Incubatee's activities.
- 8.3. The Incubatee shall not use the official emblem of FITT, CERN, or BBIC or any other logo or trademark which may be owned or used by FITT or CERN for any purpose whatsoever except with the express written consent of FITT.
- 8.4. The Incubatee may place the following text line, in full and without amendment, on its promotional material and publicity documents, including exhibition and conference material and its internet site, and also on its products (including prototypes) and other material which it produces:

"..... participates in the Bulgarian Business Incubation Centre",

referred to as the "Text Line".

Use of the Text Line by the Incubatee shall be subject to the following conditions:

- (a) the Incubatee shall submit to FITT's contractual representative or his duly authorised representative for prior written approval all promotional material, publicity documents, products and other materials, or samples of them, on which the Text Line is to appear or is intended to be used, which approval may be withheld or withdrawn from any material, products or documents at any time at the FITT's discretion;
- (b) the prior approval of FITT for the use of the Text Line shall not constitute an endorsement or approval of the Incubatee's Activity, products or services, or of their quality, technology or suitability for a particular use, neither shall it constitute verification by FITT of the compatibility of materials produced by the Incubatee with applicable law and regulations,

and the Incubatee shall refrain from using any statements which could suggest otherwise;

- (c) any use of the Text Line on amended or revised promotional material and publicity documents shall be subject to the same approval process as the original material and documents;
- (d) the Text Line may be translated into a different language other than English, subject to the approval of the FITT's contractual representative or his duly authorised representative; and
- (e) no use of the Text Line shall be made in connection with material, products or documents that:
 - a. constitute an infringement of law and/or legal provisions;
 - b. undermine the reputation and dignity of FITT or CERN; and
 - c. promote or are related to alcohol, tobacco, religion, political affairs, intolerance, violence, firearms, pornography, obscenity, gambling, and narcotic drugs.

8.5. The Incubatee shall keep appropriate records of the extent of its use of the Text Line, stating in particular the nature and time of use of the Text Line on its material, products and documentation. The Incubatee shall provide in due time the FITT's contractual representative or his duly authorised representative upon request, with information, samples and documents to evidence its use of the Text Line.

8.6. The use by the Incubatee of the Text Line shall terminate upon the cancellation or expiry of this Contract as described in Article 14.

ARTICLE 9 - CONFIDENTIALITY

9.1 Each Party shall observe complete discretion with regard to all matters related to the activities of the other Party and each Party will ensure compliance by its employees and agents with the obligations of confidence set out in this Article 9 and assumed by that Party in relation to the other Party.

9.2 Neither Party shall disclose any documentation, information or materials obtained from the other Party, whether marked (by way of example as, "confidential" or "proprietary information") or un-marked ("Confidential Information"), to any Third Party whatsoever without the prior written consent of the other Party in which case the other Party may require the recipient to sign a non-disclosure agreement. For the purposes of this Article 9, documentation shall include any final documentation deliverable under this Contract.

- 9.3 Each Party may disclose Confidential Information on a strictly “need to know” basis to:
- its employees; and
 - its professional agents.
- 9.4 On the Contract End Date, or upon the earlier termination or cancellation of this Contract in accordance with Article 14, the Receiving Party shall promptly return to the Disclosing Party or otherwise certify the destruction of all Confidential Information, with exception of the Deliverables provided by the Incubatee to FITT.
- 9.5 The obligations in this Article 9 shall not apply to Confidential Information:
- which is in the public domain at the time of disclosure or becomes part of the public domain after disclosure otherwise than through a breach of this Contract;
 - for which the Receiving Party can provide documentary evidence that it was in its lawful possession prior to disclosure to it by the Disclosing Party or which is lawfully and bona fide obtained thereafter by the Receiving Party from a Third Party who, to the knowledge or reasonable belief of the Receiving Party, did not receive the Confidential Information directly or indirectly from the Disclosing Party when under a duty of confidentiality;
 - which, at the time of circulation is already known by the Receiving Party (as evidence in writing) and is not hindered by any obligation not to circulate; or
 - which is required to be circulated by governmental or judicial order or applicable law.
- 9.6 The contents of this Contract are Confidential Information.
- 9.7 The obligations set out in this Article 9 shall survive for a period of 5 years from the date of termination, cancellation or expiry of this Contract.

ARTICLE 10 – INTELLECTUAL PROPERTY

10.1 Ownership

- 10.1.1 The Incubatee shall own all Intellectual Property Rights arising out of the Activity performed under this Contract as may be granted by law, as far as no infringement of Third Party rights occurs.
- 10.1.2 All rights pertaining to any results arising out of the Activity performed under this Contract shall belong to the Incubatee.

