



Erasmus for Young Entrepreneurs

Agreement for financial support to the New Entrepreneur between the New Entrepreneur and the Intermediary Organisation

Agreement for financial support number: RLT200891

The New Entrepreneur's Intermediary Organisation

Name:	Slovak Business Agency
Registered office:	Karadžičova 7773/2, 811 09 Bratislava – Staré Mesto, Slovak republic
Company Reg. No:	30 845 301
Tax ID:	2020869279
Name of the authorized representative:	Mgr. Martin Holák, PhD., General Director
Name of the bank:	Všeobecná úverová banka, a.s.; skrátený názov: VÚB, a.s.
IBAN:	SK81 0200 0000 0016 9324 1062
BIC:	SUBASKBX

(hereafter referred as the “**NIO**”) of the one part,

and

the New Entrepreneur

Name:	Patrick Obdrzalek
Address:	
Date of birth:	
Tel.:	
E-mail:	

(hereafter referred as the “**NE**”) of the other part,

considering that the NE has been successfully selected by both the NIO and the Host Entrepreneur's Intermediary Organisation (HIO), after agreement of the host entrepreneur Mr Keith Willey, to take part in the European Commission's programme “Erasmus for Young Entrepreneurs”,

HAVE AGREED

the following special conditions and annexes below

- **Annex 1:** “General Conditions applicable to the financial support to the New Entrepreneur selected for a stay abroad with a Host Entrepreneur”
- **Annex 2:** “Erasmus for Young Entrepreneurs Commitment” concerning the relationship number **RLT200891**

which form an integral part of this agreement for financial support.

The terms of the special conditions shall take precedence over those in the annexes.

SPECIAL CONDITIONS

Article 1 - Aim and purpose of the financial support

- 1.1. Erasmus for Young Entrepreneurs aims to facilitate the exchange of experiences, learning and networking for new entrepreneurs in the EU through periods spent at companies of experienced entrepreneurs in other EU Member States.
- 1.2 The purpose of this agreement is to offer financial support to the NE. The support has the function of covering the travel, accommodation and subsistence costs which the NE incurs while staying with the Host Entrepreneur (HE) within the framework of this mobility programme. The NE accepts to take part in the European Commission’s programme Erasmus for Young Entrepreneurs and to comply with all the conditions related to the implementation of this project.

Article 2 – Duration and place

- 2.1. This agreement is valid from the date of the signature by the parties. As this agreement is subject to Slovak law and thus mandatorily disclosed contract pursuant to Section 5a of Act. No. 211/2000 on Free Access to Information (Freedom of Information Act), it shall enter into force the next day upon its disclosure in the Central registry of contracts maintained by the Government Office of the Slovak Republic, which is available on <http://www.crz.gov.sk/>.
- 2.2. The duration of the stay abroad with the HE is from 18. 07. 2019 to 31. 10. 2019. The stay has a total duration of 3.43 (three point fortythree) months.
- 2.3. The stay abroad will take place in city Southampton, country United Kingdom.
- 2.4. The stay abroad must be completed within the eligibility period of the NIO’s grant agreement that the latter has concluded with the Commission in the framework of the programme Erasmus for Young Entrepreneurs.
- 2.5. The minimum duration of the stay abroad of the NE shall be one month and the maximum duration shall be six months.

- 2.6. The NE and the HE may agree that the stay abroad should be completed in one or more periods of one week. NE is paid only for the stay abroad.
- 2.7. The NE is obliged to inform without any delay his/her NIO in case of events or developments that might have any impact on his/her stay or his/her relationship with the HE.

Article 3 - Financial support

- 3.1. The NIO undertakes to pay to the NE a monthly lump sum of € 1000 per month.
- 3.2. This monthly amount is deemed to cover all necessary expenses, such as travel, accommodation and subsistence.
- 3.3. The NIO is entitled to ask the NE for evidence to ensure that the exchange takes place (in particular, but not exclusively, flights including boarding passes, travel tickets, receipts from the restaurants, accommodation agreement etc.).
- 3.4. In case of early termination of the exchange, the financial support will be modified according to the provision of Article 1 of Annex 1.

Article 4 – Payment arrangements

- 4.1. Prior to the start of the stay, the NIO shall do an advance payment to the NE being equivalent to one month of the financial assistance foreseen. Further advance payments should be made at least on a monthly basis allowing NEs to cover their expenses during the stay.
- 4.2. The request for final payment shall be accompanied by the NE's final activity report (feedback questionnaire) that needs to be submitted by the NE within 15 working days after the end of the stay. The balance of maximum one-month equivalent should be paid within 45 days of submission of the corresponding feedback questionnaire.

Article 5 – Contact person

Any communication in connection with this agreement shall be done by the NE in writing to the contact person mentioned below. The NE is obliged to communicate his/her contact details to the contact person as soon as he/she has arrived in the city/country mentioned in Article 2.3.

