



Crisis Funding Instrument 2020

A new programme in the EIT Urban Mobility Business Creation 2020 Portfolio, dedicated to highly innovative European start-ups and scale-ups with financing rounds affected by COVID-19 crisis.

- Publication of call: June 5, 2020
- Online Submission deadline: June 19, 2020 at 18:00 CET
- Webinar for interested applicants June 12, 2020 14:00h - 15:00h CET (preliminary)

As part of the EIT's Crisis Response Initiative, this activity directly contributes to the European Union's response to the COVID-19 pandemic. The EIT Urban Mobility Crisis Funding Instrument's overall budget and the required pre-financing through EIT are both subject to the approval by the EIT Governing Board, which will not be granted before June 2020. All applicants will be informed as soon as the approval is granted.

EIT Urban Mobility - Mobility for more liveable urban spaces

Barcelona | June 5 2020

eiturbanmobility.eu



EIT Urban Mobility is supported by the EIT, a body of the European Union

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1. Purpose of Crisis Funding Instrument 2020

Within the next 6-12 months many ventures will likely struggle to close financing rounds due to the coronavirus, considering that private funds have shifted focus. In many cases, these funds are stopping investments into new targets while prioritizing on their existing portfolio companies. This can inevitably result in long-lasting harm of the European urban mobility start-up scene. Therefore, the European Institute of Innovation and Technology (EIT) has deployed a package of measures to support the growth and rescue of young ventures during the crisis and to help them adapt and accelerate to post-crisis economic reality.

To this end, EIT Urban Mobility will act as a facilitator to contribute to bridge the financing gap for highly innovative, high impact start-ups and scale-ups working on relevant solutions in the Urban Mobility context. The focus will be on start-ups and scale-ups working on solutions that are related to EIT Urban Mobility's City Challenges¹.

The Crisis Funding Instrument can provide a grant of 50 000 EUR for start-ups and 100 000 EUR for scale-ups bundled with a purchase of shares in the venture. The target groups are: Startups who apply for investment through the crisis support funding activity, in total up to 20 ventures with a maximum total investment of the Crisis Funding instrument of 1 000 000 EUR. The Crisis Funding Instrument will complement the existing support provided through the programmes and will be used to provide a necessary cash injection against equity in the startups. The investment may support these highly innovative start-ups to cover minimum burn rate linked to innovation activities and operations.

This funding is to be spent on eligible activities completed by December 31st, 2020. The funding is open to all European urban mobility start-ups and scale-ups (based in a Member State of the EU or Horizon2020-associated country) that meet the eligibility criteria, including those currently supported by EIT Urban Mobility in programs managed by the Business Creation department of EIT Urban Mobility.

¹ Source and additional information:

https://www.eiturbanmobility.eu/wpcontent/uploads/2020/02/Annex_2_City_Club_Challenges_for_BP_2021.pdf

PROPOSAL AIMS

The aim of the project proposed by the applicant should be to adapt the venture to the situation caused by COVID-19. This can mean for example:

- Continue R&D and product development activities critical to the success of the solution of the venture, e.g. by organizing facilities, hiring key R&D personnel, purchasing equipment;
- Continue commercialization activities critical to the success of the venture's solution in the market, by executing pilot projects, performing market research, engaging with potential customer – as long as the commercialization activities are directly linked to the innovation activities regarding new technologies, products or services;
- Continue fundraising activities critical to the success of long-term value creation by the venture, e.g. by further developing business plan material, involving specific consultancy expertise.

Proposals should make clear how COVID-19 has impacted their original plans and how the proposed funding will help them adapt, with a clear milestones plan and associated timeline until December 31st, 2020.

2. Executive Summary: What is the Crisis Funding Instrument 2020?

The Crisis Funding Instrument is a new EIT Urban Mobility instrument that supports European innovative start-ups by providing funding in return for equity. Start-ups can apply to receive up to €100,000 from EIT Urban Mobility in return for grants-for-equity.

With this opportunity, EIT Urban Mobility will help start-ups with capital and propel their venture's acceleration.

