SUBJECT: Permanent Open Call for Proposals for the European Space Agency Business Incubation Centre Comunidad de Madrid (“ESA BIC Comunidad de Madrid”) 

Dear Madam, Dear Sir,

As part of its endeavour to encourage the transfer and commercialisation of space technologies, the European Space Agency¹ (the Agency) has set up business incubators located in Noordwijk, the Netherlands, Frascati, Italy, Darmstadt and Bavaria, Germany, Harwell, United Kingdom, Redu and Geel in Belgium, Toulouse in France, Barcelona, Portugal (Lisbon, Porto and Coimbra), and now in Madrid, Spain. Their purpose is to enable entrepreneurs (incubatees) to receive commercial and technical assistance in order to set up their business using space technology for general non-space industrial, scientific and commercial uses.

Fundacion Madrimasd para el Conocimiento (“FUNDACION MADRI+D”) is entrusted by the Agency with the setup, administration and implementation of this Call. FUNDACION MADRI+D is Madrid Regional development agency and an international benchmark for supporting entrepreneurship, innovation, professional improvement and job creation in its 13 years of operations with large experience in technology startup support. FUNDACION MADRI+D is in charge of managing the ESA BIC programme in Madrid.

FUNDACION MADRI+D hereby invites you to submit a proposal for the above subject.

¹ The European Space Agency is an intergovernmental organization constituted of the following Member States: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Spain, Sweden, Switzerland and the United Kingdom.

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[Images and logos]

Partners:
Please find attached hereto the following documents:

**Appendix 1: Call for Proposals**

- **Section I:** Formal requirements, selection process and evaluation criteria
- **Section II:** Draft Contracts:
  - Draft Incubation Contract
  - Draft Rental Contracts / Agreements for the Use Building Facilities

**Addendum 1:** Standard requirements for management, reporting, meetings and deliverables

**Addendum 2:** Agenda for Mid Term Review

**Addendum 3:** Final Review Template

**Addendum 4:** Logo

Application templates can be downloaded from the ESA BIC Madrid Region website:

http://www.esa.int/Our_Activities/Space_Engineering_Technology/Business_Incubation/ESA_Business_Incubation_Centres14
Your attention is drawn to the following:

**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 ESA BIC Comunidad de Madrid for a maximum of 24 months.

2. ESA BIC Comunidad de Madrid offers to support projects and ideas for business incubation by providing funding, business support, technical assistance and office accommodation. The modalities and the extent of the support provided are negotiated on a case-to-case basis. As a general rule the incentive granted to one project can only be spent in Spain\(^2\). The incentive will be maximum 50.000 EURO covering costs incurred for the development of products, prototypes, software, IPR and market development. Labour costs and market development are excluded from 50% of the incentive from ESA (25.000 EURO). The remaining 50% (25.000 EURO) from Madrid Regional Ministry of Employment is for Labour Costs clearly linked to the development of products, prototypes, software, IPR and market development as long as there is a clear output of the activity in terms of deliverables (eg a prototype, a market report, an active customer account,...) and on the condition that they address additional job creation –other than the entrepreneur him/herself– within the start-up company even should the employee have left the company. In addition, a maximum of 80 expert hours for Technical Support as well as 100 coaching hours of Business Development Support are offered yearly during the incubation period.

3. This Call is of a permanent nature meaning that it has no closing date for the submission of proposals as long as the ESA BIC Comunidad de Madrid has not indicated otherwise.

4. Applications are only considered from one of the Agency’s Member States (see note 1) and Canada.

5. Start-up companies with or without legal personality as well as individuals may apply for this call.

6. In case of start-up companies with legal personality, the company –represented by its authorised representative(s) – is considered to be the Applicant.

7. In case of legal entities without legal personality, the general partner is considered to be the Applicant.

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\(^2\) Please, contact the ESA BIC Comunidad de Madrid Manager for any doubts and clarifications on this matter.

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8. In case the Applicant is a natural person, (s)he is considered to be over eighteen years of age and of sound mind, and therefore able to enter into a binding agreement.

9. All the above categories are hereinafter referred to as ‘Applicant’.

10. This Call is not aimed at particular non-space sectors or domains but explicitly excludes activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

**Requirements:**

11. Applicants are required to closely follow the instructions provided in this Call when producing and submitting their proposal. (see application templates in ESA web site).

12. Only those Applicants that fulfil all formal requirements (see Section 2 of Appendix 1) will be accepted for evaluation.

13. Applicants should carefully read the contractual documentation provided in Section 2 of Appendix 1. The application shall include a clear, explicit and unambiguous statement whereby the Applicant has read, understood and accepts the terms and conditions contained in the contractual documentation. In case, exceptionally, that the Applicant wishes to propose modifications or amendments, the full text of such modifications or amendments shall be given and the reasons for their being requested be clearly explained as part of the proposal.

**Procedure and planning:**

14. The evaluation of all proposals received shall take place in accordance with the Agency’s and ESA BIC Comunidad de Madrid rules, procedures and requirements. All Applicants will be informed of the outcome of their evaluation.

15. The evaluation procedure is managed locally by FUNDACION MADRI+D with the participation of ESA.

16. The Evaluation Board meets quarterly to evaluate the proposals received in the preceding three months. Proposals will be accepted for the current evaluation round in case they reach the ESA BIC Comunidad de Madrid Project Manager
17. The period between receipt of a proposal and contract placement is in principle no longer than 6 months\(^3\).

**Miscellaneous:**

18. The contents of Applicant proposals shall be treated as confidential.

19. In spite of the efforts undertaken by FUNDACION MADRI+D to ensure full confidentiality, the Applicant’s idea may through this application (if not specifically protected like for example by patent rights) fall into the public domain. Therefore we strongly recommend that the Applicant discusses the protection of his/her idea with a dedicated expert in this field prior to application with FUNDACION MADRI+D.

20. 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\(^4\).

21. No expenses incurred in either stage of the application procedure will be reimbursed to the Applicant by FUNDACION MADRI+D, the Agency and/or any third party.

22. In no event shall this Call for Proposals be construed as imposing any obligation whatsoever upon FUNDACION MADRI+D to enter into negotiations with any Applicant or to enter into any other specific arrangement for business incubation in any of the Agency’s establishments.

23. FUNDACION MADRI+D and the Agency is committed to ensuring equal opportunities and the elimination of discrimination of any type for all applications complying with the conditions and requirements set forth in this Call.

\(^3\) Please, contact the ESA BIC Comunidad de Madrid Manager for any doubts and clarifications on this matter.

\(^4\) If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee as described in Item 20 here above for the performance of the Agency’s programmes in the field of space research and technology and space applications ESA will issue a request for quotation or a purchase order to the Incubatee. If the Incubatee is not willing or not able to perform the activity for the Agency, the Agency or its Member States shall be entitled to a free of charge, transferable, noneexclusive licence to use such Intellectual Property Rights, which licence shall be limited to the territories of the Agency’s Member States.
Any queries relevant to the submissions of proposals are to be addressed - in writing - to: esabic@madrimasd.org.

The complete proposal and all supporting documents are to be submitted, in electronic form (.pdf or .doc) to the following email addresses: esabic@madrimasd.org.