Name and surname of the contact person in the NIO: Mr. Martin Menkyna
Function: Project manager, Coordinator
Address: Karadžičova 7773/2, 811 09 Bratislava – Staré Mesto, Slovak republic
Tel.: +421220363273
Email: menkyna@sbagency.sk

Article 6 – Bank account

Payment of the financial support will be made to the following bank account according to the conditions mentioned in Annex 2 of this agreement:

Name of the bank account holder (NE's bank account): Mr Patrick Obdrzalek
Name of the bank:
Registered office:
IBAN:
BIC:

Article 7 – Applicable law and competent jurisdiction

- 7.1. The grant is governed by the terms of this agreement, the Community rules applicable and on a subsidiary basis, by the law of the NIO's country relating to grants.
- 7.2. The courts having jurisdiction for matters relating to the grant agreement shall be those of the country of NIO.

Article 8 - Amendment

- 8.1. Any amendment to this agreement must be the subject of a written supplementary agreement. No oral agreement may bind the parties to this effect.

Done in two copies, one for each party

Done in Bratislava,

Done in Bratislava,

Slovak republic,

Slovak republic,

Signature of NIO's
authorised representative
Slovak Business Agency
Mgr. Martin Holák, PhD.
General Director

Signature of NE
Patrick Obdrzalek

Annex 1

General conditions applicable to the financial support to the New Entrepreneur selected for a stay abroad with a Host Entrepreneur

In the framework of the programme “Erasmus for Young Entrepreneurs” the NIO shall provide financial support to the New Entrepreneur (NE) selected for his/her stay abroad with the Host Entrepreneur (HE). This financial support is subject to the following conditions.

1. Early termination of the stay abroad

- 1.1. If the entrepreneurs agree to finish the relation within a shorter period than initially agreed on and ask for **early completion** of the stay, both NE and HE must explain the reasons for early termination of the exchange and conclude that the stay abroad nevertheless reached the goals the parties committed to. In this case, the NE is entitled to receive financial assistance for the time he/she actually stayed abroad.
- 1.2. Provided the NE and the HE did not fulfil the commitments agreed to by the HE, NE and the IOs, involved in the Erasmus for Young Entrepreneurs Commitment, the relation will be considered **failed**¹. Based on the NIO evaluation of the reasons given by the NE for early termination, either of the following actions are to be implemented:
 - 1.2.1 The NE will have to reimburse any amounts received if the relationship failed because the NE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment. The NE will have to reimburse all the advanced payments within 15 working days of receiving a request to do so.
 - 1.2.2. No reimbursement will be claimed from the NE and final payment will be made if the relationship failed because the HE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment.
 - 1.2.3. When responsibility for the unsuccessful relationship cannot be attributed to either the NE or HE, then the decision to reimburse the new entrepreneur will be taken by the European Commission.

2. Liability

- 2.1 The NIO cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained to the property of the NE or the HE while the stay abroad is being carried out or as a consequence of the stay abroad.

¹ A relationship is not considered as failed when: the NE stays for the full time of the contract/ the NE and HE mutually agree that the relationship can be shorter than initially agreed and are both satisfied with the exchange/ the relationship breaks due to force majeure.

- 2.2 The NE shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them as a result of an infringement by the NE, or as a result of violation of a third party's rights by the NE while the stay abroad is being carried out, or as a consequence of the stay abroad. The NE shall discharge the NIO of all liability arising from any claim or action brought as a result of an infringement by the NE, or as a result of violation of a third party's rights.

3. Conflict of interests

- 3.1 The NE undertakes to take all the necessary measures to prevent any risk of conflict of interests which could affect the impartial and objective execution of the agreement. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional reasons, or any other shared interest.
- 3.2 Any situation constituting or likely to lead to a conflict of interests during the execution of the agreement must be brought to the attention of the NIO, in writing, without delay. The NE shall undertake to take whatever steps are necessary to rectify this situation at once.
- 3.3 The NIO reserves the right to check that the measures taken are appropriate and may demand that the NE take additional measures, if necessary, within a certain time.

4. Confidentiality

The NIO and the HE undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the agreement that is duly categorised as confidential, if disclosure could cause prejudice to the other party. The parties shall remain bound by this obligation beyond the closing date of the action.

5. Checks and audits

- 5.1 The NE agrees that the NIO may carry out an audit of the use made of this financial support, either directly by its own staff or by any other outside body authorised to do so on its behalf. Such audits may be carried out throughout the period of implementation of the agreement until the balance is paid and for a period of five years from the date of payment of the balance. Where appropriate, the audit findings may lead to reimbursement from the NE to the NIO.
- 5.2 The NE undertakes to allow the NIO staff the appropriate right of access to sites and premises where the programme is or has been carried out and to all the information, including information in electronic format, needed in order to conduct such audits.
- 5.3 The European Court of Auditors and the European Commission shall have the same rights as the NIO, notably right of access, as regards checks and audits.