EVALUATION

EIT Urban Mobility will evaluate the proposal in a multi-stage process through internal and external selection committees based on a) eligibility criteria and internal screening b) external evaluation and investment committee panel and c) internal risk assessment and senior

management committee to deliver final decision following pitches of start-ups that successfully reached the final vetting stage.

FUNDING

EIT Urban Mobility will grant 50 000 EUR for start-ups and 100 000 EUR for scale-ups (as defined in clause 4.3.1) and will ask for 5% equity in the startup post-money in return. The signed shareholder's agreement, including milestones for the grant, between EIT UM and the shareholders of each respective startup will trigger the EIT Urban Mobility Crises Funding Instrument 2020. Further details on the terms and a comprehensive list of eligibility criteria see Section 4.

AGREEMENTS & CONTRACTUAL OBLIGATIONS

The terms of funding are governed by a Sub-Granting Agreement, Term Sheet and Shareholder's Agreement with the schedules.

PROJECT PLAN & PAYMENT

The project plan including the milestones agreed between EIT Urban Mobility and the start-up in the term sheet stipulate the payment. The funding may be spent by the start-up for those activities necessary and relevant to reach the milestones. However, the funding cannot be used for pure basic research activities. (See Section 6).

- Applicants may not request more than €100,000 in EIT Urban Mobility funding as part of the Crisis Funding Instrument 2020.
- Applicants must outline a preliminary project plan, including milestones for their venture in their application, as well as, associated deliverables and costs, that are appropriate to their funding need. Upon acceptance, a more detailed project plan will be drafted with the start-up and the Crisis Funding Instrument 2020 team to align milestones to the EIT Urban Mobility funding instalments.

REPORTING

In addition to the final report, specific monitoring rules will be enforced to assess start-up performance in funded projects, such as progress according to the Project Plan. Even after completion of the project, start-ups must update EIT Urban Mobility on company progress for impact tracking purposes as set out in the term sheet.

DISCLAIMER

As part of the EIT's Crisis Response Initiative, this activity directly contributes to the European Union's response to the COVID-19 pandemic. The EIT Urban Mobility Crisis Funding Instrument

overall budget and the required pre-financing through EIT are both subject to the approval by the EIT Governing Board, which will not be granted until June 2020. All applicants will be informed as soon as the approval is granted.

3. Key dates

Activity	Date	Comment
Call opens	June 5, 2020	Application via Link to Typeform platform published at the EIT Urban Mobility Website in the Call announcement
Call closes	June 19, 2020 at 18:00 CET	
Evaluation period (Stage 1)	June 20 – June 23, 2020 (preliminary)	Timeframe dependent on number of eligible applications
Final Evaluation period with Virtual Pitch, Q&A sessions and Due Diligence. (Stage 2)	June 24 – July 10, 2020 (preliminary)	Timeframe dependent on number of eligible applications
Final selection and outcome notifications (Stage 3, 4 & 5)	July 13 – July 31, 2020 (preliminary)	Outcome notifications for different selected applications will be made as they happen (consecutively)
Transfer of 1 st tranche of Sub-Grant and beginning of Funding period	July-September	
Transfer of 2 nd tranche of Sub-Grant and beginning of Funding period	September -November	
Funding Period ends	31 December 2020	
Reporting and admin	31 December 2020 – Q1 2021	Exact final reporting date yet to be set

4. Application

4.1. Application Requirements

The application to the Crisis Support Instrument must comply with the following requirements:

- Must be in English
- Submitted through Application via Link to Typeform platform published at the EIT Urban Mobility Website in the Call announcement
- Incomplete submissions, late submissions will not be accepted. All required documents requested in the Typeform platform must be uploaded.

Only applicants who will be positively scored on all qualifying criteria of their online application will be evaluated based on the Eligibility Criteria. Selection will be based on the answers given in the online application, accompanying pitch deck, and subsequent documentation required. Throughout the screening, due diligence and final selection process the Eligibility Criteria are applied, by which applicants are reviewed relative to other applicants in order to make a final decision on the ventures that are awarded the funding.

4.2. Rules of Participation

Startups and scale-ups must ensure that they follow the guidelines set forth (Section 4.1, 4.3-4.5) to be deemed eligible.