ARTICLE 11 – LIABILITY

11.1 Limitations of Liability

11.1.1 Neither Party excludes its liability to the other Party for:

- (a) death or personal injury caused by its negligence or that of its employees or agents;
- (b) fraud, including fraudulent misrepresentations; and
- (c) liability under Articles 10 and 11.

11.1.2 Limitation of Liability

The liability of FITT towards the Incubatee or in connection with this Contract whether arising from negligence, breach of contract or any other obligation or duty shall not exceed, an amount equivalent to EURO 40,000 (Forty thousand euro).

11.2 Infringements of the Law

11.2.1 FITT or CERN shall not be responsible if the Incubatee infringes any existing and/or future national, communal or provincial laws or decrees, rules or regulations in force in Bulgaria or in any other country whatsoever.

11.2.2 The Incubatee shall indemnify FITT and CERN from and against all claims, proceedings, damages, costs and expenses arising out of any infringement of the Incubatee's obligations under this Contract.

11.3 Infringement of the Rights of Third Parties

11.3.1 The Incubatee shall indemnify FITT and CERN from and against all claims, proceedings, damages, costs and expenses arising from the infringement of Intellectual Property Rights of third-parties with respect to the subject matter of this Contract - excluding any infringement resulting from the use of documents, patterns, drawings or goods supplied by FITT or CERN which may be made, or brought against FITT or CERN, or to which FITT or CERN may be put by reason of such infringement or alleged infringement.

11.3.2 FITT shall notify the Incubatee immediately of any written claim or notice of infringement of third-party rights that it receives concerning the subject matter of this Contract.

11.3.3 The Incubatee shall immediately take all necessary steps within the Incubatee's competence to prevent or end a dispute and shall assist FITT and CERN to defend any such dispute, or make settlement in respect of any claim or notice of infringement or suit for infringement.

11.3.4 The Parties shall notify each other of any known Intellectual Property Rights connected with the use of documents, patterns, drawings and goods supplied by one Party to the other or connected with the execution of the specifications laid down by the other Party.

11.4 Compensation for Damage Caused to Goods and Property

Claims in respect of damage shall be settled as follows.

11.4.1 Direct Damages

(a) The Incubatee shall indemnify FITT and CERN against, and shall be personally responsible for, direct damage to FITT's or CERN's property and equipment to the extent that such damage is caused by the negligence of the Incubatee and the Incubatee's personnel or agents.

(b) FITT shall indemnify the Incubatee against, direct damage to the Incubatee's property and equipment to the extent that such damage is caused by the negligence of FITT and FITT's staff or agents, to the value of the financial contribution provided by FITT to the Incubatee according to this contract.

11.4.2 Indirect or Consequential Damages

(a) The Parties shall in no circumstances be liable for indirect or consequential damages such as loss of use, loss of business, loss of data, loss of rights, loss of services, loss of goodwill, Third Party claims to the extent that they represent the indirect loss of a Third Party, loss of revenues or anticipated savings, or for any indirect financial loss or indirect economic loss or for any indirect or consequential loss or damage whatsoever suffered by the other Party.

(b) The Parties shall in no circumstances be liable for loss of profit, whether direct or indirect.

11.5 Damages to Third Parties by the Incubatee

FITT or CERN shall not be liable for any damage caused by the personnel or agents of the Incubatee to a Third Party during the performance of this Contract.

ARTICLE 12 – CHANGES TO THIS CONTRACT

12.1 Introduction of a Change

12.1.1 All changes to this Contract, whether requested by FITT or CERN or initiated by the Incubatee, should be in writing and after the approval of Change Review Board.

12.1.2 If the contract change is initiated by the Incubatee, he shall, including on the request of FITT, provide additional documentary evidence of the effect of the change to both Parties.

12.2 Approval or Rejection of the Change Proposal

12.2.1 Should the change proposal be approved by FITT, a corresponding CCN shall be prepared by FITT's contractual representatives as stated in Article 7.3. and submitted to both Parties for signature.

12.3 Implementation and Status of an Approved CCN

Upon the signature of a CCN by both Parties, the CCN will have immediate effect and constitutes a binding contractual agreement between the Parties. The Incubatee shall implement the change in accordance with the implementation dates agreed in the CCN.

ARTICLE 13 – POST INCUBATION MANAGEMENT

On each anniversary of the end of the Contract Term, for a period of 3 (three) years, the Incubatee shall prepare and submit to the Incubation Manager of SIL, as well as to CERN's Technical Representative, an Annual Performance Report.