In parallel, one signed hard copy of the original must be sent to:

Fundación para el Conocimiento Madri+d
C/ Duque de Medinaceli 2
28014, Madrid
Spain
Spain

For the attention of Mr. Carlos Romero
With reference: ESA BIC Comunidad de Madrid - Open Call

Yours faithfully,

Mr. Luis Sanchez Álvarez,
FUNDACION MADRI+D, CEO
Appendix 1

Call for Proposals
(for business incubation)

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Section I. Formal Requirements, Evaluation Process and Criteria

Section I of this Call is meant to inform Applicants of the selection process and criteria.

A. Formal requirements

In order for the Applicant’s proposal to be accepted for evaluation, the requirements listed below need to be fulfilled. The ESA general application requirements are applicable to all ESA BIC’s Applicants. The specific requirements are only applicable for incubation in the ESA BIC Comunidad de Madrid.

**ESA General Application Requirements**

- The Applicant’s product or service is based on a transfer of space technology to, and/or utilization of a space system in a non-space environment.
- The Applicant will sell and deliver innovative products, processes or services (advice/consultancy is excluded) for his own account and risk.
- The Applicant’s first registration at a Spanish Mercantile Register shall have taken place no longer than 5 years prior to submission of Applicant’s proposal to the Agency\(^5\).
- 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 the Agency. This means that no less than half the issued capital or voting rights shall be owned – directly or indirectly – by the authorised representatives applying on behalf of the Applicant. In case the Applicant is a legal entity without legal personality, the Applicant shall be a fully authorised general partner.
- The authorised representative of the Applicant must become a resident of the country of Spain before signing an Incubation Contract.
- The Applicant shall not conduct business activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.
- The Applicant shall provide a copy of an official identity form.
- The Applicant is able to communicate in the English language.

\(^5\) A copy of the registration in the Spanish Mercantile Register (called “nota simple” in Spanish) shall be enclosed with this application.

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- Any notice of approval of the applicant’s proposal is only valid with the submission of a written declaration of consent.

- Shareholders of the company in question are:

  (1)_________________ (__ %)    (2)_________________ (__ %)
  (3)_________________ (__ %)    (4)_________________ (__ %)

- The Applicant states that the terms and conditions of the draft incubation contract, draft rental contract / Agreement for the Use Building Facilities and the draft incubation framework contract are read, understood and accepted without any reservations.

- The Applicant states not to be hosted in another business incubator – or entity or organization providing similar support - for the duration of the incubation contract.

- The total amount of de minimis aid (such as subsidies, holdings, loans, and bonds) may not exceed €200,000 over a period of three years.

- The Funding is linked to work packages within the incubation project only.

- The Funding is granted in net amounts (not including VAT).

- The information provided in the application and in the supplementary data sheet is binding and forms the basis of the funding granted. Any changes in this information must be reported immediately and are subject to approval.

- The Applicant is liable for any wilful misrepresentation in his Business Application Proposal (BAP) and is subject to recourse in case one of the parties to this Open Call suffers damages as a direct result of the misrepresentation.

**Application Requirements Specific to ESA BIC Comunidad de Madrid**

**Local conditions of the incentive scheme:**

- Company headquarters to be located at the Building Facilities of any incubators of ESA BIC Comunidad de Madrid.

- The Applicant shall register with a Spanish Mercantile Register as a Spanish legal entity before receiving any funds from the programme.

- Company headquarters and fiscal address has to be located at the offices of the ESA BIC Comunidad de Madrid for the incubation time at least one month prior contracts signatures.
During the incubation time the company representatives shall be reasonably present at the premises of the ESA BIC Comunidad de Madrid.

- In case the Applicant is a legal entity, the company must fall into the UE definition of SME\(^6\).

- Subsidies may not be transferred to third parties.

- Once the evaluation of the application has been conducted, the Applicant has been accepted in the ESA BIC Comunidad de Madrid programme and consequently notified, the Applicant is to duly execute the necessary tasks and duties in order to be installed in the ESA BIC Comunidad de Madrid premises in no more than 3 months. In case these terms are not met, the Applicant may lose, partly or fully, the right of joining the ESA BIC programme and all its benefits.

- The Applicant must be up to date with tax and social security payments.

\[B. \; \text{Evaluation process}\]

Until further notice by the Agency or FUNDACION MADRI+D, Applicants are invited to submit their proposal for ESA BIC Comunidad de Madrid at all times.

Upon its receipt, the Agency, FUNDACION MADRI+D and its partners shall first assess the admissibility of the Applicant’s proposal. The proposal is only admitted for further evaluation where all formal requirements (See A above) have been met. If FUNDACION MADRI+D identifies that some missing information is due to a material mistake and can be easily corrected, it shall give the Applicant 48 hours to correct the mistake. In all other cases the proposal shall be rejected.

The outcome of this first assessment shall be communicated to the Applicant.

In case the proposal is compliant with the formal requirements, the applicant is invited to hold a presentation of the proposal in person to a Tender Evaluation Board (TEB) (Agency, FUNDACION MADRI+D and its local partners) and shall be able to ask additional questions to perform an evaluation.

The proposal and the presentation will be marked against the selection criteria detailed under C below.

\[^6\] The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.” Extract of Article 2 of the Annex of Recommendation 2003/361/EC.

Managed by:

Partners:
The preliminary proposed nominations for the Tender Evaluation Board to conduct the opening and evaluation of the proposal(s) are:

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Name</th>
<th>Organisation</th>
<th>Name of Alternative Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>N. Eldering</td>
<td>ESA Staff</td>
<td>Frank Salzgeber / Bruno Naulais / Stefan Gustafsson</td>
</tr>
<tr>
<td>Local Contract Officer, Joint secretary</td>
<td>Luis Sánchez</td>
<td>Fundacion madri+d</td>
<td>Eduardo Díaz</td>
</tr>
<tr>
<td>Local Partner</td>
<td>Carolina Sala</td>
<td>Regional Ministry of Employment, Tourism and Culture, General Directorate Training</td>
<td>Daniel Cabrero</td>
</tr>
<tr>
<td>Local Partner</td>
<td>Juan Ángel Botas</td>
<td>Regional Ministry of Education, Youth and Sports</td>
<td>Pedro Alonso</td>
</tr>
<tr>
<td>Local Partner</td>
<td>Eugenio Fontán</td>
<td>Madrid Aerospace Cluster, COIT</td>
<td>Luis Gil</td>
</tr>
</tbody>
</table>

There will be a group of experts during the evaluation. One or two technology or business experts could be added as experts according to the topics covered by the proposals. The preliminary list of experts is:

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Name</th>
<th>Organisation</th>
<th>Name of Alternative Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESA Local contracts officer (TOB)</td>
<td>Angeliki Tsapatsari</td>
<td>ESA Staff.</td>
<td>Marnix Houten</td>
</tr>
<tr>
<td>ESA BIC Project Manager, Joint secretary</td>
<td>Carlos Romero</td>
<td>Fundacion madri+d</td>
<td>Eduardo Díaz</td>
</tr>
<tr>
<td>Local Government Expert</td>
<td>Miguel Ángel Muñoz</td>
<td>Regional Ministry of Presidency, Justice and Government</td>
<td></td>
</tr>
<tr>
<td>ESA Technical Expert</td>
<td>Javier Ventura-Traveset</td>
<td>European Space Agency</td>
<td></td>
</tr>
<tr>
<td>Local Partner and Expert</td>
<td>Luis Gil</td>
<td>COIT</td>
<td></td>
</tr>
<tr>
<td>Spanish delegation to ESA</td>
<td>Jorge Lomba</td>
<td>CDTI</td>
<td>Roberto Trigo / Juan Ureña</td>
</tr>
</tbody>
</table>

There could be some changes in the composition of this committee and/or group of experts.

