

## Regulations of the MIT Enterprise Forum CEE

The regulations hereby determine the rules for recruitment and participation of projects in the acceleration program under the name: “MIT Enterprise Forum CEE Acceleration Program”

### § 1. Definitions

Whenever the Regulations refer to:

1. **Applicant** - it should be understood as a natural person or entity that submits the Application. The applicant, in order to be eligible for the Program as a Startup, will be required to meet all access conditions at least on the day of signing the Grant Agreement;
2. **Grant** - it should be understood as assistance in the form of financial resources transferred to the Startup, in accordance with the provisions of the Grant Agreement concluded between the Startup and the Foundation for the development of the Project;
3. **Recipient of Technology** - it means an entrepreneur which meets the definition of a medium enterprise within the meaning of Annex I to EC Regulation No. 651/2014 or a large entrepreneur conducting business in the Republic of Poland confirmed by an entry in the relevant register interested in using technology or cooperating in product development (including services) of startups participating in acceleration;
4. **„Confidential information”** should be understood as:
  - (i) all information regarding the Projects,
  - (ii) all other information related to the Program marked as a secret of the enterprise of the Foundation, the Recipient of Technology or the Startup, and
  - (iii) information otherwise considered confidential regarding the Program, that may be transferred during the Program or is or will be obtained by the Foundation, or the Startup, or the Participant in a different manner in connection with the Program, regardless of whether the transfer is made in oral, written or any other form, including all notes, reports, analyses, compilations, forecasts, studies, summaries or other materials.

Confidential Information do not include information that:

- (i) are or will become publicly available, unless they have become publicly available as a result of breach of obligations set out in these Regulations
  - (ii) at the time of disclosure, they were already in the possession of the Foundation or the Startup or the Participant without being obliged to keep them confidential, or
  - (iii) they will be made available to the Foundation or the Startup or the Participant from any source, provided that such source is not bound by an obligation of confidentiality towards the disclosing party with respect to such information;
5. **Milestone** – means a planned, measurable, observable event necessary for the progress of the Program, the occurrence of which enables taking actions related to the achievement of the next specified by the Schedule of individual acceleration program (Annex no. [\*\*\*] to the Grant Agreement) milestone or (in case of the final milestone) means the completion of the acceleration program by obtaining product validation (including services) or technology or key elements in near-real environment, based on which a decision is

made on the possibility of further cooperation of the Technology Recipient/Recipients with the Participant based on developed technology;

6. **Key Areas of Specialization** – means the following industries: FinTech, Artificial Intelligence (AI) or Industrial Internet of Things indicated in the List of Key Areas of Specializations which is Annex 7 to the Competition Regulations no. 1 as a part of the Intelligent Development Operational Program 2014-2020 on the website: <http://poir.parp.gov.pl/dokumentacja-do-dzialania-programy-akceleracyjnej/dokumentacja-do-dzialania-programy-akceleracyjnej>;
7. **Local Chapter** – it should be understood as a body composed of at least 3 people: Foundation representatives and external experts, including representatives of Technology Recipients;
8. **Micro Entrepreneurs or Small Entrepreneurs** – it should be understood micro entrepreneur or small entrepreneur meeting the conditions set out I Annex I to Commission Regulation no. 651/2014;
9. **Foundation** – it should be understood as the Foundation for Technology Entrepreneurship with headquarters in Warsaw, Szuch Avenue 16/17, 00-582 Warsaw, entered into the National Court Register under number 00000566188, Tax Identification Number: 5252623890, REGON: 362028771, being the organizer and operator of the Program;
10. **Program** – should be understood as the individual acceleration program implemented by the Foundation “MIT Enterprise Forum CEE Acceleration Program” dedicated to the Applicant, lasting from [\*] 2019 to [\*] 2021, implemented in the form of four acceleration rounds that are 6 months long, in the form of workshops, trainings, meetings with mentors and potential investors and enterprises organized in Poland or abroad. In the case of Startups qualified to participate in workshops and trainings organized in the cooperation with Massachusetts Institute of Technology, they can be held in Boston, the United States. Under the Program, Co-financing is also granted;
11. **Project** – it should be understood as the project described in the Application;
12. **Startup** – it should be understood as a Micro Entrepreneur or Small Entrepreneur, acting in form of a capital company, meeting the conditions set out in Article 22 par. 2 of Commission Regulations (EU) no. 651/2014 of 17<sup>th</sup> June 2014 declaring certain types of aid to be compatible with the internal market pursuant to art. 107 and 108 of the Treaty (Official Journal of the European Union L 187 of 26/06/2014, page 1 with later amendments) hereinafter referred to as “Commission Regulation no. 651/2014” and in § 21 of the Regulation of the Minister of Infrastructure and Development of July 10<sup>th</sup> 2015 on granting financial aid under the Intelligent Development Operational Program 2014-2020 (ie an unlisted on the stock exchange micro or small entrepreneur starting a business, operating for up to 5 years (from the date of its registration in the relevant register, which did not divide his profits and was not created as a result of the merger), which was qualified for the Program and signed an Agreement to entrust a grant with the Foundation);
13. **Participant** – should be understood as a natural person, that was chosen to participate in the Program by the Startup
14. **Grant Agreement** – it should be understood as the agreement concluded between the Beneficiary (the Startup) and the Foundation for participation in the Program, specifying the terms of this participation. The grant agreement is the basis for participation in the Program;
15. **Polish Agency for Enterprise Development Act** – it should be understood as the Act of November 9<sup>th</sup>, 2000 on the establishment of the Polish Agency for Enterprise Development (unified text introduced by the announcement of the Speaker of the Parliament of the Republic of Poland of February 29<sup>th</sup> 2016

