

REGULATIONS FOR ENROLMENT AND ACCELERATION PROGRAMME " S5 - 5G TECHNOLOGY ACCELERATOR " ¹

The Regulations define the rules for submitting, examining and accepting applications as part of recruitment to "S5 - 5G Technology Accelerator" and the rules of the acceleration Programme implemented by the Lodz Special Economic Zone (Łódzka Specjalna Strefa Ekonomiczna S.A.)

I. DEFINITIONS

Application – an application form, to be filled in by the Applicant and sent by electronic means of communication, accompanied by the Business Plan, available at www.startupspark.io and www.sse.lodz.pl, to be submitted with required appendices and declarations by the Applicant;

Applicant – an entity which has submitted the Application;

Beneficiary – the Applicant which has entered into the acceleration contract with the ŁSSE;

Business Plan – a part of the Application encompassing description of the Project and presenting information concerning the Innovation, the Team, the Competitiveness, the Business Model and the Budget that takes into account development goals for the project (milestones and envisaged costs) to be prepared by the Applicant, in line with the template included in Appendix 1 to the Regulations;

COP - Entrepreneur Service Centre in Łódź - Intermediate Institution in implementing the Regional Operational Program of the Łódź Voivodeship (IP RPO) for the period 2014-2020;

Expert – a person acting on behalf of ŁSSE, offering mentoring and consultation within the Programme framework regarding development of the Project, providing support for the Beneficiary with respect to technological competences and team building, development of technological competitive advantages, acquisition of funds, PR, marketing and company's image etc.;

Individual Acceleration Plan – the Beneficiary's action plan related to the implementation of the Project within the Programme, compliant with the Budget submitted by the Beneficiary and approved by ŁSSE;

Milestone – a planned, measurable and observable project phase that has to be completed by the Beneficiary in order to achieve the goals set out at the incubation and main acceleration stages;

Recruitment Committee – the Committee comprising ŁSSE representatives, unbiased and unrelated, both personally and in terms of equity, to the Applicant, appointed by ŁSSE and/or persons indicated by ŁSSE that evaluate submitted Applications;

ŁSSE – Łódzka Specjalna Strefa Ekonomiczna S.A., with its registered office in Łódź (90-349), under the following address: ul. Ks. Biskupa Wincentego Tymienieckiego 22G, entered into the National Court Register under the number 0000014128, operating the project named "Acceleration Models in Technological Innovations" (Polish: *Modele Akceleracyjne w innowacjach technologicznych*) for the purposes of the Program named "S5 - 5G Technology Accelerator" (Polish: *S5 - Akcelerator Technologii 5G*).

SME – an entity which is a micro, small and medium-sized enterprise within the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises and the definition included in Appendix I to Regulation 651/2014;

Aid – *de minimis* aid within the meaning of Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (EU OJ L 352/1 dated 24/12/2013) awarded under the Programme to the Beneficiary in the form of a grant and the value of expert services supporting the development of Beneficiary's Project, provided on behalf of ŁSSE;

¹ The primary language of the Regulations for Enrollment and Acceleration Programme "S5 - 5G technology Accelerator" and its Appendixes is the Polish language. The interpretation of all terms used in the Regulations and Appendixes will be made according to the Polish language. Any translations of the Regulations and its Appendixes into other languages are only of an auxiliary nature, and the version prepared in the Polish language will in all cases have priority over other versions.

Programme – the Acceleration Programme “S5 - 5G Technology Accelerator”, with duration up to 12 months, made up of 2 stages:

- Stage I: Incubation, with duration up to 3 months (hereinafter referred to as the Incubation);
- Stage II: Main Acceleration, with duration up to 9 months (hereinafter referred to as the Main Acceleration);

Project – an innovative solution, making significant use of the 5G technology, which the Beneficiary is planning to develop in the Programme. The Project submitted by the Applicant to the Programme has to be aligned with at least one Regional Smart Specialization in the Łódzkie Voivodeship which are indicated in Appendix 4 to the Regulations.

5G Technology – 5G Technology and 5G Ready technology including solutions using the 5G Non-Standalone architecture.

Acceleration Agreement – the agreement entered into by and between ŁSSE and the Beneficiary of the Project selected by ŁSSE to be conferred with a grant for the incubation period, and the agreement entered into by and between ŁSSE and the Beneficiary of the Project selected by ŁSSE to be conferred with a grant for the Main Acceleration period.

Project Validation – a confirmation, provided in a manner correctly documented and in accordance with the programme objectives, that actions included in the Main Acceleration stage resulted in the achievement of projected effects under conditions similar to real ones, in accordance with the objectives of the Individual Acceleration Plan.

II. INTRODUCTION

1. The Programme is operated as a part of the Priority Axis II: Innovative and competitive economy of the Regional Operation Programme for Łódzkie Voivodeship 2014-2020, Action II.1. Business Environment, Sub-action II.1.2: Professionalisation of business services.
2. The Programme aims to achieve positive validation and readiness for business commercialization of projects dedicated to 5G technology in enterprises.
3. The Programme lasts for up to 12 months, and is comprised of two stages:
Stage I – Incubation (duration up to 3 months), **April - June 2020**, for 40 Beneficiaries; and
Stage II – Main Acceleration (duration up to 9 months), **July 2020 - March 2021**, for 20 Beneficiaries selected from Beneficiaries participating in Stage I (Incubation) upon completion of the enrolment process in the manner provided for in the Regulations.
4. Under the Programme, the Beneficiaries will be granted Aid, including financial and expert support for the purpose of enhancement of the Beneficiary's business and technological potential for the achievement of desired outcome in the form of positive validation of the Projects and their readiness for commercialization.
5. Participation in the acceleration programme is free of charge.