The recommendation of the TEB regarding each application is submitted to the Agency’s Award Board (AB) for final decision of the Agency. This decision is without appeal, and the Agency will not enter into correspondence on the reasons for the decision.

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Partners:
FUNDACION MADRI+D will notify the Applicant about the final outcome of the evaluation and will debrief the Applicant if requested. The outcome will not be construed as to prevent the Applicant from submitting a renewed application.

Upon receiving notice that the application has been successful the Applicant is requested to register his/her company at the Spanish Mercantile Register during the first stage of incubation, if not already done so.

C. Evaluation criteria

The evaluation shall be based on the way the criteria below have been addressed both in the proposal and during the Applicant’s presentation. The respective weighting factors, used by the Evaluation Board are also indicated (%)

- Formal Aspects (10%)
  o Compliance with the General and Specific Requirements of ESA BIC Comunidad de Madrid

- Background and Experience (30%)
  o Team composition and ownership structure
  o Support entities and ownership structure
  o Vision

- Business Case (20%)
  o Business idea
  o Market
  o Business Model
  o Strategy
  o Finance

- Technology (20%)
  o Technical Feasibility
  o Non-space benefit
  o Research and development strategy
  o Intellectual Property strategy

- Activity Proposal (20%)
  o Milestone planning
  o Task description and related cost
  o Funding requested
  o Work Breakdown
  o ESA BIC Investment opportunity
  o Management
Section II: Draft Contracts

I. Draft Incubation Contract

Between:

FUNDACION MADRIMASD PARA EL CONOCIMIENTO
(hereinafter called the “FUNDACION MADRI+D”),
Located at: C/Duque de Medinaceli 2, 1º dcha.
28014 - Madrid, Spain

Through the ESA Business Incubation Centre of Madrid
Located at: Avda Arcas del Agua, 2
28901 - Getafe, Madrid, Spain

Represented by Mr. Luis Sanchez Álvarez, CEO

One the one part,

And:

Mr/Mrs...................................................................................................................................................

Whose Registered Office is located at:......................................................................................................
..........................................................................................................................................................
..........................................................................................................................................................
..........................................................................................................................................................

Whose Trade Registration Number is: ........................................................................................................
(Hereinafter named the “Incubatee”)

Represented by Mr/Mrs .............................................. as the company legal representative.

On the other part,
Managed by:

Partners:
The following has been agreed:

**PREAMBLE**

1. WHEREAS the European Space Agency (the Agency) is an intergovernmental organisation established by the Convention approved by the Conference of plenipotentiaries of its Member States on 30 May 1975 and which entered into force on 30 October 1980.

2. WHEREAS Article II of the Convention assigns to the Agency the task to promote cooperation in space research and technology and their space applications and to elaborate and implement activities and programmes in the space field.

3. WHEREAS the Agency manages a technology transfer initiative to encourage the utilisation of space technology for general non-space industrial, scientific and commercial uses.

4. WHEREAS as part of the technology transfer initiative the Agency has set up the ESA Business Incubation Centre’s (ESA BICs) initiative to enable start-up companies (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using space technology for such general non-space industrial, scientific and commercial uses.

5. WHEREAS the Agency has chosen FUNDACION MADRI+D to implement and manage the ESA BIC Comunidad de Madrid (ESA BIC Comunidad de Madrid) through ESTEC contract and its applicable Work Orders.

6. WHEREAS the ESA BIC Comunidad de Madrid is partly funded by the European Space Agency and Comunidad de Madrid Regional Ministry of Employment.

7. WHEREAS Madrid Aerospace Cluster, COIT, PCM, UC3M, UPM, URJC, Madrid Network, INTA are ESA BIC Comunidad de Madrid partners and provide technical know-how for the starter’s support.

8. WHEREAS UPM, UC3M, URJC and PCM are ESA BIC Comunidad de Madrid partners and provide incubation spaces for the starter’s support.

9. WHEREAS the Incubatee wishes to participate in the ESA BIC Comunidad de Madrid and benefit from the assistance which may be offered to it through the provisions of this Contract.

10. WHEREAS, as part of the assistance offered to the Incubatee, FUNDACION
MADRI+D and the Incubatee will sign an Incubation Contract with the duties from both sides regarding the incubation of the Incubatee and associated services (see “Draft Incubation Contract” attached to this document).

11. WHEREAS, as part of the assistance offered to the Incubatee, UPM, URJC, UC3M, PCM will sign with the Incubatee an agreement for the use of building facilities of even date with this Contract for the provision of office accommodation and related equipment and services to the Incubatee (see each “Agreement for the Use Building Facilities” Rental Contract” attached to this document).

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 ESA BIC, 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 Addendum 1, section 5.6.

“Business Plan” shall have the meaning set out in Addendum 1, 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 5.

“Confidential Information” shall have the meaning set out in Article 11.2.
“Contract” shall mean an agreement between FUNDACION MADRI+D 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.

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

“Conversion Proposal” / “Cost Report” shall mean a proposal detailing all costs incurred in relation to the Activity, to be submitted by the Incubatee to FUNDACION MADRI+D.

“Declaration of State Aid” shall have the meaning set out in Article 8.2.

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

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

“Equipment” shall have the meaning set out in Article 3.2.

“ESA BIC” shall have the meaning set out in the Preamble.

“Executive Summary” shall have the meaning set out in Addendum 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 Addendum 1, section 5.3.

“FUNDACION MADRI+D” means the entity which, under this contract, provides business development support and manages office accommodation - through the partners - to start-up companies.

“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.

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

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

“Statement of Non Co-incubation” shall mean the statement from the Incubatee that his company shall not be incubated in or receive support of any kind from any other incubator whatsoever for the duration of the Contract Term.

“Technical Support” shall have the meaning set out in Article 3.1.

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

“Third Party Services” shall have the meaning set out in Article 4.

“Universidad Politécnica de Madrid” or “UPM”

“Universidad Carlos III de Madrid” or “UC3M”

“Universidad Rey Juan Carlos” or “URJC”

“Parque Científico de Madrid” or “PCM”

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 The Agency’s Standard Requirements for Management, Reporting, Meetings and Deliverables as set out in Addendum 2;

1.2.3 The “Agreement for the Use Building Facilities” “Rental Contract” ;

1.2.4 The Minutes of the negotiation meeting held on the ……………….., not attached hereto but known to both parties;

1.2.5 The Incubatee’s Business Activity Proposal, Ref. ………………………, dated ……………….., Version ……………….., not attached hereto but known to both Parties.

Managed by:

Partners:
1.2.6 The Waiver of Liability

1.2.7 Yearly report with documents required by Madrid Regional Ministry of Employment as set out in section 3.2 of Addendum 1 to this Incubation Contract.

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 FUNDACION MADRI+D’s representatives, described in Article 9.3(a) and (b), 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 Addendum 2 herein.

2.1.2 Business Plan

The Business Plan shall be provided to FUNDACION MADRI+D’s technical representative stated in Article 9.3(a) 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 FUNDACION MADRI+D with draft versions of the Final Report and the Executive Summary. FUNDACION MADRI+D 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 FUNDACION MADRI+D. Templates are provided in Addendum 3 herein.