regarding the publication of a uniformed text of the Act on the establishment of the Polish Agency for Enterprise Development (Journal of Laws of 2016, item 359);

16. **Application** – it should be understood as a completed application form submitted via the recruitment platform placed on the [mitefcompetition.org](http://mitefcompetition.org) together with the presentation of the Project's foundations in the form of original presentation, description, multimedia material or in a form that is a combination of these forms. The content of the application must enable assessment in accordance with the project selection criteria in the Program;

## **§ 2. General Provisions**

1. "MIT Enterprise Forum CEE acceleration program" is addressed to Applicants whose product, service or process solutions may potentially be applied in areas important to the Recipient of Technology and their market environment.
2. The aim of the Program is to accelerate the development of Startups by promoting and supporting them in the implementation of technological projects. The Program is aimed at providing support in the form of workshops, consultancy and mentoring services, as well as conducting the process of identifying business needs of Startups and providing personalized services aimed at making their development more dynamic. The Program includes the stage of assessment and selection of Startups.
3. The selection of Projects takes place through an open recruitment announced by the Foundation. For each edition of the Program individual deadlines for the receipt of Applications will be determined. It is possible to submit entries between the recruitment dates provided for individual editions of the Program, then the Application will be considered in the nearest recruitment process.
4. Whenever the Regulations refer to the e-mail address of the Applicant/Startup, it means an e-mail address used for correspondence between the Applicant/Startup and the Foundation indicated in the Application

## **§ 3. Entities eligible to apply for support under the Program**

1. The Program is addressed to entities that:
  - 1.1. meet the definition of the Applicant;
  - 1.2. have registered economic activity on the territory of the Republic of Poland;
  - 1.3. conduct activities in the form of a capital company, are not related to the Foundation and the Recipient of Technology, which will be involved in the implementation of the Program within the meaning of art. 6c par. 2 of the Polish Agency for Enterprise Development Act;
  - 1.4. have the status of a Micro Entrepreneur or Small Entrepreneur;
  - 1.5. have not been listed on the stock exchange and have remained for 5 years of the date of registration in the National Court Register, and have not yet made a distribution of profits and have not been created as a result of the merger
  - 1.6. conduct their activities in accordance with applicable law and the principles of conducting such activities do not violate the provisions of the Regulations and the Grant Agreement;
  - 1.7. have the exclusive right to dispose of submitted in the Application innovative business solution, a Project submitted to the Program as well as the right to dispose of it on their own behalf;
  - 1.8. are the sole authors of the innovative business idea described in the Application and no third party claims any right to the idea, in particular its authorship, and are authorized to implement the innovative

business idea described in the Application, use this idea and dispose of it; the idea is free of any legal charges and safeguards;