III. ENTITIES ENTITLED TO APPLY FOR AID TO BE PROVIDED UNDER PROGRAMME

1. Participation in the Programme is permitted for any entity which, on the day the Application is submitted, meets the following conditions:
 - 1.1.
 - a. it is a micro, small or medium-sized enterprise within the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises and the definition included in Annex I to Regulation 651/2014 and is at an early stage of development (i.e. no more than 22 months have elapsed since the registration date) and on the day of submitting the Application it conducts economic activity (confirmed by an entry in the relevant register) in the territory of Łódzkie Voivodeship
or

- b. a micro, small or medium-sized enterprise within the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises and the definition included in Annex I to Regulation 651/2014 and is at an early stage of development (i.e. no more than 22 months have elapsed since the registration date) and in the event of being given a recommendation to participate in the Programme from the Recruitment Committee, it declares that it will conduct economic activity in the territory of Łódzkie Voivodeship (confirmed by an entry in the relevant register), which will start within 14 days of receiving the recommendation, otherwise subject to expulsion from the Programme;
or
 - c. is a natural person who, in the event of being given a recommendation to participate in the Programme from the Recruitment Committee, declares to run economic activity in the territory of Łódzkie Voivodeship (confirmed by an entry in the relevant register) registered within 14 days from the date of receiving the recommendation, otherwise subject to expulsion from the Programme;
 - 1.2. it holds an exclusive right to the submitted Project which the Applicant wants to develop in the Programme and is entitled to dispose of the full rights to the submitted Project in its own name, and the Project or its elements are free from any legal encumbrances, collaterals or any claims of a third party, are not encumbered with any rights in rem or obligations towards third parties, are neither seized in enforcement proceedings nor subject to any obligation to dispose of them or encumber them with any rights in rem or obligations in whole or in part with respect to the Project, nor are there any preliminary agreements or bids made to third parties in this respect;
 - 1.3. it does not operate any economic activity included in the list of economic activities excluded from the entitlement to be provided with *de minimis* aid according to the contest documentation for the Regional Operational Programme for Łódzkie Voivodeship, Action 2.1.2. (contest No RPLD.02.01.02-10-0134/19);
 - 1.4. it has not exceeded the ceilings of *de minimis* aid as defined in Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid;
 - 1.5. it is by no means related, personally or in terms of equity, to ŁSSE in a manner including: participation in the company as the company's shareholder; possession of no less than 5% of shares or stock; holding a position of the member of the supervisory or management board, a proxy, an attorney of the company; being in such legal or factual relation which may raise reasonable doubts with respect to impartiality in selection of the Applicant, in particular, a marriage, direct kinship or affinity, secondary kinship or affinity of the second degree, adoption, guardianship or care, or being in an employment relationship with ŁSSE within the period of 3 years from the date the Application has been submitted.
 2. Aid granted within the Programme cannot be provided to any entity belonging to sectors excluded from the possibility of obtaining co-financing (primary production of agricultural products, fisheries and aquaculture, export activity) and sectors with restrictions (road transport of goods) referred to in Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid as well as to any entity subject to exclusion pursuant to any other universally applicable regulations, in particular:
 - 2.1 Article 35 section 4 of the Act dated 11 July 2014 on the rules of implementing cohesion policy programmes financed under the 2014-2020 financial perspective (Journal of Laws of year 2014, item 1146);
 - 2.2 Article 207 of the Act on public finances of 27 August 2009 (Journal of Laws No 157 of 2009, item 1240);
 - 2.3 Article 12 section 1 item 1 of the Act of 15 June 2012 on the results of employing third-country nationals staying in the Republic of Poland illegally (Journal of Laws, item 769) or Article 9 section 1 item 2a of the Act of 28 October 2002 regarding the responsibility and liability of entities for the

- wrongdoing under the threat of penalty (Journal of Laws of 2015, item 1212, as subsequently amended);
- 2.4 Article 3(3) of Regulation (EU) No 1301/2013 of the European Parliament and of the Council
3. Furthermore, aid provided for the Project cannot be granted to any entity:
- 3.1. that is encumbered with an obligation to repay aid as a result of the decision of the European Commission deeming aid granted by the same Member State unlawful and non-compliant with the internal market in the meaning of Article 107 of the Treaty on the Functioning of the European Union;
 - 3.2. that has raised a reasonable doubt with respect to exercising the rights to dispose of the Project included in the Application or such rights are subject to a dispute, a security or a claim of any third entity;
 - 3.3. that has impending bankruptcy application or application for opening of the reorganisation proceedings or that is in liquidation or is subject to any legal proceedings of similar nature;
 - 3.4. that has received funding for the same Project which is to be a subject matter of the acceleration agreement or has received any other aid from public funds for the same Project with respect to expenses envisaged in the Programme (double funding prohibition for the same expenses and services).
 - 3.5. whose Project, submitted by the Application, is not aligned with at least one of the topical categories of the Regional Smart Specialisations in the Łódzkie Voivodeship, indicated in Appendix 4 to the Regulations herein.
4. The aid cannot be granted for any economic activity related to
- 4.1. manufacturing, processing or marketing of tobacco and tobacco products;
 - 4.2. production or marketing of alcoholic beverages;
 - 4.3. production or marketing of pornographic content;
 - 4.4. trading of explosives, arms or ammunition;
 - 4.5. gambling and betting, gambling machines and low stake gambling machines;
 - 4.6. production or marketing of intoxicants, psychotropic substances or drug precursors.