(b) The Final Report and the Executive Summary shall be delivered by the Incubatee to FUNDACION MADRI+D in 3 copies (2 paper copies and 1 electronic copy) and 6 copies (5 paper copies and 1 electronic copy) respectively.

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 the Agency through FUNDACION MADRI+D.

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 a copy of such software to FUNDACION MADRI+D in a form to be agreed with FUNDACION MADRI+D.

(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.

(c) The incubate shall deliver a complete demonstration including hosting server (functional prototype level)

2.2.2 Hardware

a) In the event that the Incubatee develops any hardware during the Contract Term and as part of its Activity, FUNDACION MADRI+D is entitled to request the Incubatee to loan the hardware to FUNDACION MADRI+D and/or the Agency for the purposes of displaying it in an exhibition or for FUNDACION MADRI+D and/or the Agency’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. Alternatively: a dummy.

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 delivered to the FUNDACION MADRI+D at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties.

ARTICLE 3 – ESA BIC COMUNIDAD DE MADRID UNDERTAKINGS

3.1 Technical Support

(a) For the purposes of this Contract FUNDACION MADRI+D will - through its technical partners (Madrid Aerospace Cluster, COIT, Madrid Network,
INTA, PCM, UC3M, UPM, URJC) - provide the Incubatee with a maximum of 80 hours of Technical Support necessary for and directly related to the activity of the Incubatee and of 100 coaching and training hours of Business Development Support during the incubation period. The participation and attendance to all these services and activities is mandatory for all the Incubatee.

(b) The Technical Support shall be provided for the duration of the Contract Term, unless a shorter period is agreed between the Parties.

(c) Any information in documentary or other physical form provided to the Incubatee as part of the Technical Support shall remain property of the lending institution and shall be returned to this institution at the end of the Contract Term or upon the cancellation of this Contract.

(d) For all matters relating to the technical support the responsible technical officer is nominated in Clause 9.3 a).

3.2 Equipment

*It is not foreseen that ESA BIC Comunidad de Madrid or any of its partners will loan the Incubatee any equipment.*

*In the event that during negotiation between the Incubatee and the technical support entity the loan of any equipment is envisaged, all conditions will then be defined in the related meeting minutes.*

[It is not foreseen the Agency, FUNDACION MADRI+D or partners will loan the Incubatee any equipment.]

[OPTION: In case the activity foresees the loan of [indicate one of the parties above]’s equipment, the following provisions shall apply]

(a) For the purposes of this Contract the ............ will loan to the Incubatee the following equipment and components necessary for and directly related to the Activity of the Incubatee:

[Full details of the equipment to be provided by the ............][...............]

(Altogether referred to as “Equipment”)

(b) The duration of the loan of the Equipment shall be the Contract Term, unless a shorter period is agreed between the parties.

(c) The following provisions shall apply to the loan of the Equipment:
a. ownership of the Equipment shall remain with the [indicate the party as defined above];

b. the Incubatee shall be responsible for the Equipment and its safekeeping and maintenance;

c. the Incubatee shall not alienate the Equipment or use it for purposes other than those specified in this Contract;

d. in the event of the loss, damage or destruction of the Equipment, except damage through proper use, wear and tear or caused by a representative or an employee of the respectively proprietary, the Incubatee shall be required, to replace or to repair at his own expense the lost, damaged or destroyed Equipment issued to the Incubatee, or to refund its value to the respectively proprietary;

e. the Incubatee shall be required to keep a permanent inventory and utilisation account of the Equipment placed under the Incubatee’s control by the [indicate party mentioned above] and, unless already marked by one of them, shall mark the equipment and components in an unambiguous way as being the property of the [indicate party mentioned above]; and

f. the Incubatee shall not use such Equipment in combination with other Equipment to produce a separate article.

(d) For the purposes of Article 3.2(c), a delivery document attached to the respective Equipment provided on loan shall stipulate its price, and provide for the possible revision of that price as agreed between the Parties.

(e) The Equipment shall be returned to the [indicate same party here] By the Incubatee, in the same condition as it was in when the Incubatee received it from [indicate the same party] apart from normal wear and tear, at the end of the Contract Term or upon the cancellation of this Contract.

[Further provisions depending on the type of Equipment being loaned]

3.3 Software

It is not foreseen that ESA BIC Comunidad de Madrid or any of its partners will loan the Incubatee any software.

In the event that during negotiation between the Incubatee and the technical support entity the loan of any software is envisaged, all conditions will then be defined in the related meeting minutes.

[It is not foreseen the Agency, FUNDACION MADRI+D or partners will loan the Incubatee any software.]

Managed by:

Partners:
[OPTION: In case the activity foresees the loan of [indicate one of the parties above] ‘s software, the following provisions shall apply]

(a) For the purpose of this Contract the [indicate the same party here] will provide the Incubatee with the following software necessary for and directly related to the Activity of Incubatee:

[Full details of the software to be provided by the .................. in accordance with the licence set out in Appendix 3]

(altogether referred to as “Software”)

(b) The Software shall be provided for the duration of the Contract Term, unless a shorter period is agreed between the Parties.

[Further provisions depending on the type of Software being provided.]

ARTICLE 4 - SERVICES TO BE PROVIDED BY THIRD PARTIES

The Incubatee shall notify FUNDACION MADRI+D prior to entering into agreements with Third Parties to obtain specific advice/product relevant to the Activity (“Third Party Services”). FUNDACION MADRI+D shall bear no responsibility for such advice or product.

For the purposes of this Article it is hereby understood that the incentive funding shall be spent in Spain unless the product/service is not available in such territory and within the boundaries stated on Article 7.1 (Financial Contribution) hereto.

ARTICLE 5 - 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 6 – MEETINGS AND REPORTING REQUIREMENTS

Full details of reporting and meeting requirements are set out in Addendum 1, sections 3 and 4 respectively.
ARTICLE 7 – FINANCIAL CONTRIBUTION AND PAYMENT

7.1 Financial Contribution

7.1.1 The total financial contribution to the Activity amounts to EUR 50,000 (Fifty thousand Euros), broken down as follows:

a) Up to EUR 25,000 from Madrid Regional Ministry of Employment for Labour Costs clearly linked to the development of products, prototypes, software, IPR and market development as long as there is a clear output of the activity in terms of deliverables (e.g., a prototype, a market report, an active customer account, ...) and on the condition that they address additional job creation – other than the entrepreneur him/herself – within the start-up company even should the employee have left the company.

b) Up to EUR 25,000 from ESA covering the development of products, prototypes, software and IPR. ESA contribution explicitly excludes Labour Costs.

Payment will be done upon acceptance of the deliverables on the agreed milestones.

7.1.2 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.

7.1.2.1 At the end of the Contract Term the Incubatee shall deliver a Conversion Proposal / Cost Report detailing all costs incurred, with all invoices attached, to be submitted by the Incubatee to FUNDACION MADRI+D.

7.1.2.2 The Incubatee shall provide copies of invoices to show all expenses were incurred solely with third parties used for IPR and product development. The Incubatee is not authorized to use the stated ESA funding for reimbursement of his own hours spent in the project.

7.1.3 The above amount does not include any taxes and duties.

7.2 Payment Terms

All payments shall be made according to the provisions of this Article 7.