- 1.9. neither the idea covered by the application, nor its implementation does not violate or cause violation of applicable law, any contract or agreement, and the idea and its implementation will not require the consent of any third party under any contract or agreement; have all permits, concessions and other consents of public administration organs and have registered in relevant registers necessary, in accordance with applicable regulations, to conduct activities related to the implementation of the Program.
2. Assistance provided under the Program may not be granted to an entity excluded from the possibility of obtaining a grant, in particular:
  - 2.1. Based on Article 6b par. 3 of the Polish Agency for Enterprise Development Act;
  - 2.2. In accordance with art. 35 par. 4 of the Act on the rules for the implementation of programs in field of cohesion policy financed in the 2014-2020 financial perspective;
  - 2.3. based on Article 207 of the Act of August 27<sup>th</sup>, 2009 on public finance;
  - 2.4. against whom a prohibition was pronounced, referred to in art. 12 par. 1 point 1 of the Act of June 15<sup>th</sup>, 2012 on the effects of entrusting work to foreigners staying against the provisions on the territory of the Republic of Poland (Journal of Laws, item 769) or the prohibition referred to in art. 9 par. 1 point 2a of the Act of October 28<sup>th</sup>, 2002 on the liability of collective entities for acts prohibited under penalty (Journal of Laws of 2015, item 1212, as amended);
  - 2.5. which is in a difficult situation within the meaning of EU state aid regulations, in particular EC Regulation no. 651/2014, is in a state of insolvency, has filed for bankruptcy, applied for the opening of restructuring proceedings or an application has been lodged against him to open restructuring proceedings;
  - 2.6. is in liquidation or has applied for a suspension of operations;
  - 2.7. a compulsory management or curator has been appointed in relation to them.
  - 2.8. which is under an obligation to repay the aid resulting from a decision of the European Commission declaring the aid illegal and incompatible with the internal market;
  - 2.9. in the cases specified in § 4 par. 3 of the Regulation, in art. 1 point 2 of the EC Regulation no. 651/2014 and in art. 3 par. 3 of Regulation no. 1301/2013.
3. In addition, assistance under the Program may not be granted to an entity:
  - 3.1. for which there is reasonable doubt as to whether they have the right to use an innovative business idea, solution, program or other project entered into the program, or are the subject of dispute, security or claim of any third party;
  - 3.2. there is a corrective action against him;
  - 3.3. which obtained funding for the same Project as part of a recruitment conducted by another entity implementing the Acceleration Program based on funds obtained under the European Regional Development Fund under the Intelligent Development Operational Program 2014-2020;
  - 3.4. which obtained funding for the same Project from other public funds.
4. Financial support cannot be granted for activities in the field of:
  - 4.1. manufacture, processing or marketing of tobacco and tobacco products;

- 4.2. production or marketing of alcoholic beverages;
  - 4.3. production or marketing of pornographic content;
  - 4.4. trading explosives, weapons and ammunition;
  - 4.5. games of chance, mutual bets, slot machine games and slot machines with low prizes;
  - 4.6. production or marketing of narcotic drugs, psychotropic substances or precursors.
5. The entrepreneurs operating in the iron and steel sector, the coal sector, the shipbuilding sector, the synthetic fibers sector, the transport sector and related infrastructure as well as the energy generation sector, its distribution and infrastructure are excluded from applying.

#### **§ 4. Applications**

1. Application can be submitted from [\*] to [\*] (on the last day of application process until [\*]).
2. The application takes place in electronic form by completing the application form, available at [www.mitefcompetition.org](http://www.mitefcompetition.org). Sending the application form constitutes acceptance of these regulations and submitting the Application on terms and conditions specified in the Regulations. When applying, the Applicant also undertakes to participate in the workshops indicated by the Foundation as obligatory and accepts the proposed content of the Grant Agreement.
3. Startup in the Application may indicate one of the Key Areas of Specialization, but the Local Chapter has the right to qualify Startup for a different path than the one indicated.
4. The application must be prepared in English. Applications prepared in other languages will not be considered.
5. The Applicant is obliged to submit statements in accordance with the facts regarding all declarations listed in the application form.
6. The product, service or process solutions sent to the Foundation must satisfy the originality and individuality of the Applicant's creative activities and must not infringe on copyrights (including dependent rights), industrial property rights (including inventive rights) or personal rights of third parties. Product, service or process solutions should be free of legal defects and claims of third parties. Applicants must be the authors of their product, service or process solutions. The solutions referred to in this paragraph must be at the stage of at least MVP / POC advancement.
7. The Applicant accepts full and unlimited liability for any claims of third parties directed to the Foundation, arising in connection with the submission of product, service and process solutions.
8. Materials submitted by the Applicant together with the Application become the property of the Foundation and will not be returned to the Applicant. For the avoidance of doubt, this does not apply to intellectual property rights to the Project, which do not transfer to the Foundation.
9. Applications are evaluated in terms of formal criteria. As part of this assessment, the Foundation may request the Applicant to provide documents confirming the fulfilment of formal criteria, within 3 business days of the date of sending the request to the e-mail address of the Applicant. Applications that are not completed, despite the summons to fill in the gaps, will be rejected.
10. The Accelerator reserves the right to cancel the recruitment, in particular in the event of significant changes in legal regulations affecting the conditions for the recruitment or events of force majeure. In this case, the Applicant is not entitled to claim compensation.