IV. APPLICATION PROCEDURE

1. Stage I (Incubation)
- 1.1 In order to apply to the Programme the Applicant has to fill in and send an application form, in electronic form, together with the Business Plan and appendices available at www.startupspark.io and www.sse.lodz.pl, agree to the Regulations for Enrolment and Acceleration Programme "S5 - 5G Technology Accelerator" and submit required declarations.
 - 1.2 The Beneficiary shall be selected upon consideration of the Applications submitted.
 - 1.3 The Application should be prepared and submitted in Polish. ŁSSE allows for the Application to be submitted in English, provided that the Applicant may be requested to provide relevant translation at the Applicant's cost.
 - 1.4 The deadline for submission of applications is **February 23, 2020**.
 - 1.5 The Application has to include the following:
 - a. a filled in form (the template of which is included in Appendix 1 to the Regulations);
 - b. the Applicant's declaration (pursuant to the template in Appendix 1 to the Regulations);
 - c. the Business Plan as prepared by the Applicant (in line with the template specified in Appendix 1 to the Regulations);
 - d. in case of entrepreneurs, a declaration, filled in and signed by the Applicant, stating the amount of *de minimis* aid received in the year the Applicant pursues aid, and in two previous years, alternatively, a declaration confirming no such aid is granted in this period (the template of which is included in Appendix 3 to the Regulations);
 - 1.6 Recruitment to the Programme's Stage I: Incubation comprises of four steps:
 - **Step 1 (until February 28, 2020):** evaluation of the Application against formal criteria (eligibility condition)

- **Step 2 (until February 28, 2020)** evaluation of the Application against the “Innovative Qualities” substantive criterion (eligibility condition)
 - **Step 3 (until March 6, 2020)** evaluation of the Application against the other substantive criteria
 - **Step 4 (until March 20, 2020)** meeting (questions and answers session, preceded by a short presentation on the project to be performed by the Applicant)
- 1.6.1. The dates specified in section IV.1.6 may be subject to change.

1.7 Eligibility criteria

1.7.1. Step 1 Formal criteria

1.7.1.1. Compliance with the formal criteria is verified, i.e.:

- a) the Applicant’s compliance with the requirements referred to in Section III of the Regulations - Entities entitled to apply for aid provided under the Programme; and
- b) completeness of the Application, i.e. whether all documents referred to in Section IV.1.5. of the Regulations have been submitted.

1.7.1.2. The Recruitment Committee may notify the Applicant by long distance communication means (electronic communication) and specify a deadline for correction of any deficiencies in the Application, in particular, to provide any missing documents confirming compliance with formal criteria.

1.7.1.3. The Applications shall be evaluated on the “compliant / not compliant” basis. The Applications which do not comply with formal criteria and are not duly corrected despite notification shall be rejected. The Applicant shall be notified of their non-compliance with formal criteria within 21 days from the date the Application is submitted or the date the deficiencies are corrected.

1.7.1.4. The Applications which comply with formal criteria shall be evaluated against further criteria.

1.7.2. Step 2: Innovation Qualities criterion

1.7.2.1. Evaluation of submitted Business Plan with respect to its fitness for purpose and potential use of submitted Project in the field of the 5G Technology. This criterion decides whether the Application is further considered. Failure to gain 3 points (calculated as an arithmetical average of final scores awarded by individual members of the Recruitment Committee in accordance with Appendix 2) results in the rejection of the Application and abandonment of its further consideration.

1.7.2.2. The Recruitment Committee may notify the Applicant by long distance communication means (electronic communication) and specify a deadline for correction of any deficiencies in the Application, in particular, to provide any missing documents confirming compliance with the “Innovative Qualities” criterion.

1.8. Step 3 Substantive criteria

1.8.1. The criteria taken into account for evaluation of the Business Plan submitted:

- a) Team;
- b) Competitiveness;
- c) Business Model;
- d) Budget;

1.8.2. Description of the criteria, scoring regulations and score meaning is provided in Appendix 2.

1.8.3. The Recruitment Committee may instruct the Applicant to alter the submitted Budget. The Budget’s final structure shall then be determined upon negotiations with the Applicant and subsequent approval by the Recruitment Committee.

1.8.4. The Applicant with the highest average score, amounting to no less than 8 points (calculated as an arithmetical average of final scores awarded by individual members of the Recruitment Committee with due consideration of all substantive criteria, i.e. Innovation Qualities, Team, Competitiveness, Business Model and Budget) shall be qualified to Step 4, and subsequently invited to meet the Recruitment Committee.