4.3. Start-up Eligibility and Exclusion Criteria

4.3.1 Eligibility Criteria

Only start-ups that comply with the following criteria can apply to the Crisis Funding Call:

- The extent to which the funding is able to help the venture adapt to the situation caused by COVID-19
- Investment rounds affected by the COVID-19 crisis
- Seeking Seed financing round or was in promising preparation of a bridge financing round \geq €500 000 before COVID-19 crisis
- Post-money valuation (of previous round) \geq €1M for grant of €50 000 (“Start-ups”) and \geq €2M for grant of €100 000 (“Scale-ups”) (determined in a round after 1 January 2019). (See Section 7.1)

- Have- or be developing a unique technology, product or service with a clear demonstrable competitive advantage and strong intellectual property position or strategy on any technology
- Related product with TRL ≥ 4 for grant of €50 000; TRL ≥ 6 for grant of €100 000
- Have high growth- and high societal and economic impact potential related to the City Challenges of EIT Urban Mobility
- Be an SME as defined under the EU recommendation 2003/361
- Be registered in one of the EU Member States or countries associated to Horizon 2020
- Be incorporated on or later than January 1, 2013.
- Founders own a majority stake in the company, preferably >75%
- None of the shareholdings are outside EU or countries associated to Horizon 2020
- Have commercial validation or early traction with (potential) customers and proof points on the value proposition and business model
- For grant of €100 000 startups should have demonstrated revenue generated from customers, preferably >€100 000 last fiscal year.
- Have a multi-year roadmap that includes milestones on technology/product development, commercial development, organizational development and fundraising;
- Strong prospects of raising follow-on funding and proof points of interest from potential financiers;
- Have a strong team in place that is able to execute on the key activities within the roadmap and/or a plan to attract key personnel to the venture.

Start-ups that do not meet these are discouraged from completing the application.

4.3.2 Exclusion Criteria

Consulting services companies without novel technology, products or IP, and one-person ventures are excluded. Ventures owned by EIT Urban Mobility employees or members of EIT Urban Mobility government bodies; and ventures in which EIT Urban Mobility employees or members of EIT Urban Mobility government bodies have an interest, are also excluded. For the purposes of this clause, the term “EIT Urban Mobility” includes all CLCs of EIT Urban Mobility and all government bodies.

Applicants will be excluded if they:

- Are subject to an administrative sanction (i.e. exclusion);
- Are in one of the following situations:
 - a. Bankrupt, being wound up, having their affairs administered by the courts, entered into an arrangement with creditors, suspended business activities or subject to any

- other similar proceedings or procedures under national law (including persons with unlimited liability for the participant's debts)
- b. Declared in breach of social security or tax obligations by a final judgment or decision (including persons with unlimited liability for the participant's debts)
 - c. Found guilty of grave professional misconduct by a final judgment or decision (including persons having powers of representation, decision-making or control)
 - d. Convicted of fraud, corruption, involvement in a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including persons having powers of representation, decision-making or control)
 - e. Shown significant deficiencies in complying with main obligations under a procurement contract, grant agreement or grant decision financed by the EU or Euratom budget (including persons having powers of representation, decision-making or control)
 - f. Found guilty of irregularities within the meaning of Article 1(2) of Regulation No 2988/95 (including persons having powers of representation, decision-making or control)
 - g. Have misrepresented information required for participating in the EIT Urban Mobility funding scheme or fail to submit such information
 - h. Were involved in the preparation of the any documentation regarding this call or are involved in the evaluation process of this call and this entails a distortion of competition.

4.4. Investment Terms

For its Crisis Funding Instrument EIT Urban Mobility will utilize the equity model. An application to the instrument shows intention to abide by the following investments terms.