ARTICLE 14 – TERMINATION AND CANCELLATION

14.1 Right of Termination

14.1.1 FITT will have the right at any time during the Contract Term, without prejudice to its other rights or remedies, to terminate this Contract immediately, and without cause, by one (1) month's written notice to the other Party.

14.1.2 Each Party reserves the right to terminate this Contract, with immediate effect, in the event that the other Party commits a substantial breach of this Contract. "Substantial breach" is such a breach, which endangers the implementation of the incubation program, or is associated with the misappropriation of funding or which endangers the reputation of FITT.

14.2 Cancellation Without Fault of the Incubatee

14.2.1 In the event of cancellation of this Contract by FITT or CERN without any fault of the Incubatee, the Incubatee shall on receipt of FITT's instructions for cancellation of this Contract, immediately take the necessary steps to implement the instructions. The period by which the Incubatee must implement such instructions shall be determined by FITT after consultation with the Incubatee.

14.2.3 FITT shall in no circumstances be liable to pay any sum which, when added to the other sums paid, due or becoming due to the Incubatee under this Contract by FITT, exceeds the total contractual payments due by FITT to the Incubatee, as set out in Article 6.1.

14.3 Grounds for Cancellation by FITT

FITT will have the right, without prejudice to its other rights or remedies, after full consideration of all relevant circumstances, which may include consultation with the Incubatee, to cancel this Contract by giving written notice with immediate effect to the Incubatee in any of the following circumstances:

- (a) if the Incubatee assigns or transfers this Contract in breach of Article 15;
- (b) if the Incubatee becomes insolvent or if its financial position is such that within the framework of the national law of the Incubatee's incorporation, legal action leading towards bankruptcy may be taken against the Incubatee by its creditors;
- (c) if the Incubatee conducts fraudulent practices in connection with this Contract, particularly concerning the nature and quality of the Activity or by giving or offering gifts or remuneration for the purpose of bribery to any person, irrespective of whether such bribes or remuneration are made on the initiative of the Incubatee or otherwise; and/or
- (d) if the Incubatee has provided incorrect and/or incomplete information regarding:
 - (a) the Declaration of state aid;
 - (b) the Incubatee's legal ownership;
 - (c) the Incubatee's Commercial registration

14.4 Consequences of Cancellation

Any information, in documentary or other physical form, pertaining to the Activity carried out by the Incubatee during the Contract Term, remains the property of FITT and CERN and shall be handed over to FITT upon the expiry or cancellation of this Contract.

ARTICLE 15 - ASSIGNATION OF THIS CONTRACT

- 15.1 The Incubatee shall not be permitted to assign its rights and/ or transfer its obligations under this Contract in whole or in part.
- 15.2 No person who is not a party to this Agreement has any right to prevent its variation, cancellation, or termination, or enforce any benefit conferred upon them by this Agreement, except that FITT and CERN may enforce Article 11.

ARTICLE 16 - DISPUTE SETTLEMENT

- 16.1 This Contract shall be governed by the laws of Bulgaria.
- 16.2 The Parties will consult with each other promptly when events occur or matters arise that may occasion a question of interpretation or implementation of the

terms of this Contract. Any issue of interpretation or implementation of this Agreement that cannot be settled by the designated points of contact shall be referred to the generic competent Bulgarian court in the city of Sofia.

ARTICLE 17 - DATA PROTECTION

17.1 To the extent that is reasonably necessary, in connection to the incubatee's activities under this contract, his data may be disclosed to others, including staff of CERN and FITT, for any studies and/or reporting that may be carried out by FITT and/or CERN. The incubatee hereby consents to the recording, processing, use and disclosure of personal data related to him as set out here above (including the recording, processing, use and disclosure of his sensitive personal data to the extent required by reason of the contractor's performance of the activities under this contract) including the transmission of such data between the Bulgaria and other countries for the fulfilment of CERN's own requirements.

Done and signed in two (2) original copies, one for each Party to this Contract,

on behalf of FITT:

Date: _____

on behalf of the Incubatee:

Date: _____

APPENDIX 1 TO INCUBATION CONTRACT- STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES

This document contains the standard requirements for management, reporting, meetings and deliverables for contracts to be placed by FITT in regard to the BBIC.

1. CONTRACTUAL BASELINE

The Incubatee is a start-up entity in the early stage development of its commercial enterprise, applying CERN related technology or systems to industrial, scientific and commercial uses. As a start-up entity the Incubatee requires business development support, technical and commercial advice and marketing expertise to be able to commercialise its product or service through:

- developing its commercial focus;
- enhancing or creating its business plan;
- elaborating on its business outline proposal;
- making relevant use of Third Party advisors;
- establishing a sound financial, commercial and marketing model; and
- performing additional technical activities, functional to the above activities as required.