1.9. Step 4: Meeting

1.9.1. ŁSSE has not determined the upper threshold of the number of the Applicants that will be considered eligible to meet the Recruitment Committee.

- 1.9.2. As a part of such meeting, with duration up to 30 minutes, the Applicant shall deliver (with optional use of visual aid) a presentation of its Project, followed by a question and answer session, with the questions raised by the Recruitment Committee to clarify potential doubts related to the submitted Project.
- 1.9.3. Within 7 business days from such meeting, the Recruitment Committee is allowed to ask the Applicant to present additional materials and information within identified deadline.
- 1.9.4. The Recruitment Committee shall decide whether the Project submitted by the Applicant is qualified to the Programme's Stage I (Incubation).
- 1.10. Each Applicant shall be notified of the recruitment results by long distance communication means (electronic communication) within 7 days from the date the list of the Applicants qualified for participation in the Programme is made.
- 1.11. The Applicants referred to in Section III. 1.1.a. of the Regulations, qualified for participation in the Programme, shall be requested to deliver a filled in SME declaration and an informational form providing details necessary for pursuit of *de minimis* aid within 7 days from the date the notification on being qualified to the Programme referred to in Section 1.10. above is delivered by ŁSSE.
- 1.12. The Applicants referred to in Section III. 1.1.b. of the Regulations, qualified for participation in the Programme, shall be requested to register a business within the territory of the Łódzkie Voivodeship and to provide the Committee with the certificate of the aforementioned entry to relevant business register, confirming that such business is being operated within the territory of the Łódzkie Voivodeship, within 14 days from the date the notification referred to in Section 1.10. above is delivered, or to confirm that the application for such entry has been submitted, and to deliver a filled in SME declaration and an informational form providing details necessary for pursuit of *de minimis* aid within 7 days from the date the notification referred to above is delivered by ŁSSE. In particularly justified cases, ŁSSE provides for an option to extend the business registration deadline.
- 1.13. The Applicants referred to in Section III.1.1.c. of the Regulations, qualified for participation in the Programme, shall be requested to register a business within the territory of the Łódzkie Voivodeship and to provide the Committee with the certificate of the aforementioned entry to relevant business register, confirming that such business is being operated within the territory of the Łódzkie Voivodeship, within 14 days from the date the notification referred to in Section 1.10. above is delivered, or to confirm that the application referred to above has been submitted, and to deliver a filled in SME declaration and an informational form providing details necessary for pursuit of *de minimis* aid. In particularly justified cases, ŁSSE provides for an option to extend the business registration deadline.
- 1.14. ŁSSE reserves the right to establish a backup list for the Applicants to be used if any of the Applicants already qualified for participation in the Incubation rescinds from entering into the acceleration agreement or if there are any premises preventing the qualified Applicant considered eligible from entering into the acceleration agreement.
- 1.15. Any of the Applicants can receive information about its score, achieved in the recruitment process, and its justification. No appeal procedure for the Recruitment Committee's decision is provided for.
- 1.16. The Beneficiaries, participating in the Programme's Stage I (Incubation), that have not breached any provisions of the acceleration agreement, shall be allowed to pursue qualification to the Programme's Stage II (Main Acceleration).
- 1.16.1. The Stage I Beneficiary shall once more send the Application Form together with the Business Plan and required appendices and declarations and shall comply with formal requirements set out in Appendix 2.

2. Stage II (Main Acceleration)

- 2.1. In Stage II, the Recruitment Committee evaluates submitted Applications against the following criteria:
- Innovation Qualities** (fitness for purpose and in-depth potential for the project to be submitted with respect to the 5G technology)
 - Team**
 - Competitiveness**
 - Business Model**

- e) **Budget** (evaluation of indicated development goals – milestones, envisaged costs)
f) **Actions taken by the Applicant at the Programme's Stage I (Incubation)**

2.1.1. The Recruitment Committee may instruct the Applicant to alter the submitted Budget. The Budget's final structure shall then be determined upon negotiations with the Applicant and subsequent approval by the Recruitment Committee and shall thus assume the form of Individual Acceleration Plan.

2.1.2. Description of the criteria, scoring regulations and score meaning is provided in Appendix 2.

2.1.3. 20 Beneficiaries that have achieved the highest scores shall be qualified for the Stage II (Main Acceleration). In case more than one Applicant achieves identical score, the first deciding criterion shall be the score for the Innovative Qualities, and the second one shall be the score for the Budget.

2.1.4. Any of the Applicants, participating in the Programme's Stage II recruitment process can receive information regarding its score and its justification. No appeal procedure for the Recruitment Committee's decision shall be provided for.

2.1.5. The Applicant shall be notified by long distance communication means (electronic communication), i.e. by e-mail, of the process results, within 21 business days from the date the recruitment process is complete.

2.1.6. ŁSSE reserves the right to establish a backup list for the Applicants to be used if any of the Applicants already qualified for participation in the Stage II rescinds from entering into the acceleration agreement or if there are any premises preventing the Applicant deemed eligible from entering into the acceleration agreement.

