



EIT URBAN MOBILITY

GRANT FOR EQUITY INVESTMENT 2021

TERMS & CONDITIONS

EIT Urban Mobility - Mobility for More Liveable Urban Spaces

EIT Urban Mobility

eiturbanmobility.eu



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TERMS AND CONDITIONS

This document outlines the principal terms and conditions with respect to the EIT Urban Mobility (hereinafter EITUM) Grant for Equity Investment, and the selection criteria identified.

This document contains, non-exhaustively, the principal terms and conditions of the EITUM Grant for Equity Investment, and is not intended to constitute a binding document.

The obligation of the signing parties to implement the EITUM Grant for Equity Investment 2021 is subject to the condition's precedent set forth below.

LIST OF ABBREVIATIONS

EITUM	EIT KIC URBAN MOBILITY, S.L., the legal entity under Spanish law, with registered office at Carrer de Pere IV 362, 08019 Barcelona, Spain.
Applicant	Companies' legal representative(s) e.g., founders selected in the evaluation process who are eligible for funding in the EITUM Grant for Equity Investment 2021, as well as additional team members, advisors or similar to the extent accepted by EITUM.
Individual	Any person, resident of the European Union or country associated to the Horizon 2020 programme at the moment of application, who applies for the EITUM Grant for Equity Investment.
Term-Sheet	Non-binding agreement that sets out the basic terms and conditions under which an investment will be made. A term sheet allows the parties to reach agreement on the major deal points in advance of drafting the definitive investment documentation.
Sub-granting Agreement	Indirect financial contribution from EITUM to a sub-grant beneficiary for an action intended helping to achieve an objective of the EITUM grant contract. In other words, it is a payment of a non-commercial nature to implement an investment/ project plan activity by sub-granting for an operation whose immediate objective is non-commercial. Under no circumstances may the grant give rise to profits, restricted to the amount required to balance income and expenditure for the action.



Shareholders Agreement	<p>A shareholders' agreement is a private contract subscribed voluntarily between all shareholders of a company with the aim of regulating their relationships, rights and obligations, as well as the daily operations of the company.</p> <p>This agreement can provide direction for the possible challenges faced by a growing venture, such as the selling of shares, incorporation of new investors, founders disputes, etc., and formalizes processes to follow when a shareholder leaves the company or new investors buy-in.</p>
Equity Investment	<p>Equity Investment is generally the issue of new shares in exchange for a cash investment. Your company receives the money it needs and the investor will own a share in your company. This means EITUM will benefit from the success of your business.</p> <p>An equity investment is a method for companies to raise capital. The portion of the share will depend on the investment amount and the company's valuation at the time of the investment. Investors make returns proportionate to their amount of equity in the company.</p> <p>Companies financed by equity investments raise capital under no obligation to repay.¹</p>
Equity	<p>Equity represents the percentage of ownership in a company. For investors, this means the percentage of the company's shares that a company is willing to sell to investors for a specific amount of capital.</p>
Shareholder	<p>Any natural or legal person who buy shares are referred to as shareholders, because they have received equity in the company.</p>
Grant Contribution	<p>An EITUM funding limit for grants of €60,000 per calendar year, per start-up, applies across all EIT programmes (except for COVID-19 Crisis Response Call).</p> <p>Applicants may not request more than €60,000 in EIT grant funding. Those companies who have already received grants from EIT should deduct the amount received from the €60,000 cap, i.e., if Applicant has received a grant of €15,000, the maximum EITUM Grant for Equity Investment 2021 an Applicant can apply for is €45,000.</p>
Grant for Equity Investment	<p>EITUM Grant for Equity Investment consists of an equity investment of up to €60,000 in exchange for equity to the latest verifiable valuation.²</p>

¹ Subject to financial reporting guidelines, as described in Appendix I.

² If the company does not include a recent (<1 year) verifiable valuation, EITUM will use generally accepted companies' valuation methods to determine the current valuation.



	<p>EITUM will purchase shares at a nominal share price in the company. The number of shares will be agreed by EITUM and the Applicant as a result of the agreement of the Applicant company's valuation and the percentage of equity to be subscribed/ purchased by EITUM.</p> <p>EITUM will source the funds through the Sub-granting Agreement. The list containing the cost categories/ investment plan eligible for sub-grants under this EITUM Grant for Equity Investment is to be included by the Applicant together with the submission of this application.</p> <p>The Sub-granting Agreement will be granted to applicants which are successfully evaluated and selected for investment for the EITUM Grant for Equity Investment.</p>
Eligibility	<p>In addition to the general eligibility criteria in the call text, to meet the exceptional scope of the EITUM's Grant for Equity initiative, Applicants should:</p> <ul style="list-style-type: none"> • Give out company's shares in exchange of the investment received, based on the company's valuation and investment amount agreed by EITUM and the Applicant. • Agree to define the key project milestones to be achieved and agree to commit to achieving these milestones. • Ensure rapid implementation and the use of the allocated budget by the end of 2022. A final cost report of the sub granting agreement shall be submitted. • Contribute to any of the EITUM's challenges defined in the call text for the 'EIT Community Booster' • Agree to participate in EITUM collective dissemination and communication plans.
Duration	<p>EITUM commits to validate the accountability of costs included in the investment/ project plan from the official selection date of the companies, until December 31st 2022.</p>



ANNEX I | FINANCIAL REPORTING TEMPLATE

SUB-GRANT AGREEMENT REFERENCE
DATE OF SIGNATURE:
TOTAL AMOUNT OF SUB GRANT

TASKS	COSTS
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Personnel	
1.1 Task description	
1.2 Task description	
1.3 Task description	
1.4 Task description	
	0

Expert Services	
1.1 Task description	
1.2 Task description	
1.3 Task description	
1.4 Task description	
	0

Other Direct Costs (travel, goods and services)	
1.1 Task description	
1.2 Task description	
1.3 Task description	
1.4 Task description	
	0

Evidence Required

<ul style="list-style-type: none"> - Payslips - Proof of payment - Fully signed employment contracts - Fully authorized timesheets
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<ul style="list-style-type: none"> - Invoice - Proof of payment - Fully signed contracts <ul style="list-style-type: none"> - Evidence contract delivered, e.g., report, presentation by supplier, and that it relates to the project - Supporting procurement documentation to ensure transparency and cost effectiveness in the supplier choice
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<ul style="list-style-type: none"> - Invoice/Receipts - Proof of payment <ul style="list-style-type: none"> - Evidence that the goods or services relates to project or travel took place and related to the project - Travel may also be reviewed against timesheets - Supporting procurement documentation (goods or services)