11. The Applicant is obliged to disclose all documents and information regarding the idea covered by the Application and the Applicant, which should be considered important taking into account the terms and conditions of the Program set out in the Grant Agreement and the Regulations.

### **§5. Substantive assessment of Applications**

1. Obtaining a positive assessment at the stage of verification of fulfilment of formal criteria qualifies Application for further evaluation, carried out by the Local Chapter in terms of meeting the quality and substantive criteria. The Local Chapter takes into account, in particular, the following criteria: innovation, applied technologies, competitive advantages, profitability, business model and selected Participants, as well as adjustment to the needs of the Technology Recipients.
2. The Local Chapter on the basis of the substantive assessment will build a ranking list of submitted Applications.
3. The Local Chapter on the basis of the ranking list will invite selected Applicants to participate in the interviews. Invitations will be sent with a minimum of 5 days in advance. If, despite at least 3 attempts to set the date of the meeting, the Applicant fails to appear on the interview, the Local Chapter has the right to exclude the Applicant from the recruitment process.
4. The Local Chapter has the right, in justified cases, to agree to conduct an interview in the form of teleconference.
5. In-depth interviews are conducted by a minimum of 2 members of the Local Chapter and can be recorded in the form of audio or video recordings.
6. Each interview will be summarized in the form of an assessment card.
7. The Local Chapter will present the final ranking list of Applications, summarizing the ratings from both stages (substantive assessment and in-depth interview).
8. The Local Chapter, taking into account the final ranking list, recommendations of the Technology Recipients and possible conflicts of interest (eg directly competing projects), will select the Applicants invited to participate in the Program.

### **§ 6. Grant Agreement**

1. The condition for joining the Program is signing the Grant Agreement. The contract is concluded in writing.
2. If for any reason the Applicant does not decide to sign the Grant Agreement or the Foundation refuses to sign the Grant Agreement with the Applicant, the Local Chapter may indicate further Applicants from the list to participate in the Program.
3. The applicant shall not be entitled to appeal against a negative decision regarding eligibility for the Program or refusal to conclude the Grant Agreement.
4. Within 10 days of the day of the application process ending, the Foundation will notify the Applicants of the results of the proceedings on the e-mail address indicated by them.
5. Before concluding the Grant Agreement, the Foundation may request delivery or updating, within the prescribed period, in writing, documents necessary to conclude this agreement.
6. Failure to submit the documents necessary to conclude the Agreement within the prescribed time limit shall result in the refusal to conclude the Grant Agreement.

7. In case of refusal to sign or withdraw from signing the Grant Agreement, the Foundation will invite the next Applicant to sign the contract, in accordance with the reserve list.

### **§ 7. Participation in the Program**

1. Participation in the Program dedicated to Startups is free. Startups incur costs related to participation in the Program, such as travel, accommodation and food costs of Participants.
2. Startup undertakes to indicate in writing from 2 to 6 natural persons as its representatives, hereinafter referred to as Participants. The Participant must be over 18 years old.
3. Startup is obliged to indicate no more than 2 Participants who will take part in workshops, meetings, study visits, meetings with an individual Startup supervisor and any other events in accordance with the Program schedule. In the event that none of the Participants will be able to participate in any of the workshops or meetings, a replacement shall be appointed each time, the substitute may not be a person who is not another Participant indicated in paragraph 2. Detailed rules for indicating Participants and Deputies are specified in the Grant Agreement.
4. Participants will be assigned a dedicated mentor. Mentors will be market or technical experts from the Key Specialization Area to which the Startup has been assigned. The selected mentor will work with the Participants throughout the duration of the Program.