7.3 Categories of Payment

Managed by:

Partners:
Relative to the financial contribution set out under Article 7.1, FUNDACION MADRI+D shall make the following payments to the Incubatee:

7.3.1 Progress Payments

(a) FUNDACION MADRI+D 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 FUNDACION MADRI+D, 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 FUNDACION MADRI+D reserves the right to require the return of the advances or progress payments without prejudice to its rights under Article 16.

7.4 Final Settlement

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

7.4.2 Final settlement to the Incubatee is due by FUNDACION MADRI+D upon:
   a) receipt by FUNDACION MADRI+D of the Conversion Proposal/Cost Report;
   b) receipt by FUNDACION MADRI+D of the relevant invoice(s) from the Incubatee with a clear indication of all the invoices paid with the funding provided under this contract, and;
   c) certification by FUNDACION MADRI+D of the satisfactory completion of the Activity under this Contract.

7.4.3 Unless otherwise provided for in this Contract, a period of one (1) month shall be granted to FUNDACION MADRI+D for the execution of the final payment.

7.4.4 FUNDACION MADRI+D will make the following payments (to be agreed on a case to case basis, depending on the needs):

<table>
<thead>
<tr>
<th>MILESTONE DESCRIPTION</th>
<th>SCHEDULE DATES</th>
<th>AMOUNT IN €</th>
</tr>
</thead>
</table>

Managed by:

[Logos and partner names]

[Logos and partner names]
<table>
<thead>
<tr>
<th>KICK-OFF: upon signing the incubation contract with FUNDACION MADRI+D and start of incubation by Incubatee</th>
<th>T0</th>
<th>20,000 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROGRESS: upon acceptance by FUNDACION MADRI+D of the deliverables due on Mid Term Review including MTR Report and Business Plan</td>
<td>T0+12 (max)</td>
<td>20,000 €</td>
</tr>
<tr>
<td>FINAL: upon acceptance by FUNDACION MADRI+D of all deliverables under the contract, including the Final Report, Business Plan, hardware and software and upon acceptance by FUNDACION MADRI+D of the Incubatee’s Conversion Proposal /Cost Report</td>
<td>T0+24 (max)</td>
<td>10,000 €</td>
</tr>
</tbody>
</table>

7.5 Invoices, place and payments

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

7.5.2 Payments shall be made by FUNDACION MADRI+D in Euros 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 the FUNDACION MADRI+D orders of payment reach its bank within the payment period stipulated in Article 7.4.3 above.

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

**ARTICLE 8 – DE-MINIMIS AID**

8.1 Any aid granted to the Incubatee that originates from ESA and Madrid Regional Ministry of Employment that is provided under this contract to the Incubatee by FUNDACION MADRI+D falls under the terms of EC regulation 1998/2006 of 15th of December 2006 on the application of articles 87 and 88 of the EC treaty to “de minimis aid”.

Managed by:

![Fundación para el Conocimiento de Madrid](image)

![Partners](image)
8.2 The Incubatee shall notify Spanish authorities (i.e. Madrid Regional Ministry of Employment) through FUNDACION MADRI+d in writing of how much state aid it has received during the three (3) years prior to the commencement date from any administrative body, insofar as no approval for such state aid was previously obtained from the commission of the European Communities ("Declaration of State Aid").

8.3 The Incubatee agrees to reimburse any state aid that the Incubatee has received under this Contract if it is later established that the payment was issued in violation of EC Regulation 1998/2006 of 15th of December 2006 on the application of Article 87 and 88 of the EC Treaty to de minimis aid.

ARTICLE 9 – PARTIES REPRESENTATIVES AND COMMUNICATIONS

9.1 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.

9.2 All correspondence for either Party shall be sent to both representatives of each Party stated in Articles 9.3 and 9.4, i.e. depending on the subject, addressed to one representative with a copy to the other.

9.3 For the purpose of this Contract the ESA BIC Comunidad de Madrid representatives are:

(a) For technical and administrative matters:

Mr Carlos Romero
ESA BIC Madrid Region Manager
Fundación Madri+d
Av. de las Arcas del Agua nº 2
28905 Getafe, Madrid
Spain
Tel: +34 616454374
Fax:
E-mail: carlos.romero@madrimasd.org

(b) For contractual matters:

Mr Luis Sánchez Álvarez
Executive Director
Fundacion para el Conocimiento madri+d

Managed by:

[Images of logos]
For the purpose of this Contract the Incubatee’s representatives are:

(a) For technical and administrative matters:

Email:
Tel:

(b) For contractual and administrative matters:

Email:
Tel:

ARTICLE 10 - PUBLICITY AND VISUAL IDENTITY OF INCUBATEES

10.1 Publicity

10.1.1 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 FUNDACION MADRI+D, ESA BIC Comunidad de Madrid or any aspect of ESA BIC Comunidad de Madrid activities, or permit any Third Party to do so, without the prior written consent of FUNDACION MADRI+D.

10.1.2 FUNDACION MADRI+D shall not produce or disseminate any form of communication material, press releases or other publicity documents which are intended by ESA BIC Comunidad de Madrid for the press, internet/web-sites or television, which refer to the Incubatee or any aspect of the Incubatee’s activities, or permit any Third Party to do so, without the prior written consent of the Incubatee’s contractual representative or his duly authorised representative.
10.2 Visual Identity of the Incubatee

10.2.1 The Incubatee shall not use the official emblem of ESA, ESA BICs or ESA BIC Comunidad de Madrid or any other logo or trademark which may be owned or used by the Agency or FUNDACION MADRI+D for any purpose whatsoever without approval.

10.2.2 The Incubatee may place the logo attached in addendum 4 and 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, as long as it is linked to ESA BIC sites and stated as a partner of the company, but not on its products (including prototypes) and other material which it produces:

“[Name of the Incubatee] participates in the ESA Business Incubation Centre Madrid Region”,

Referred to as the “Text Line”

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

(a) the Incubatee shall submit to FUNDACION MADRI+D’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 FUNDACION MADRI+D’s discretion;

(b) the prior approval of FUNDACION MADRI+D for the use of the Logo and/or Text Line and logo 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 FUNDACION MADRI+D 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 Logo and/or 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 FUNDACION MADRI+D’s contractual representative or his duly authorised representative;

(e) no use of the Logo neither 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 the Agency or FUNDACION MADRI+D;
c. promote or are related to alcohol, tobacco, religion, political affairs, intolerance, violence, firearms, pornography, obscenity, gambling, and narcotic drugs.

10.2.3 The Incubatee shall keep appropriate records of the extent of its use of the Logo and/or Text Line, stating in particular the nature and time of use of the Logo and/or Text Line on its material, products and documentation. The Incubatee shall provide the FUNDACION MADRI+D’s contractual representative or his duly authorised representative request, with information, samples and documents to evidence its use of the Text Line.

10.2.4 The use by the Incubatee of the Logo and/or Text Line shall terminate upon the cancellation or expiry of this Contract as described in Article 16.

10.2.5 Incubatees which successfully conclude the ESA BIC programme (“Alumni”) shall be allowed to use the following Text Line, in its marketing material, including exhibition and conference material (not on products nor materials) and its internet site, as long as it is linked to www.esa-bic-madrid.es and /or www.esa-bic.com and stated as a partner of the company.