- EIT Urban Mobility will grant funding in return for equity.
- The start-up will be offered a package of either €50 000 (start-ups) or of €100 000 (scale-ups) consisting of a purchase of shares from the founding shareholders to nominal value, and a grant corresponding to an investment giving at least a 5% equity share in the startup post-money. EIT Urban Mobility, at its own discretion, may opt to acquire shares through the relevant capital increase instead of purchasing shares from the founding shareholders.
- Start-ups will receive their grant-for-equity pay-outs from EIT Urban Mobility in tranches

4.5. Application Eligibility

Only one application is eligible per start-up and applications must be submitted via Application via Link to Typeform platform published at the EIT Urban Mobility Website in the Call

announcement. Incomplete submissions will not be accepted. All required documents requested in the Typeform platform must be uploaded.

Applicants must own or have the rights to the intellectual property that is the basis for the project or product.

The start-up should in the application outline how the EIT Urban Mobility funding is to be spent. This outline should include three or more milestones. The milestones should be connected to deliverables and projected timelines. All funding must be spent according to Horizon 2020 Guidelines and connected to innovation-related activities. Clarify how the funding associated will impact the company and support management of the current crisis. Companies should directly comment on the impact of COVID19 on their company, outline their financial short-term strategy for the next four months and describe crisis mitigation measures, as well as, mid-term strategy for 2020 and 2021. Project must be within the scope of the main challenges, in particular the City Club Challenges² of EIT Urban Mobility.

5. Selection process

EIT Urban Mobility will evaluate the Crisis Funding Instrument applications and project proposals submitted in a multi-stage process through internal and external selection committees based on a) eligibility criteria and internal screening b) external evaluation and investment committee and c) internal risk assessment and senior management committee to deliver final decision following pitches of start-ups that successfully reached the final vetting stage. Applications and documentation will be treated confidentially.

²Source and additional information:

https://www.eiturbanmobility.eu/wpcontent/uploads/2020/02/Annex_2_City_Club_Challenges_for_BP_2021.pdf

5.1. Stage 1: Eligibility Check and Internal Screening

Submitted applications will be reviewed using the initial eligibility criteria for start-ups (Section 4.3). Eligible applications will be assessed by an independent team of experts comprising finance and investment experts. Confidentiality agreements will be in place and conflicts of interest will be actively managed.

The internal screening will be executed by the Business Creation Team by ranking start-ups according to the following evaluation criteria:

- PRODUCT
- MARKET
- COMPANY & MANAGEMENT
- FUNDING
- PROJECT PLAN SECTION
- OVERALL IMPRESSION - Venture credible and sound

The top-ranked start-ups will be invited to the next stage of the evaluation process, where their application is reviewed by the external evaluators

Mandatory Documentation Requested for Application

1. One-pager executive summary
2. Standard investor pitch deck (includes Description of Problem, Solution, Market and Competitors, Business Model, Go-to-Market Strategy, Product Roadmap, Financials, and Team).
3. Valuation file upload: Proof that Post-money valuation (of previous round) are \geq €1M for grant of €50 000 and \geq €2M for grant of €100 000 (determined after a round from 1 January 2019).

5.2. Stage 2: External Evaluation and Investment Committee

The external evaluators used are primarily sourced from EIT Urban Mobility's pool of external experts and have thus received training on the EIT Urban Mobility strategy, rules, and procedures. Additional external experts with specific expertise within venture investments will be contracted. All external experts are instructed to check for conflict of interest (in accordance to the Code of Good Conduct including Policy of Conflicts of Interests of the EIT Urban Mobility) and to inform the EIT Urban Mobility, if necessary, before evaluation of the proposal proceeds.

The external evaluation will be completed by three experts per start-up. This includes at least one subject area expert with scientific knowledge on the technology behind the innovative start-up and the specific market. Furthermore, at least one investor with a track record in related investments will evaluate the business opportunity from an investor's perspective. The third expert may take up either one of the former two categories, or another. The pan-European, tailored, and high caliber nature of experts will ensure the quality of the Crisis Funding Instrument Start-up Portfolio. Using the same supporting material as in Stage 1, the experts will score the start-ups according to the following evaluation criteria:

- PRODUCT
- MARKET
- COMPANY & MANAGEMENT
- FUNDING
- PROJECT PLAN SECTION
- OVERALL IMPRESSION - Venture credible and sound

The top-ranked start-ups will be invited to the next stage of the evaluation process where the Business Creation Team will cross-check evaluator responses and execute a risk assessment comparable to a Due Diligence.