### **§ 8. Grant**

1. Co-financing will be paid in tranches, in accordance with the provisions of the Grant Agreement concluded between the Foundation and the Startup.
2. The method of settlement of co-financing is defined in Annex no. 8 to the Regulations of the competition no. 1/2018 LUMP SUMS as a simplified method of expenditure settlement in action 2.5 Acceleration programs of the Intelligent Development Operational Program 2014-2020, which constitutes an attachment to these Regulations.
3. The achievement of each of the Milestones of the Program allows for the payment of a lump sum constituting an appropriate percentage of the amount of Co-financing granted, i.e.:
  - a) for the 1st milestone, the lump sum amounts to 23.00% of Co-financing;
  - b) for the 2nd milestone, the lump sum amounts to 32,00% of Co-financing
  - c) for the 3<sup>rd</sup> milestone, the lump sum amounts to 45,00% of Co-financing
4. Costs related to the achievement of Milestones are not subject to settlement on the basis of actually incurred expenses. Expenses accounted for by lump sums are treated as incurred expenses. Startup is not obliged to collect or describe accounting documents under the Program to confirm expenditure.
5. Projects are subject to control. Project Controls are planned taking into account the deadlines set for the settlement of lump sum amounts under the Program.
6. As part of the control of expenses settled using lump sums, the following are not under control: invoices, other accounting documents, payroll lists, employment contracts, civil law contracts and other Startup documents.
7. The documentation confirming the achievement of Milestones (including indicators relevant to them) is subject to control. The control consists in checking whether the Startup has and provided the Foundation with documents specified in the Grant Agreement confirming the achievement of results, product performance or implementation of activities.
8. The Foundation may require from Startup any materials that can confirm that it has fulfilled the planned activities. The quality of the products prepared under the Project is also subject to verification.

9. The Foundation may make available to authorized institutions all documents on the basis of which it will be possible to verify the Project's implementation, as well as the correctness of the Foundation's application of the calculation of the amount granted.

### **§ 9. Confidentiality**

1. The Foundation, the Startup and Participants are obliged to keep all Confidential Information (as defined below), which they will come into possession of during the Program, in strict confidence.
2. Confidential Information may be disclosed when required by mandatory legal regulations, court order, administrative decision or to the scope it is necessary to implement the objectives of the Program (in particular as regards the implementation by the Foundation of its obligations regarding monitoring and reporting, control and audit, storage of documentation, as well as information and promotion).
3. The Foundation has the right to make available (publish) all content covered by the application of a given Startup (including Participants' identity, concise written descriptions of Startup and Project, as well as a video) for any purpose related to the Program or for promotional purposes and these contents will not be considered confidential.
4. Startup undertakes that the Participants indicated by it will participate in contacts with the media and the press related to the Program. As part of this obligation, the Participant may be required to prepare a description of the Project, provide statements or content related to the Program or prepare other statements for the media.
5. During the course of the Program, it will be possible to sign a confidentiality clauses or NDA agreements.

### **§ 10. Intellectual Property**

1. Startup consents to the use of the trademark, verbal, graphic or word-graphic mark of the Startup by the Foundation in marketing or information materials related to the Program.
2. By submitting participation in the Startup Program, it has not violated, does not violate and will not violate the provisions of any agreements or rights of third parties, including but not limited to patents, copyrights, trade secrets, trademarks, advertising or personal rights, and will not disclose in violation of applicable legal provisions of any confidential or proprietary information about another person or entity.
3. The Startup is entitled to the full ownership of the rights to use the intellectual property exploited as part of the Program, including in particular the ownership of proprietary copyrights or other appropriate rights to computer software, which are used as part of the concept covered by the Application. Startup has full rights to dispose of intellectual property rights referred to in the preceding sentence on its own behalf.
4. If the intellectual property referred to in paragraph 3 is used under license, Startup has an exclusive license to use the intellectual property exploited as part of the Program and has the right to grant further licenses for the use of intellectual property rights.
5. Startup declares that it has complied and abides, as well as undertakes to comply with the following statements during the implementation of the Program:
  - a) as part of preparation and implementation of the idea covered by the application, the terms of the licenses granted to Startup in respect of works or computer programs used by Startup in connection with the Program were complied with;
  - b) the exercise by Startup of intellectual property rights vested in it is not the subject of a dispute, nor is there any basis for their creation;