“[name of the techno-starter] is an Alumnus of ESA Business Incubation Centre Madrid [graduation year]”

is referred to as the Text Line.

10.2.6 Alumni using the text line have the obligation to report its use on a yearly basis to the Agency for as long as the text line is used. The Agency may withdraw the right to use the text line at any time for any reason.

10.2.7 The Agency has set-up and registered “ESA Space Solutions” trademark to be used by techno-starters on their products. To use this trademark, the technostarter has to enter into a licensing agreement with the Agency and pay a fee. Details can be found on http://www.esa.int/space/solutionslogo.
ARTICLE 11 - CONFIDENTIALITY

11.1 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 11 and assumed by that Party in relation to the other Party.

11.2 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 11, documentation shall include any final documentation deliverable under this Contract with the exception of the Executive Summary.

11.3 Each Party may disclose Confidential Information on a strictly “need to know” basis to:
- its employees; and
- its professional agents; and
- the ESA BIC Comunidad de Madrid partners

11.4 On the Contract End Date, or upon the earlier termination or cancellation of this Contract in accordance with Article 16, 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 FUNDACION MADRI+D.

11.5 The obligations in this Article 11 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;
11.6 The contents of this Contract are Confidential Information.

11.7 The obligations set out in this Article 11 shall survive the termination, cancellation or expiry of this Contract.

ARTICLE 12 – INTELLECTUAL PROPERTY

12.1 Ownership

12.1.1 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.

12.1.2 All rights pertaining to any results arising out of the Activity performed under this Contract shall belong to the Incubatee.

12.2 Foreground IPR

Software that is considered ESA’s Foreground shall not be subject to royalties;

12.2 Use of Intellectual Property Rights by the Agency

12.3.1 If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee as described in Article 12.1.1, for the performance of the Agency’s programmes in the field of space research and technology and space applications, the Incubatee shall be contacted and offered the work.

If within 60 days following the Agency’s request, the Incubatee does not decide to or for any reason is not able to confirm its willingness to undertake the requested work, the Agency is automatically entitled to a worldwide, free of charge, irrevocable, transferable, non-exclusive licence to use such Intellectual Property Rights, which licence shall be limited to the territories of the Agency’s Member States, with the right to grant sub-licenses in the source code. In this case, the Agency and its Member States have the irrevocable right to enter into negotiations with and award such contract to or place any other kind of agreement with a third party. The same applies:
- in case the Incubatee does not submit a quotation within the adequately determined tendering period set by the Agency, or

- in case that, following a quotation by ............................................., negotiation fail despite all reasonable efforts made in good faith by the Agency and .............................................

In case the Agency continues the development with a third party a new branch of the source code shall be created.

12.3.2 When transferring any Intellectual Property Rights, of which the Incubatee retains the ownership in accordance with Article 12.1.1, to an assignee the Incubatee shall ensure that the Agency’s and its Member States’ rights, as set out in Article 12.2.1, are reassigned to the new assignee.

12.4 Transfer of Intellectual Property Rights outside the ESA Member States

The Incubatee shall inform FUNDACION MADRI+D’s technical representative, as stated in Article 9.3(a), well in advance of its intention to transfer outside the Agency’s Member States any Intellectual Property Rights arising from this Contract.

ARTICLE 13 – LIABILITY

13.1 Limitations of Liability

13.1.1 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 11 and 12.

13.1.2 Limitation of Liability

Subject to Article 13.1.1, the liability of one Party towards the other under 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 €50,000 (Fifty thousand Euros), per event or series of connected events.

13.2 Infringements of the Law

13.2.1 FUNDACION MADRI+D or the Agency 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 Spain or in any other country whatsoever.

13.2.2 The Incubatee shall indemnify FUNDACION MADRI+D and the Agency from and against all claims, proceedings, damages, costs and expenses arising out of any infringement of the Incubatee’s obligations under this Contract.

13.3 Infringement of the Rights of Third Parties (ESA BIC Comunidad de Madrid Partners)

13.3.1 The Incubatee shall indemnify the ESA BIC Comunidad de Madrid’s partners and the Agency 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 the ESA BIC Comunidad de Madrid’ partners or the Agency through - which may be made, or brought against the ESA BIC Comunidad de Madrid’ partners or the Agency, or to which ESA BIC Comunidad de Madrid’ partners or the Agency may be put by reason of such infringement or alleged infringement.

13.3.2 FUNDACION MADRI+D 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.

13.3.3 The Incubatee shall immediately take all necessary steps within the Incubatee’s competence to prevent or end a dispute and shall assist FUNDACION MADRI+D and the Agency to defend any such dispute, or make settlement in respect of any claim or notice of infringement or suit for infringement.

13.3.4 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.

13.4 Compensation for Damage Caused to Goods and Property

Claims in respect of damage shall be settled as follows.

13.4.1 Direct Damages

(a) The Incubatee shall indemnify FUNDACION MADRI+D and the Agency against, and shall be personally responsible for, direct damage to FUNDACION MADRI+D’s or the Agency’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.

(c) FUNDACION MADRI+D and ESA BIC Comunidad de Madrid partners shall indemnify the Incubatee against, and shall be personally responsible for, direct damage to the Incubatee’s property and equipment to the extent that such damage is caused by the negligence of FUNDACION MADRI+D or ESA BIC partners or their staff or agents.

13.4.2 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.

13.5 Damages to Third Parties by the Incubatee

FUNDACION MADRI+D or the Agency 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.

13.6 Waiver of Liability

A waiver of liability including an insurance policy covering accidents at the Technology House, Fundación madri+d and Centre for Entrepreneurship of Comunidad de Madrid shall be signed.

13.7 Occupational Risks

The Incubatee must have the Occupational Hazards Plan or certificate their validity, duly signed by the certified prevention entity or authority in accordance with the provisions of Law 31/1995 November 8, Prevention of Occupational Risks

ARTICLE 14 – CHANGES TO THIS CONTRACT

Managed by:
14.1 Introduction of a Change

14.1.1 For all changes to this Contract, whether requested by FUNDACION MADRI+D or initiated by the Incubatee, the Incubatee shall submit a proposal for a Contract Change Note (CCN).

14.1.2 The Incubatee shall ensure - in liaison with FUNDACION MADRI+D - that each change proposal is fully coordinated and that all reasonably foreseeable implications of the change have been considered by the Incubatee and FUNDACION MADRI+D. The Incubatee shall, on the request of FUNDACION MADRI+D, provide additional documentary evidence of the effect of the change to both Parties.

14.2 Approval or Rejection of the Change Proposal

14.2.1 Should the change proposal be approved by FUNDACION MADRI+D, a corresponding CCN shall be prepared by FUNDACION MADRI+D's contractual representatives as stated in Article 9.3(b) and submitted to both Parties for signature.

14.2.2 Should a change proposal be rejected for any reason, the Incubatee shall be informed accordingly, together with the reasons for the rejection. At the request of either Party, the change may be discussed at a Change Review Board, consisting of a contractual and a technical representative of each Party.