2.1.7. In order to ensure equal availability, the Stage I and the Stage II recruitment process may be performed remotely with application of online tools (Skype, Google Hangouts etc.).

V. ELIGIBLE EXPENSES

1. To have the expenses considered eligible, the expenses of the Beneficiaries, both at the Incubation stage and the Main Acceleration stage, have to be strictly related to development of the Project in the field of the 5G technology. Eligible expenses have to include a purchase of knowledge transfer services related to the 5G technology:
 - at the incubation stage, the Beneficiary will purchase 5G technology knowledge transfer services from the granted financial aid from the Contractor selected by ŁSSE, pursuant to section VII.5 of the Regulations.
 - at the main acceleration stage, the Beneficiary will purchase from the granted financial aid services in the field of 5G technology knowledge transfer from the contractor selected by ŁSSE pursuant to section VII.5 of the Regulations.
2. Assessment of such expenses' eligibility shall be performed at the following stages: evaluation of the project application, performance of the Project, and upon completion of the Project. At the stage of the project evaluation, potential eligibility of the expenses included in the application shall be assessed. Approval of Project and entering into the acceleration agreement with the Beneficiary does not mean all expenses included in the Individual Acceleration Plan and presented by the Beneficiary for clearance during implementation of the Project will be eligible.
3. The assessment of the expenses' eligibility, comprising analysis of their compliance with applicable regulations, shall be performed by ŁSSE, IP RPO or other entitled bodies during implementation of the Project as well as upon its completion - at the stage of evaluation of submitted requests for payment, and at the project verification stage.
4. Any expenses related to preparation of the Application shall not be eligible expenses.
5. The Value Added Tax shall not be eligible expense.
6. The Beneficiaries should ensure that expenditure of financial means provided by co-funding is performed reasonably and effectively, with all efforts directed at achieving the best possible results from given resources. To comply with the requirement above, the Beneficiaries shall be obliged to perform and document market research procedures for each (excluding expenses related to the transfer of

knowledge in the field of 5G technology). Such activity shall include archiving all documentation collected during such research, in the amount of no less than two pricelists or two quotations or two website print-outs, with identified goods/services and their prices.

VI. AWARDING AID AND PAYMENT OF GRANTS

1. Stage I: Incubation

- 1.1. Maximum amount of aid to be awarded to the Beneficiary as a part of the co-funding at the Programme's Stage I shall not exceed PLN 50,000 net (fifty thousand PLN, 00/100) without VAT taxation and has to be used among others to purchase a knowledge transfer related to the 5G technology from the contractor selected by way of an appropriate procedure provided for by law by the ŁSSE acting on behalf of and for the benefit of all Beneficiaries on the basis of the agreement on the creation of the purchasing group pursuant to section VII.5. of the Regulations. The amount of the expert support to be provided on behalf of ŁSSE at the Incubation stage shall be up to PLN 1650 (one thousand six hundred fifty PLN, 00/100)
- 1.2. The amount of aid shall be agreed upon with the Beneficiary through negotiations and subject to approval of the Budget by ŁSSE, and subsequently identified in the Individual Acceleration Plan, and depends on, including but not limited to, the *de minimis* aid ceiling available on the date the acceleration agreement with relevant Beneficiary is entered into on. The entire amount of aid awarded at the Incubation stage shall be paid in advance, based on the request for payment.
- 1.3. Any aid awarded to the Beneficiary within the Programme shall be subject to verification, based on actual expenses incurred by the Beneficiary, set out in the expense list, submitted together with the declaration confirming that such expense list is true and complete. The expense list should identify technical or quality parameters for all goods or services funded. ŁSSE shall evaluate correct use of provided funds, based on compatibility of the expenses shown in such list with the expenses included in the Individual Acceleration Plan.
- 1.4. The Beneficiary shall, together with the expense list referred to in the previous clause, provide ŁSSE with a report on actions specified in the Individual Acceleration Plan. Such report shall be subject to approval by ŁSSE. Failure to comply with the obligation referred to above may entail exclusion from further participation in the Programme and the obligation to repay the entire amount of Aid awarded together with interest in the amount specified as for tax arrears.
- 1.5. The Beneficiary shall, by all means, collect, store and label all documents, including accounting documents, invoices, VAT invoices, sales agreements, and any other documents where all incurred expenses are recorded. Each document confirming the expenses incurred shall be identified with the following notice: "The expense co-funded by European funds provided by the acceleration programme titled S5 - 5G Technology Accelerator".
- 1.6. ŁSSE shall be entitled to monitor the expenses actually incurred by the Beneficiary.
- 1.7. The amount of aid not used by the Beneficiary shall be subject to repayment according to the provisions of the Acceleration Agreement.