2. MANAGEMENT

2.1 General

The Incubatee shall implement effective and economical management for the work to be performed under this contract. The nominated representative of the Incubatee shall be responsible for the management and execution of the work to be performed.

2.2 Communications

All communications sent by the Incubatee to FITT shall be addressed to FITT's representatives nominated in Article 7.3 of this Contract.

3. REPORTING

3.1 Minutes of Meetings

The Incubatee is responsible for the preparation and distribution of minutes of meetings held in connection with this Contract. Electronic and paper versions of the minutes of each meeting shall be issued and distributed to all participants and to FITT's representatives, not later than ten (10) days after the meeting concerned was held.

3.2 Progress Reports

Every three (3) months, the Incubatee shall provide a progress report to FITT's representatives, covering the Activity. This report shall provide details of:

- action items completed during the reporting period;
- description of progress: events accomplished etc.;
- problem areas, if any, and corrective actions planned and/or taken;
- events anticipated during the next reporting period;
- *[further details to be provided on a case-by-case basis]*

3.3 Problem Notification

The Incubatee shall immediately in writing notify FITT's representatives of any problem likely to significantly impact the progress of the Activity.

4. MEETINGS

4.1 Kick-off Meeting

The kick-off meeting shall take place at FITT's premises or by teleconference at the beginning of the Contract Term.

4.2 Mid Term Review

At Mid Term a meeting shall be held ("Mid Term Review"), where the Incubatee shall present the Mid Term Report, to verify the status of the Activity and to confirm its feasibility.

4.3 Additional Meetings

Additional meetings may be requested either by FITT or the Incubatee.

4.4 Notice and Agenda for Meetings

For all meetings the Organiser (Incubatee or FITT) shall ensure that proper notice to the counterparty is given at least two (2) weeks in advance of when its participation is foreseen to be required. The Incubatee is responsible for ensuring the participation of the Incubatee's personnel and/or third party advisors, as needed.

For each meeting the Organiser shall propose an agenda in electronic form and shall compile and distribute handouts of any presentation given at the meeting.

5. DELIVERABLES

5.1 Documentation to be delivered

In addition to the documents to be delivered according to section 3 above, the documentation set out in this section 5 shall also be deliverable.

All documentation Deliverables mentioned in this section 5 (including all their constituent parts) shall be delivered as follows:

- 5.1.1 in electronic form on computer readable media (e.g. CD-ROM, DVD-ROM) as agreed by FITT, and in other exchange formats where relevant (e.g. HTML, PDF format); and
- 5.1.2 in two (2) paper copies.

The draft version of the documentation shall be sent to FITT's technical officer in one (1) electronic copy for approval not later than two (2) weeks before the documentation is to be presented.

5.2 Mid Term Report

The Incubatee shall document in detail the status of its technical and commercial progress in relation to the Activity in the Mid Term Report and confirm the feasibility of the Activity. The Mid Term Report shall furthermore contain all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of this Contract. The Mid Term Report shall be presented by the Incubatee to FITT at the Mid Term Review. The Incubatee shall submit the presentation of the Mid Term Report to FITT two (2) weeks in advance of the Mid Term Review meeting.

5.3 Final Report

A report shall be produced by the Incubatee at the end of the Contract Term. It shall be a complete statement of all the work undertaken by the Incubatee during the Contract Term, including the activities functional to the Business Plan ("Final Report"). It shall not refer to any other report that may have been provided by the Incubatee and shall detail the full results of the Activity to include:

- (a) lessons learned;
- (b) details of the support received from FITT and CERN;
- (c) contacts established;
- (d) description of technical developments;
- (e) financial details;
- (f) all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of this Contract.
- (g) licences granted and patent filings and applications;
- (h) ... [*further input by FITT required on a case by case basis*]

5.4 Executive Summary to the Final report

The Incubatee shall prepare a summary which shall concisely summarise the findings of the Incubatee in performing the Activity ("Executive Summary"). It shall be suitable for non-experts and should also be appropriate for publication, including on a web page. For this reason, it shall not contain any confidential information. The Executive Summary shall not exceed three (3) to four (4)

pages of text with coloured illustrations or photographs, if appropriate. It shall also be delivered to FITT by the Incubatee in HTML format.

FITT reviews the delivered summary and notifies the Incubatee if there are any remarks. If there are remarks, the Incubatee edits the summary and sends it back to FITT for review in a due time specified by FITT.