14.3 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 15 – POST INCUBATION MANAGEMENT

On each anniversary of the end of the Contract Term, during 10 (ten) years, subject to losing the right to use the ESA BIC logo or Test Line if non-compliant, the Incubatee shall prepare and submit an Annual Performance Report (See Addendum 1, point 5.6 – annual performance report) to the Incubation Manager of ESA BIC Comunidad de Madrid, as stated in Article 9.3(a) as well as to the Agency’s Technical Representative, as follows:

Mr. B. Naulais (TEC-ST) E-mail: Bruno.Naulais@esa.int
ESTEC Tel.: +31 71 56 54 711
ARTICLE 16 – TERMINATION AND CANCELLATION

16.1 Right of Termination

16.1.1 Each Party 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.

16.1.2 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.

16.2 Cancellation without fault of the Incubatee

16.2.1 In the event of cancellation of this Contract by FUNDACION MADRI+D without any fault of the Incubatee, the Incubatee shall, on receipt of FUNDACION MADRI+D’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 FUNDACION MADRI+D after consultation with the Incubatee.

16.2.2 FUNDACION MADRI+D shall indemnify the Incubatee against such part of any loss of profit as is reasonably attributable to the cancellation of this Contract and against any damages resulting from the cancellation of this Contract in particular against any commitments, liabilities or expenditure which are reasonably and properly incurred by the Incubatee and are directly related to this Contract, in so far as the said commitments, liabilities or expenditure would otherwise represent an unavoidable loss by the Incubatee by reason of the cancellation of this Contract.

16.2.3 The amount of compensation payable under Article 16.2.2 shall be fixed on the basis of documentary evidence produced by the Incubatee and accepted by FUNDACION MADRI+D. In calculating the amount of compensation payable to the Incubatee, FUNDACION MADRI+D shall take account of the proportion of this Contract completed and shall take into account the provisions of Article 16.2.4.

16.2.4 FUNDACION MADRI+D 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 FUNDACION MADRI+D, exceeds the total contractual...
payments due by FUNDACION MADRI+D to the Incubatee, as set out in Article 7.1.

16.3 Grounds for Cancellation by FUNDACION MADRI+D

FUNDACION MADRI+D 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 17;

(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 Statement of Non Co-incubation;
   (b) the Incubatee’s legal ownership;
   (c) the Incubatee’s Spanish Mercantile Register registration
   (d) the Declaration of State Aid;
   (e) Tax payments and Social Security obligations

16.4 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 FUNDACION MADRI+D and the Agency and shall be handed over to FUNDACION MADRI+D upon the expiry or cancellation of this Contract. This shall include:

(a) any information and documentation under Article 3.1;
(b) any equipment under Article 3.2;
(c) any software under Article 3.3.

**ARTICLE 17 - ASSIGNATION OF THIS CONTRACT**

Managed by:

![Logo](image)

Partners:
The Incubatee shall not be permitted to assign its rights and/or transfer its obligations under this Contract in whole or in part.

ARTICLE 18 - DISPUTE SETTLEMENT

18.1 This Contract shall be governed by the laws of Spain.

18.2 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 arbitration.

18.3 Any dispute arising out of the interpretation or implementation of this Agreement that cannot be settled through the consultations referred to in Article 18.1 above may, at the request of either Party, be submitted to arbitration according to the Rules of Arbitration of the International Spanish Mercantile Register. The arbitral tribunal shall sit in Madrid, Spain and the language of the arbitration shall be Spanish. The enforcement of the award shall be governed by the rules of procedure in force in Spain.

ARTICLE 19 - DATA PROTECTION

19.1 To the extent that is reasonably necessary, in connection to the Incubatee’s activities under this contract, his/her data may be disclosed to others, including staff of ESA BIC Comunidad de Madrid, the Agency and all ESA BIC Comunidad de Madrid’ partners, for any studies and/or reporting that may be carried out by the Agency and/or FUNDACION MADRI+D. 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 Spain and other countries for the fulfilment of ESA’s own requirements.

Done and signed in two (2) original copies, one for each party to this contract, on behalf of the ESA BIC Comunidad de Madrid.
ON BEHALF OF FUNDACION MADRI+D: Date: .................................

Luis Sánchez Álvarez
FUNDACION MADRI+D CEO

ON BEHALF OF THE INCUBATEE Date: .................................

................................................
................................................
### II. **Draft Rental Contract**

*Agreements for the Use Building Facilities*

The four incubates contracts can be downloaded at: [http://www.esa.int/Our_Activities/Space_Engineering_Technology/Business_Incubation/ESA_Business_Incubation_Centres](http://www.esa.int/Our_Activities/Space_Engineering_Technology/Business_Incubation/ESA_Business_Incubation_Centres)

A summary of the services available per incubator is shown in the following table:

<table>
<thead>
<tr>
<th>Available services</th>
<th>UPM Montegancedo</th>
<th>PCM Cantoblanco</th>
<th>UC3 Leganés*</th>
<th>URJC Mostoles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Price</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offices €/m²</td>
<td>16 €/m²</td>
<td>21 €/m²</td>
<td>12 €/m²</td>
<td>10 €/m²</td>
</tr>
<tr>
<td>Laboratories €/m²</td>
<td>*</td>
<td>36 €/m²</td>
<td>*</td>
<td></td>
</tr>
<tr>
<td><strong>Facilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reception</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Telephone operator</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Water</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>24-hour Security</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Basic cleaning in offices</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Cleaning of common areas</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Waste management</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Air Conditioning</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Network Wireless data throughout the building</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Fixed data network company / Internet</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Outdoor parking with controlled access</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Meeting rooms (number of hours / day or week)</td>
<td>5h/w</td>
<td>X</td>
<td>2h/d</td>
<td></td>
</tr>
<tr>
<td>- Additional use: € / hour, limiting the total number of hours</td>
<td>5 €/h</td>
<td>0 €/h</td>
<td>44 €/h</td>
<td>X</td>
</tr>
<tr>
<td>- Auditorium on reservation:</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>- A morning or an afternoon</td>
<td>1d/m</td>
<td>X</td>
<td>1d/y</td>
<td>X</td>
</tr>
<tr>
<td>- Additional use: € per morning or afternoon</td>
<td>200 €</td>
<td>0 €</td>
<td>250 €</td>
<td>X</td>
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<tr>
<td>- Additional use: € Per full day</td>
<td>300 €/d</td>
<td>0 €</td>
<td>499 €/d</td>
<td>X</td>
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<tr>
<td>Outdoor Gardening</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Reception desks in each office space</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>ISO 9001:2008 certification</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Services with charge:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Fax</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Availability of a parking company</td>
<td>50 €/m</td>
<td>X</td>
<td>127 €/y</td>
<td>Free</td>
</tr>
<tr>
<td>Possibly , space to hire workshops and / or laboratories</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Reprographics</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Supercomputing</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Catering</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Basic cleaning in offices</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Support for the organization of events</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Full, time availability to individual office space</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storage</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Labs in the incubator site</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Managed by:*

![Emblem](image)

*Partners:*

![Emblem](image)

![Emblem](image)
### Business Development Services (to be coordinated with madri+d)

<table>
<thead>
<tr>
<th>Service</th>
<th>X</th>
<th>X</th>
<th>X</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>On line store for Lab materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to tax, legal and financial assessment</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Investment events</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Advanced training for entrepreneurs and business (Team building, process improvement, diversification, commercialisation, networking...)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Basic training for entrepreneurs and business plan</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Training in technology commercialization</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Business mentoring</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Investment readiness</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Access to technology watch reports - general business / studies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to electronic resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology watch assessment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation of technologies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Technical Services (min. 50 h/project)

<table>
<thead>
<tr>
<th>Service</th>
<th></th>
<th></th>
<th>X</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information, advice &amp; collaboration about R&amp;D projects with R&amp;D groups/centers</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Access to educational cooperation agreements to access undergraduate or graduate students</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Specific support about the potential market/technology partners associated to specific technologies</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Access to IPR services</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information and advice about grants, labour contracts, thesis, etc</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Managerial advice for technology management</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Access to S&amp;T infrastructures and laboratories</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
ADDENDUM 1

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 FUNDACION MADRI+D in regard to the ESA BIC Comunidad de Madrid.