5.3. Stage 3: Internal Risk Assessment and Decision Support

At this stage of the evaluation, an internal team will review the scorecard of the external investor evaluators. This will not only include reviewing scores, comments, and concerns, but will also include reviewing the evaluator's open questions. The internal team will use this information to create an internal risk assessment. The internal team may request other documents from the start-ups at this stage. A non-comprehensive list of these documents is included below. The availability and quality of these documents as well as the research the internal team will conduct constitutes the basis for the next phase of the evaluation.

Risk Assessment Documentation Requested

The documents that may be requested include but are not limited to:

- Structure of ownership (capitalization table)
- Complete documentation of last financing round (including investment and shareholders- agreement)

- Documentation of corporate status of the company (Articles of Association, list of shareholders, etc.)
- Financials (i.e. Historical financials divided into different revenue streams and cost centers, P&L, balance sheet, revenue projections etc., financial plan for the next 5 years)
- Recent Due Diligence documents or financial audit documents (not older than 1 year from the application), if available
- List of all Intellectual Property Right items owned
- Letters of Intent or Pilot Agreements with potential customers or partners (should start-up have any).
- Legal documentation: shareholders agreement, investors agreement articles of incorporation, Intellectual property (patents, etc.)
- Additional information that may be valuable to prepare for the evaluation session

5.4. Stage 4: Access to Investment Committee & Management Approval

Within the final stage of the evaluation, the best projects will be invited for a session of approximately one hour. Company representatives from pre-selected projects will be invited to pitch to the Investment Committee that comprises at least two external experts and three members of the EIT Urban Mobility team. The sessions are scheduled in the weeks of July 13th to July 24th and will likely occur in the afternoon from 3pm-7pm CEST. Invitations to these sessions will be sent out in the week of July 6th to July 10th.

To prepare for the sessions, the Investment Committee will assess the scores in the previous evaluation steps as well as the additional information that is revealed during the risk assessment stage. The pitch session includes a Q&A session to resolve any issues that were not clarified in the previous evaluation steps.

5.5. Stage 5: Selection Announcement and Feedback

Following the pitch sessions, Q&A, and final evaluation stage the Business Creation Team will reach out to finalists and give them feedback on their performance. The agreement on the milestones plan, payment of first instalment and signature of the pertinent agreements will follow.

6. Project

6.1. Project Approval Procedure

The project is approved upon the signature of the Sub-Granting Agreement which is aligned to the Term Sheet. Upon selection, the following processes are initiated.

- A Project Plan will be completed by selected applicants. The project plan will outline milestones and associated deliverables that align with the funding pay-outs that occur in tranches. The project plan must be approved by the EIT Urban Mobility Business Creation team.
- The recipient must sign electronically a project Sub-Granting Agreement with EIT Urban Mobility. The approved Project Plan will be included in the annex of the Sub-Granting Agreement.
- Once all signatures are received, the selected project and associated company will be asked to acknowledge the support from EIT Urban Mobility on media, social networks, papers, presentations, etc. using the EIT Urban Mobility logo. The details can be found in the Publicity – Visibility of the EU Funding Section below.
- The process on the trigger of the instalments can be found in the Payment Conditions Section.
- A final report is expected at the end of the project cf. Project Reporting Section below.
- Participation in yearly reports to report on start-up activities are expected for three years from project signature.

6.2. Project: Payment Conditions

Start-ups should assign impactful deliverables to each milestone and expect to plan for the payment instalments according to the Project Plan and the following conditions. The amounts requested at each milestone can be unique.

This payment is an upfront payment to enable the start-up to reach the first milestone and its associated deliverables. After appropriate documentation of the first milestone is received and approved by the EIT Urban Mobility Business Creation team, the second payment will be transferred. Please note that the second instalment must occur before January 31st. Therefore, documentation showing the completion of the second (third or any additional) milestone must be prior to December 31st. Later payments due to delayed milestone achievements or deliverables are not possible.