2. Stage II: Main Acceleration

- 2.1. Maximum amount of aid to be awarded to the Beneficiary as a part of the co-funding at the Programme's Stage I shall not exceed PLN 550,000 net (five hundred and fifty thousand PLN, 00/100), excluding the VAT taxation and has to be used among others to purchase a knowledge transfer related to the 5G technology from the contractor selected by way of an appropriate procedure provided for by law by the ŁSSE acting on behalf of and for the benefit of all Beneficiaries on the basis of the agreement on the creation of the purchasing group pursuant to section VII.5. of the Regulations. The amount of the expert support to be provided on behalf of ŁSSE at the Main Acceleration stage shall be up to PLN 9850 (nine thousand eight hundred fifty PLN 00/100).
- 2.2. The amount of aid shall be agreed upon with the Beneficiary through negotiations and subject to approval of the Budget by ŁSSE, and subsequently identified in the Individual Acceleration Plan, and

- depends on, including but not limited to, the *de minimis* aid ceiling available on the date the acceleration agreement with relevant Beneficiary is entered into on.
- 2.3 The grant shall be paid in three instalments, corresponding to three milestones to be completed. The instalments shall be appropriate parts of the amount of co-funding, and their amounts shall not exceed:
- in case of the Milestone I - up to 45% of the grant awarded;
 - in case of the Milestone II - up to 65% of the remaining part of the grant provided (reduced by the amount already paid for the Milestone I);
 - in case of the Milestone III, the remaining part of the aid awarded shall be paid (i.e. the remaining amount of aid, reduced by the amounts already paid for the Milestone I and the Milestone II).
- 2.4 Detailed time schedule for the grant payment shall be agreed upon with each Beneficiary and specified in the acceleration agreement. In particularly justified cases, the grant limits, referred to in Clause 2.3. above, shall be abolished.
- 2.5 In case the amount paid for specific milestone is not used in its entirety, the amount to be paid in the following milestone shall be reduced by the surplus generated at the previous milestone.
- 2.6 The grant instalments shall be paid on the following deadlines:
- The amount awarded for the Milestone I shall be paid in advance, under a request for payment, within 10 business days from the date the request for payment is approved.
 - The amounts awarded for the Milestones II and III shall be paid in advance, once the previous milestone (Milestone I or Milestone II, respectively) is successfully completed, upon evaluation of such milestone based on the documentation submitted jointly with such request for payment and the report on completion of actions specified in the Individual Acceleration Plan, within 10 business days from the date the request for payment and such report is approved by ŁSSE.
- 2.7 Payment of the following instalments shall depend on completion of each of the three milestones by the Beneficiary, as set out in the Individual Acceleration Plan. Failure to successfully complete any milestone rules out payment of another grant instalment and entails the obligation to repay the grant awarded.
- 2.8 In specific cases, such as where any milestone is not completed due to causes beyond control of the Beneficiary and despite exercising all due diligence and complying with the goals of the Individual Acceleration Plan, ŁSSE may, upon approval of COP, rescind from the request to repay the amount of co-funding already paid to the Beneficiary. The Beneficiary should notify ŁSSE on its inability to complete any milestone in advance, identifying all efforts intended to ensure correct completion of the project.
- 2.9 Any aid awarded to the Beneficiary within the Programme shall be subject to verification upon completion of each milestone, based on actual expenses incurred by the Beneficiary, set out in the expense list, submitted together with the declaration confirming that such expense list is true and complete. The expense list should identify technical or quality parameters for all goods or services co-funded. ŁSSE shall evaluate correct use of the grant provided, based on compatibility of the expenses shown in such list with the expenses included in the Individual Acceleration Plan.
- 2.10 The Beneficiary shall, together with the expense list referred to in the previous clause, provide ŁSSE with a report on actions specified for the milestone currently being settle in the Individual Acceleration Plan. Such report shall be subject to approval by ŁSSE. Failure to comply with the obligation referred to above may entail exclusion from further participation in the Programme and the obligation to repay the entire amount of Aid awarded together with interest in the amount specified as for tax arrears..
- 2.11 The Beneficiary shall, by all means, collect, store and label all documents, including accounting documents, invoices, VAT invoices, sales agreements, and any other documents where all incurred expenses are recorded
- 2.12 ŁSSE shall be entitled to monitor the expenses actually incurred by the Beneficiary.
- 2.13 The amount of aid not used by the Beneficiary shall be subject to repayment according to the provisions of the Acceleration Agreement.
- 2.14 Any alteration in the Individual Acceleration Plan related to:

- a) scheduled completion date for each milestone;
 - b) any reallocation/change in the budget, the name and/or the target value of one or more indicators specific for certain milestone shall only be possible once during performance of each milestone, provided that any such alteration is completed before the deadline of relevant milestone set out in the Individual Acceleration Plan.
- 2.15 Any alteration in the Individual Acceleration Plan referred to above:
- a) shall be made in writing, upon previous approval by ŁSSE. In case such alteration is significant, ŁSSE shall notify the Beneficiary that it is necessary to provide a relevant annex to the agreement;
 - b) shall neither infringe the programme terms and conditions set out in the contest documentation, namely Regional Operational Programme for Łódzkie Voivodeship, Action 2.1.2., nor the provisions of the Regulations herein, including the Programme time schedule..
- 2.16 In justified cases, the Individual Acceleration Plan may be temporarily stopped once, for no more than 1 month, which means the actions described in the Individual Acceleration Plan are stopped and the Programme completion deadline is deferred. In specific cases, such deadline may be extended.