- c) all fees necessary for the renewal or maintenance of intellectual property rights have been paid in full, and all actions necessary to maintain and protect intellectual property rights have been appropriately undertaken;
  - d) Startup was not notified / informed in any way or obtained in any other way the information about any claims of third parties against intellectual property rights or any violation of a Program or an idea covered by the Application of third party rights through the use of intellectual property rights;
  - e) it is not aware of any infringement of intellectual property rights by third parties;
6. Startup or Participant may not use the names "Massachusetts Institute of Technology" or "MIT Enterprise Forum" nor their adaptation, modified version or abbreviation, names of faculties, or names of board members (so-called trustees), members of other bodies, students, employees or agents, or any trademark or graphic mark owned by MIT or MIT Enterprise Forum for any advertising or public purposes, without prior written consent, or else the MIT License Office or the MIT Enterprise Forum may be null and void.
  7. Results that are the subject of intellectual or industrial property rights and results not subject to such protection, resulting from the participation of Startup in the Program, are owned by Startup, Startup has full rights to use the intellectual property exploited as part of the Program, including in particular proprietary copyrights or other applicable rights that are used under the Project and have full rights to dispose of them on their own behalf.
  8. The provisions of the Act of February 4<sup>th</sup>, 1994 on Copyright and Related Rights (Journal of Laws of 2018, item 1191) apply to proprietary copyrights resulting from the implementation of the Program.

### **§ 11. Obligations and Responsibility**

1. The Foundation, no person participating in the Program from the Foundation, mentors, guardians, experts, the Recipient of Technology or persons involved in the Program from the side of the Recipient of Technology will not be responsible for any losses incurred by Startup, Participants or entities associated with the Startup personally or in capital, in connection with their participation in the Program.
2. The Foundation shall not be liable in the event of termination, delay, cancellation or annulment of the Program due to external factors or force majeure resulting in the Program becoming very difficult or impossible. These events are beyond the control and thus beyond the responsibility of the Foundation, and therefore the Foundation will be released in an appropriate proportion, without the need to pay any penalty or compensation, from its mutual obligations under the Program.
3. The Foundation's obligations and responsibilities related to running the Program have been specified in the Grant Agreement. After the end of the Program, all obligations of the Foundation towards Startup and Participants will expire. The Foundation's obligations towards the Participant or the Startup are specified only in the Co-financing Agreement and no other obligations exist, neither in relation to the Startup or the Participant, other than those resulting from the Grant Agreement.
4. The Startup obligations will also continue after the end of the Program to the extent to which the Regulations, the Grant Agreement or the applicable provisions of national or EU law so provide.
5. Startup is obliged to disclose all documents and information regarding the idea covered by the Application, Project and Startup, which should be considered important taking into account the terms and conditions of the Program set out in the Grant Agreement and Regulations.

## **§ 12. Final Provisions**

1. The Startup bears full responsibility for the actions of its representatives and Participants as for its own activities. The Foundation reserves the right to exclude any Application, Startup or Participant at any time if the Foundation believes that the assumptions, conditions, processes or rules of the Program have been violated. The Foundation's decisions are final.
2. Startup or Participants whose conduct is unethical, unlawful or may adversely affect the image of the Foundation or the Program, will be excluded from the Program at the discretion of the Foundation.
3. In the event of necessity to introduce changes in the Regulations, the Foundation publishes on the website: [mitefpoland.org](http://mitefpoland.org) or [mitefcee.org](http://mitefcee.org) information about its change, the current content of the Regulations and the date from which the change applies.
4. All disputes arising from these Regulations or in connection with it, subject to mandatory provisions of law, shall be resolved by Polish common courts competent for the seat of the Organizer. The provisions of the Regulations are subject to Polish law and should be interpreted in accordance with it.
5. These Regulations have been prepared in Polish and English language versions. In the event of any discrepancy between any language version, the Polish language version applies.
6. If necessary or if required by applicable law, the Regulations may be updated.
7. These Regulations shall enter into force on the day of publication.