1. CONTRACTUAL BASELINE

The Incubatee is a start-up company in the early stage development of its commercial enterprise, applying space technology or systems to non-space applications, including industrial, scientific and commercial uses. As a start-up company the Incubatee requires business development supports, technical and commercial advices 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 FUNDACION MADRI+D shall be addressed to FUNDACION MADRI+D's representatives nominated in Article 9.3 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 FUNDACION MADRI+D'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 FUNDACION MADRI+D'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]

Yearly, the Incubatee shall provide the following documents to FUNDACION MADRI+D:

- a) Report describing all the activities of the company incubated during the period.

- b) Certification of the company, signed by a company representative, costs of technical staff dedicated to the project or product development (indicating people, time devoted to the project and cost / time), enclosing annual summary of withholdings and personal income tax revenues on income from work and copy of the TC1 and TC2 documents (only for the person or persons devoted to the project) for the entire period of justification. It shall also demonstrate the payment of salaries through bank receipts in which the amounts paid and the identity of recipients is expressly consigned.

- d) Certificate of the State Tax Administration to keep abreast of tax obligations.

- e) Certificate of being aware of payments with the Treasury of the Community of Madrid.

- f) Certificate from the General Treasury of the Social Security to be aware of obligations to Social Security.
g) A copy of the Plan of Occupational Risk Prevention or a certificate of validity duly signed by the entity for the prevention or by an authorized person in accordance with the provisions of the Spanish Law 31/1995 of 8 November on Prevention of Occupational Risks.

h) Declaration of de minimis aid received during the previous two fiscal years to the request for participation and in the fiscal year in which the application is submitted.

i) A detailed account of other income or grants that have funded the activity encouraged indicating the amount and origin.

3.3 Problem Notification

The Incubatee shall notify FUNDACION MADRI+D'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 FUNDACION MADRI+D'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 FUNDACION MADRI+D or the Incubatee.
4.4 Notice and Agenda for Meetings

For all meetings the Incubatee shall ensure that proper notice to FUNDACION MADRI+D is given at least two (2) weeks in advance of when FUNDACION MADRI+D’s 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 Incubatee shall propose an agenda in electronic form and shall compile and distribute hand-outs 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 FUNDACION MADRI+D, and in other exchange formats where relevant (e.g., PDF-format, HTML); and

5.1.2 in one (1) paper copy

The draft version of the documentation shall be sent to FUNDACION MADRI+D’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 FUNDACION MADRI+D at the Mid Term Review. The Incubatee shall submit the presentation of the Mid Term Report to FUNDACION MADRI+D 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 FUNDACION MADRI+D and/or ESA BIC Comunidad de Madrid’ partners;
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) photographic documentation
i) ... [further input by FUNDACION MADRI+D 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 FUNDACION MADRI+D by the Incubatee in PDF or HTML format.

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 company, 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 FUNDACION MADRI+D’s Investors Forum 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 FUNDACION MADRI+D and to the Agency every year for a period of ten (10) years from the end of the Contract Term.

5.7 Photographic Documentation

Photographic documentation comprises photographs of events organised by the Contractor and photographs of hardware under manufacture by the Techno-starters showing major progress, as well as of tests and test set-ups. Videos presenting the functioning of hardware/test set-up and relating test activities may also be included in this category.

5.8 Software (including computer programmes)

Copy of the software developed by the Incubatee shall be a deliverable to be kept under confidentiality provisions for the purpose of auditing.

The Techno-starters shall provide a demonstration of the software to FUNDACION MADRI+D’s representative including a trailer/movie clip illustrating the use and application of their developed software program for the purpose of FUNDACION MADRI+D/ESA exhibitions.

5.9 Hardware

A prototype or product manufactured by the techno-starter. In case of very high production costs, the techno-starter can keep the original prototype and deliver a mock-up of the prototype. Techno-starters shall however keep the prototype available for lending it to FUNDACION MADRI+D/ESA for exhibitions.
ADDENDUM 2

AGENDA FOR MIDTERM REVIEW

1. Welcome/Introduction

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

3. Progress status tasks/work packages, first phase.
Refer to each task in 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).

<table>
<thead>
<tr>
<th>Task/Work Package #</th>
<th>Objectives</th>
<th>Sub-tasks</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Costs (€)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total (€)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Output

4. Planning of tasks/work packages, next phase
Refer to each task in original proposal and present current status or changes, if any. Include overview of additional new tasks (if any).

<table>
<thead>
<tr>
<th>Task/Work Package #</th>
<th>Objectives</th>
<th>Sub-tasks</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Costs (€)</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total (€)</td>
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<td></td>
</tr>
</tbody>
</table>

Output

Managed by:

Partner:
5. Incubation Planning Overview:

<table>
<thead>
<tr>
<th>Task/WP</th>
<th>Task Name</th>
<th>Month/Year</th>
<th>Month/Year</th>
<th>Month/Year</th>
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Managed by:

Partners:
6. Cost Breakdown Overview, first phase:

<table>
<thead>
<tr>
<th>WP</th>
<th>Task Name</th>
<th>Business Plan Development in €</th>
<th>Third Party Advice in €</th>
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7. Changes in expected Costs, first phase:

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<th>WP</th>
<th>Task Name</th>
<th>Expected amount at Midterm Review</th>
<th>Real Costs</th>
<th>Difference in €</th>
<th>Difference in %</th>
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BPD + TPA
8. Overview of technical experts

- Expert hours used, this phase
- Experts hours needed, next phase


10. Other news/updates

Very short, for example:
- change in team
- financial developments/ additional sources of funding/ investments (personal/subsidy)
- cooperation agreements

11. Proposal of CCN

If any

12. Q&A
ADDENDUM 3

FINAL REPORT TEMPLATE

Template for Final Report (see also 5.3 of Addendum 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 company and business idea to potential new audience.)

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

4. Details of the support received from ............ (5.3.b in Addendum 1 of the contract); Also mention the expert’s names, sections and hours used during the incubation period.

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

6. Progress report on work packages of total incubation period (5.3.d in Addendum 1 of the contract)
Refer to each task in 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).

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<tr>
<th>Task/Work Package #</th>
<th>Objectives</th>
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7. Incubation Planning Overview (planned and actual):

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Managed by:

Partners:
8. Changes in expected Costs, total incubation period *(5.3.e in Addendum 1 of the contract)*:

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<th>WP</th>
<th>Task Name</th>
<th>Expected amount at Final Review</th>
<th>Real Costs</th>
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Managed by:

Managed by:

Partners:

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 ESA Business Incubation support

ANNEX to the Final Report. Please 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 Addendum 1 of the contract);

II. An overview and copies of patents, patent filings and/or licences granted (5.3.g in Addendum 1 of the contract);

III. Photographic documentation accordance (5.3.h in Addendum 1 of the contract).