An example of a project payment plan is included below. Please read Section 6.3 for further tips to align the payment plan to the Project Plan:

Project Start: July 31st

- Upon approval of the Project Plan, a first amount (pre-payment) will be released by EIT Urban Mobility.
- Second (, third or any additional) Project Milestone to be reached e.g. by September 15th, upon approval triggers 2nd pre-payment.

If milestone(s) are not fulfilled, EIT Urban Mobility reserves the right to request the return of the pre-payment from the start-up. In addition to providing adequate documentation and ensuring that the Milestones have been met, the start-ups must ensure that their spending is compliant to the Horizon 2020 guidelines. These guidelines are outlined in the section below 6.6 Project: Eligible Costs.

6.3. Project Content and Project Plan Creation

Once selected, start-ups will receive instructions on how to create a more detailed Project Plan and will be asked to submit their details about the project (in the form of milestones, etc.) to EIT Urban Mobility. While the application outlines the planned project content, the Project Plan is more specific and is subject to approval by the EIT Urban Mobility Business Creation Team. The start-up will be supported throughout this process.

The Project Plan should reflect the company Business Plan and the anticipated milestones. The milestones should align to the project cost related to innovation-linked activities and the project operation. Start-ups will be asked to outline three or more distinct milestones and associated deliverables that will be aligned with the EIT Urban Mobility funding instalments.

The template for the more detailed Project Plan will be provided to the startups selected for Stage 2.

6.4. Project: Delivery

Start-ups will be expected to deliver on their project according to the Project Plan outlined. As pre- payments are subjected to achievement of milestones, the documentation provided for each milestone will be reviewed. The documentation should be formatted according to the guidelines set forth in the Project Plan. Small adjustments may be necessary throughout project delivery and will be communicated to the start-up.

6.5. Publicity – Visibility of the EU Funding

Publicity by the participants

The companies selected must support the promotion of EIT Urban Mobility, by providing targeted information in a strategic and effective manner.

Unless EIT Urban Mobility requests or agrees otherwise or unless it is impossible, selected applicants must:

- Display the EIT Urban Mobility logo with the EU emblem. When displayed together with another logo, the EIT Urban Mobility logo and EU emblem must have appropriate prominence.
- Include the following text: “EIT Urban Mobility is supported by the EIT, a body of the European Union” on their web page.
- For the purposes of their obligations, the selected companies may use the EIT Urban Mobility logo and the EU emblem without first obtaining approval from EIT Urban Mobility. This does not, however, give it the right to exclusive use. Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

Publicity by EIT Urban Mobility

EIT Urban Mobility may publish the name of the funded companies, their origin, and its nature and purpose — unless they have requested to waive this publication (because disclosure risks threatening its security and safety or harm its commercial interest).

6.6. Project: Eligible Costs

The EIT Urban Mobility funding of up to €100,000 must be spent in accordance with Horizon 2020 guidelines outlined in the Sub-Granting Agreement. All costs that are directly associated to project costs are eligible.

As it is necessary to ensure careful documentation of milestones and deliverables required for each prepayment, justifications related to project costs are highly recommended.

Pre-payments will occur according the Project Plan to reach the next milestone. All pre-payments are made under the assumption that the start-up will allocate these funds to eligible costs.

Eligible costs are defined in the Horizon 2020 model Grant Agreement and reflected in the EIT Urban Mobility Sub-Granting Agreement. Eligible costs are correctly spent in line with the Proposal Aims (see article 1). Costs that conform to both columns are eligible.

Cost Categories	Cost Activities
<ul style="list-style-type: none"> • Cost categories that are directly associated to project costs • Personnel: e.g. personnel under employment contract directly involved in the project • Travel and subsistence: e.g. travel to an EIT Urban Mobility event • Equipment/ depreciation: e.g. laptop purchased specifically for the activity • Services and sub-contracting: e.g. Patent, lawyers, consultant fees <p>Other direct costs: e.g. consumables / catering</p>	<ul style="list-style-type: none"> • Cost activities are directly associated to project costs • Innovation activities • R&D development • Management of changing cost base • Management of supply chain costs • Manufacturing hurdles <p>Project-related costs according Project Plan</p>

Costs that are not eligible are:

- Costs that are not directly linked to the project as defined in the project plan (e.g. overhead)
- Costs incurred after the end of the project
- Costs that are already funded by EIT Urban Mobility. Double funding is not accepted.