VII. THE INCUBATION STAGE AND THE MAIN ACCELERATION STAGE

1. Within the Programme's Stage I (Incubation), the Beneficiary shall be awarded with aid in two major areas: the expert support and the financial support (the grant) in order to enhance technological and business potential of the Beneficiary, and to ready the Beneficiary for participation in further course of the Programme, i.e. the Main Acceleration stage.
2. Within the Programme's Stage II (Main Acceleration), the Beneficiary shall be awarded with the financial support (the grant) and the expert support, enabling it to develop the Project in a manner rendering the Project's subject matter ready for validation and commercialisation.
3. The Beneficiaries shall be obligated to operate their business in the territory of the Łódzkie Voivodeship in an uninterrupted manner for at least 15 months, starting on the date the aid is awarded, i.e. the date the acceleration agreement for the Incubation stage is entered into, and, for the Beneficiaries awarded with aid for the Stage II, starting on the date the acceleration agreement for the Main Acceleration stage is entered into. It means that, in the required period as set out above, the Beneficiary shall be allowed to neither suspend nor deregister its business and shall not be allowed to move its office outside the territory of the Łódzkie Voivodeship.
4. Under the Programme, the Beneficiary shall be obligated to participate in any events prepared for the Beneficiary, held at ŁSSE office or any indicated place to be notified of at least 5 business days before such an event.
5. Under the Programme, the Beneficiary is obliged to enter into a written agreement with other Beneficiaries on the establishing a purchasing group within the time limit specified by ŁSSE, aimed at selecting an entity providing knowledge transfer services in the field of 5G technology. All Beneficiaries shall grant ŁSSE an authorization to prepare a procedure in order to select an entity to provide knowledge transfer services in the field of 5G technology by way of an appropriate procedure provided for by law, as well as to conduct the procedure by ŁSSE on behalf and for the benefit of the Ordering Party, i.e. Beneficiaries associated in the above-mentioned purchasing group;
6. Under the Programme, the Beneficiary is required to participate in training in the field of 5G technology knowledge transfer, which he will purchase from the awarded aid from a contractor selected in accordance with applicable law by the ŁSSE, acting in line with agreement on the creation of a purchasing group on behalf and for the benefit of all Beneficiaries .

VIII. CONFIDENTIALITY

1. ŁSSE, including the Recruitment Committee, shall not disclose any information related to the description of the project presented by the Applicant, and to ensure data protection for any details related to the project being evaluated from unauthorised access.
2. The Applicant shall not disclose any information related to the recruitment process, excluding any information already available to the public.
3. In addition to the acceleration agreement, the Beneficiary may be requested to enter into a confidentiality agreement with ŁSSE.

IX. PROMOTION

1. The Beneficiary shall give its consent to any use of the Beneficiary's trademark, word mark, figurative mark and word and device mark by ŁSSE for the purpose of marketing or information materials related or pertaining to the Programme.
2. The Beneficiary shall give its consent to any use of the Beneficiary's image in marketing or information materials related or pertaining to the Programme.
3. Specific information and promotion obligations of the Beneficiary shall be specified in the Acceleration Agreement.

X. PROTECTION OF PERSONAL DATA

1. On the basis of the Project co-financing agreement No RPLD.02.01.02-0134/19-00, the Entrepreneur Service Centre in Łódź, being the Intermediate Body in the implementation of the Regional Operational Programme for Łódzkie Voivodeship 2014-2020, has entrusted ŁSSE S.A. with the processing of personal data on behalf of and for the benefit of the Łódzkie Voivodeship Management Board, i.e. the Managing Authority of the Regional Operational Programme for Łódzkie Voivodeship 2014-2020.
2. By performing the obligation imposed on ŁSSE by the aforementioned agreement, ŁSSE hereby wishes to fulfil, on behalf of the Controller and in relation to the data subjects, the information obligations resulting from Articles 12-23 of the GDPR.
3. The Controller of personal data is, respectively:
 - a) The Łódzkie Voivodeship Management Board, located at: Łódź 90-051, al. Piłsudskiego 8, for the collection of personal data and categories of data subjects processed for the purpose of the Regional Operation Programme for Łódzkie Voivodeship 2014-2020;
 - b) A competent Minister for Regional Development, for the collection of personal data processed within the "Central ICT system supporting the implementation of operational programmes".
4. The Data Protection Officer may be contacted:
 - a) with respect to personal data and categories of data subjects processed for the purpose of the Regional Operation Programme for Łódzkie Voivodeship 2014-2020, by sending an electronic mail to iod@lodzkie.pl or by calling 42 663 33 06;
 - b) with respect to personal data processed within the "Central ICT system supporting the implementation of operational programmes", by sending an electronic mail to iod@miir.gov.pl.
5. The basis for personal data processing is:
 - a) Article 6(1)(b) of the GDPR in connection with the implementation of rights and obligations resulting from the agreement for co-financing within the framework of the Regional Operational Programme for Łódzkie Voivodeship 2014-2020 of the implementation of the