5.5 Business Plan

The Incubatee shall produce a business plan that sets out the Incubatee's expected course of action for next period of the development of the entity, including a detailed listing and analysis of risks and uncertainties ("Business Plan"). The Business Plan should also examine the proposed products (including scientific and technical requirements and feasibility), the market, the industry, the management policies, the marketing policies, production needs and financial needs of the Incubatee and may be used as a prospectus for potential investors and lenders and participation in FITT's events at a later stage.

5.6 Annual Performance Report

The annual performance report shall describe the sales made and/or licences granted by the Incubatee during the preceding twelve (12) months ("Annual Performance Report"). The Incubatee shall submit this in one (1) paper copy and in electronic form. The Incubatee shall submit the Annual Performance Report to FITT and to CERN every year for a period of 3 (three) years from the end of the Contract Term.

APPENDIX 2 TO INCUBATION CONTRACT- AGENDA FOR MIDTERM REVIEW

1. Welcome/Introduction

2. Elevator pitch

2-3 minutes without slides. (*This is good training and will introduce the entity and business idea to potential new audience.*)

3. Progress status tasks/work packages, first phase.

Refer to each task in the original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any). The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

4. Planning of tasks/work packages, next phase

Refer to each task in the original proposal and present current status or changes, if any. Include overview of additional new tasks (if any). The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

5. Incubation Planning Overview: The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

6. Cost Breakdown Overview, first phase: The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

7. Changes in expected Costs, first phase: The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

8. Overview of technical experts

Expert hours used, this phase

Experts hours needed, next phase

9. Overview of major challenges/concerns.

10. Other news/updates

Very short

- change in team
- financial developments/ additional sources of funding/ investments (personal/subsidy)
- cooperation agreements

11. Proposal of CCN: If any

12. Q&A

APPENDIX 3 TO INCUBATION CONTRACT

FINAL REPORT TEMPLATE

Template for Final Report (see also 5.3 of Appendix 1 of the incubation contract). Please use this template also to structure your presentation for the Final Review.

1. Introduction

2. Elevator pitch

2-3 minutes Pitch (*This is good training and will introduce the entity and business idea to potential new audience.*)

3. Lessons learned (5.3.a in Appendix 1 of the contract);

4. Details of the support received from SIL (5.3.b in Appendix 1 of the contract);

Also mention the expert's names, sections and hours used during incubation period

5. Business contacts established (5.3.c in Appendix 1 of the contract);

6. Progress report on work packages of total incubation period (5.3.d in Appendix 1 of the contract);

Refer to each task in the original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any). The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

7. Incubation Planning Overview (planned and actual): The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

8. Changes in expected Costs, total incubation period (5.3.e in Appendix 1 of the contract); The Incubatee will be asked to complete this information in Table, provided by FITT. FITT will give instructions for completing the Table.

9. Overview of major challenges/concerns.

10. Other news/updates

- changes in your team's composition
- financial developments; i.e. secured financing, launching customers, other income
- cooperation agreements

11. Way forward

12. Feedback on Business Incubation support

ANNEX to the Final Report. Please find attached to this report also:

- I. An overview and the copies of all invoices relevant to the Third Party Services obtained by the Incubatee (*5.3.f in Appendix 1 of the contract*);
- II. An overview and copies of patents, patent filings and/or licences granted (*5.3.g in Appendix 1 of the contract*).

2. Declaration of state aid

In view of the fact that the Applicant wishes to enter into the Bulgarian Business Incubation Centre through the signature of an FITT Incubation Contract;

In view of the fact that any public resources provided, be it in kind¹ or in cash constitute State Aid;

In view of the fact that any “de minimis” aid granted over the EURO 200.000 limit for a three years period may be subject to repayment with interest,

The Applicant states the following:

I hereby declare the following State Aid received by the Applicant in the three years to the signature date of this declaration:

1. Date or period of State Aid received: _____
Name of entity providing State Aid: _____
Name of State Aid Scheme: _____
Total amount of State Aid: _____

2. Date or period of State Aid received: _____
Name of entity providing State Aid: _____
Name of State Aid Scheme: _____
Total amount of State Aid: _____

3. Date or period of State Aid received: _____
Name of entity providing State Aid: _____
Name of State Aid Scheme: _____
Total amount of State Aid: _____

Furthermore, I undertake to inform FITT in writing of any State Aid² received after the date of signature of this declaration until completion of envisaged FITT Incubation Contract and I undertake to notify FITT immediately upon reaching 200 EUR 000 total amount of funding for a period of three years.

Signature: _____

Date: _____

¹ State Aid received in kind shall be calculated to its cash equivalent.

² Other than the funding to be received in the frame of an FITT Incubation Contract.