Start-up costs are likely to be audited. Costs should therefore be reasonable, justified and must comply with the principles of sound fiscal management, in particular, regarding economy and efficiency. Certainly, start-ups must also comply with applicable national laws on taxes, labour, and social security.

6.7. Project: Midterm, Final Report and Follow-up

A mandatory midterm report is due on December 15th 2020. A template will be provided by EIT Urban Mobility on November 15th.

A final report at the end of the project is mandatory. A template will be provided. The final report will be based on the project plan signed by EIT Urban Mobility and the start-up. The

final reports are expected after the project has been completed and will be due February 15th 2021.

Both the Midterm and Final Report include but are not limited to the following points:

- Project description
- Description of results achieved, and deliverables of each milestone as outlined in initial project plans
- Descriptions of any adjustments to project delivery and mitigation necessary

Additionally, the Final Report will include:

- Financial Statement
- Lessons learned, successes and outcomes
- KPIs (Key Performance Indicators) achieved (e.g. jobs created thanks to the EIT Urban Mobility grant, additional investment attracted, revenues created)

7. Funding

7.1 Investment considerations

The EIT Urban Mobility COVID-19 Crisis Funding Instrument can provide financial support of between €50,000 and €100,000 per venture. To that end, EIT Urban Mobility and the selected venture sign a sub-granting agreement outlining the conditions of the financial support provided. The sub-granting agreement ensures compliance of the funding to EU guidelines under the H2020 programme. The funding received through the sub-grant is to be spent to achieve agreed-upon milestones spanning no further than December 31st, 2020, described in a project plan. Next to the sub-granting agreement, EIT Urban Mobility and the venture will additionally sign a Shareholder's Agreement for the purchase of shares from the founding shareholders or acquisition of new created shares at EIT Urban Mobility discretion to nominal value corresponding to at least 5% of the venture's equity. Hereby, EIT Urban Mobility will own shares in the venture.

7.2 Term sheet, sub-granting agreement and shareholder's agreement

Ventures will be expected to sign a term sheet before entering Stage 3 of the evaluation process.

The shareholder's agreement with schedules and the sub-granting agreement will be made available to and discussed with applicants entering Stage 3 of the evaluation process (see article 5.3). The funding will be made available in two tranches, which may or may not be equal tranches, based on clear operational milestones that are proposed by the applicant and agreed with EIT Urban Mobility. Each tranche will be transferred up-front, as pre-financing. Progress according to the milestones will be monitored periodically and reported.

The structure of the Shareholder's Agreement to be signed is as follows:

- Shareholder's Agreement
- Share Transfer Note or Agreement on Capital Increase
- Capitalization Table before EIT Urban Mobility Investment
- Capitalization Table after EIT Urban Mobility Investment
- Business Plan
- Key employees Terms and Conditions
- Key employees Lock-in, Good and Bad Leavers
- Articles of Association
- Exit strategies

8. Terms and Conditions

Applicants must accept the following conditions:

- Applicants must meet the stated eligibility criteria and none of the exclusion criteria must apply to the applicant;
- The funding may only be used for activities outlined in the project plan and relevant to reach the project's objectives and cannot be used for pure basic research activities;
- EIT Urban Mobility reserves the right to make reasonable amendments to these Terms and Conditions. Amendments and additions to these Terms and Conditions shall be valid if communicated in writing on the EIT Urban Mobility website or otherwise made available to the applicants;
- These Terms and Conditions are governed by the laws of Spain. Any disagreement or dispute which may arise in connection with these Terms and Conditions which cannot be settled amicably will be brought before the courts of the City of Barcelona, Spain

To the maximum extent permitted by law, under no circumstances and under no legal theory whether in tort (including negligence) contract or otherwise shall EIT Urban Mobility and the EIT Urban Mobility partners involved in this activity be liable for any special indirect, punitive, incidental or consequential damages, including loss of profit.