- Project entitled "Acceleration Models in Technological Innovation" of 26 June 2019 under the application for Project co-financing No RPLD.02.01.02-10-0134/19;
- b) Article 6(1)(c) of the GDPR in connection with the obligations arising from Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (EU OJ L 347/320 dated 20/12/2013) and the Act of 11 July 2014 on the rules of implementing cohesion policy programmes financed under the 2014-2020 financial perspective with implementing acts,
together with secondary legislation.
6. Personal data shall be processed for the purpose of performance of obligations by Łódzka Specjalna Strefa Ekonomiczna Spółka Akcyjna with its registered office at: Łódź 90-349, ul. Ks. Biskupa Wincentego Tymienieckiego 22 G, resulting from the agreement, signed on 26 June 2019, for co-funding of the Project under the Regional Operational Programme for Łódzkie Voivodeship 2014-2020 signed on 26 June 2019 (service pilot stage implementation);
 7. The recipients/categories of recipients of personal data will be institutions and entities assessing and participating in Project implementation, including those in charge of monitoring, evaluation, control, audit and reporting, as well as performing information and promotion activities and fulfilling archiving obligations;
 8. The data shall not be transferred to a third country or an international organization;
 9. The data shall be stored for a specific period - until the settlement of the Regional Operational Programme for Łódzkie Voivodeship 2014-2020, including the obligation to archive documents, and in accordance with the Regulation of the Prime Minister on office instructions, uniform material lists of files and instructions on the organization and scope of operation of company archives;
 10. Every data subject shall have the following rights:
 - a) right of access to their personal data pursuant to Article 15 of the GDPR and their rectification pursuant to Article 16 of the GDPR;
 - b) right to limit the processing of personal data under the provisions of Article 18 of the GDPR;
 - c) right to delete personal data under the provisions of Article 17 of the GDPR;
 11. Every data subject shall have the right to lodge a complaint with the supervisory authority, i.e. the President of the Office for Personal Data Protection, if they consider that the processing of data violates the provisions of the General Data Protection Regulation (GDPR);
 12. During the processing of personal data there will be no automated decision-making in individual cases nor will there be any profiling;
 13. Providing data is voluntary, but necessary for the implementation of the agreement for co-financing of the Project entitled "Acceleration Models in Technological Innovation" within the Regional Operational Programme for Łódzkie Voivodeship 2014-2020, as well as for the implementation of grant awarding agreements.

XI. FINAL PROVISIONS

1. In case it is necessary to alter the Regulations, ŁSSE provides current version of the Regulations at the following websites: www.see.lodz.pl, www.startupspark.io, providing the starting date of any such alteration.

2. ŁSSE reserves the right to cancel the recruitment process, in particular, in case of introduction of any significant alterations in legal regulations, affecting the recruitment process conditions, or any occurrences of Force Majeure. In such case, the Applicant shall not be allowed to claim any damages.
3. Any matters not regulated by the Regulations herein shall be governed by respective documents prepared for the purpose of the Regional Operational Programme for Łódzkie Voivodeship 2014-2020, Priority Axis II: Innovative and competitive economy, Action II.1. Business Environment as well as any regulations resulting from competent acts of the Community law and Polish law. .
4. The Regulations herein shall enter into force on the date of publication.

APPENDICES:

1. Application Form Templates
2. Evaluation criteria (both formal and substantive) together with score assignment regulations
3. Declaration on *de minimis* aid
4. List of Regional Smart Specializations in the Łódzkie Voivodeship

Published: Łódź, February 12, 2020

List of amendments to the Regulation as of February 12, 2020

III. ENTITIES ENTITLED TO APPLY FOR AID TO BE PROVIDED UNDER PROGRAMME

a. is a natural person not running economic activity who, in the event of being given a recommendation to participate in the Programme from the Recruitment Committee, declares to run economic activity in the territory of Łódzkie Voivodeship (confirmed by an entry in the relevant register) registered within 14 days from the date of receiving the recommendation, otherwise subject to expulsion from the Programme;

has been amended to:

a. is a natural person who, in the event of being given a recommendation to participate in the Programme from the Recruitment Committee, declares to run economic activity in the territory of Łódzkie Voivodeship (confirmed by an entry in the relevant register) registered within 14 days from the date of receiving the recommendation, otherwise subject to expulsion from the Programme;

IV. APPLICATION PROCEDURE

1. Stage I (Incubation)

1.4 The deadline for submission of applications is **February 16, 2020**.

has been amended to:

1.4 The deadline for submission of applications is **February 23, 2020**.

1.6 Recruitment to the Programme's Stage I: Incubation comprises of four steps:

- **Step 1 (until February 21, 2020):** evaluation of the Application against formal criteria (eligibility condition)
- **Step 2 (until February 21, 2020)** evaluation of the Application against the "Innovative Qualities" substantive criterion (eligibility condition)
- **Step 3 (until February 28, 2020)** evaluation of the Application against the other substantive criteria
- **Step 4 (until March 13, 2020)** meeting (questions and answers session, preceded by a short presentation on the project to be performed by the Applicant)

has been amended to:

1.6 Recruitment to the Programme's Stage I: Incubation comprises of four steps:

- **Step 1 (until February 28, 2020):** evaluation of the Application against formal criteria (eligibility condition)
- **Step 2 (until February 28, 2020)** evaluation of the Application against the "Innovative Qualities" substantive criterion (eligibility condition)

- **Step 3 (until March 6, 2020)** evaluation of the Application against the other substantive criteria
- **Step 4 (until March 20, 2020)** meeting (questions and answers session, preceded by a short presentation on the project to be performed by the Applicant)