Annex 2

**‘Erasmus for Young Entrepreneurs Commitment’
concerning the relationship number RLT200891**

I. DETAILS ABOUT THE NEW ENTREPRENEUR

Name of the participant: Mr Patrick Obdrzalek

Contact details:

Address:

Email:

Tel:

Intermediary organisation (home country) and contact person (name, e-mail, tel.):

Slovak Business Agency

Contact details:

Address: Karadžičova 7773/2, 811 09 Bratislava – Staré Mesto, Slovak republic

Coordinator: Mr. Martin Menkyna

Contact person: Mr. Martin Menkyna

Email: menkyna@sagency.sk

Tel.: +421 220 363 273

II. DETAILS ABOUT THE HOST ENTREPRENEUR

Host entrepreneur: Mr Keith Willey

Sector of activity: Research and development equipment and services

Name of the enterprise: Tekever Ltd

Total employees: 140

Contact details:

Address:

Email:

Tel.:

Intermediary organisation (home country) and contact person (name, e-mail, tel.):

EISC Ltd [United Kingdom]

Contact details:

Address: 32 Queen's Terrace, Southampton, United Kingdom

Coordinator: Mr Toni Saraiva

Contact person: Mr Toni Saraiva

Email: toni@eiscLtd.eu

Tel.: +44 3300010375

III. SUMMARY OF THE PROPOSED STAY ABROAD

Months of stay abroad: 3.43

Planned start date of the stay: 18 July 2019

Planned end date of the stay: 31 October 2019

Objectives of the stay:

HE: The objectives for the HE are divided into 5 parts 1. HE helping NE with setting up a PLC company in the UK – admin, legal, financial etc. 2. HE will be helping NE with investment: using existing business model and financial models, a company valuation + shareholders agreement will be formed. HE will introduce NE to his network of investors with whom NE will discuss company valuation and shareholders agreement. 3. HE will mentor NE - sharing best practises and know-how on Company Culture. Helping NE establish a company culture document. 4. NE's company is in the early stages with a clear path for the next 12 months, therefore the HE will collaborate with the NE on brainstorming and creating a draft growth strategy for months 13-24. 5. HE will collaborate with NE in searching for new growth strategies. Learning from the NE about their Agile methodology skills. The result will be a Growth Model action plan. NE: NE's objectives are divided into 5 parts 1. With the help of HE, NE will establish PLC company by the end of first month. 2. Using financial and business model documentation, NE will meet with HE and his network of investors to determine and finalise company valuation and shareholders agreement. 3. NE will meet HE to discuss company culture/ strategy. NE will be creating a set of values and refine the vision and mission of the company. The result should be a fluid company culture that will be flexible and mouldable as the company scales. 4. NE will collaborate with HE on creating a growth strategy for NE's company for months 13-24. 5. NE will be using their skills gained in their recent MSc to support HE in searching for new growth (expansion) strategies. The result will be a Growth Model action plan that will take an estimated 3+ months' time, will consist of qualitative and quantitate results and experiments that can then be implemented by HE's company.

Description of the work/learning project:

The purpose of collaboration between the HE and NE will be to support NE in the early stages of setting up and launching a company in London and on the other hand expanding HE's established business into new areas. The HE and NE will be introduced to their respective teams and companies – providing detailed information on their business models, financial plans etc. which will be essential for the following steps. The NE and HE will collaborate on creating a thorough growth/ expansion strategy for HE's company using Agile methodologies used by the NE. The HE will be able to learn about how the NE operates in conducting research and experiments to develop and test new ideas. As for the NE their objective will be to develop a - company culture document, establish a PLC in the UK, created an equity shareholders agreement + valuation model. In addition, NE will have the ability to experience first-hand of how HE's established business runs, learning about the internal processes and best practises that can then be used as NE's company grows. The test of efficient knowledge exchange and effective collaboration will be the creation of growth strategies for both companies in the last month, which will source from the know-how, best practises and skills exchanged in the first 3 months.

Proposed plan of activities:

July: HE: HE's introduction to NE's team and company documents, using this information to mentor NE on establishing a PLC. NE: NE will introduce HE to their company to then get mentoring from HE on establishing PLC. HE: HE will introduce NE to their company and team. Once NE is inducted, both sides meet to create an action plan for developing an expansion strategy in the next 3 months. NE: NE will be introduced to company. HE and NE meet to establish a strategic plan. August: NE: NE will discuss with HE - company valuation and shareholders agreement. HE: HE will help NE to discuss with investors from his network to create a valuation model with outcome of NE pitching to investors for feedback. NE: will start initial testing through experiments to find new opportunities. The outcome will be a report with results and next steps will be discussed. HE: HE will go over the results of the experiment with the NE and discuss next steps. September: HE: For HE the objective will be to help NE creating a set of values for a fluid company culture. NE: NE will work with HE on setting company values with the outcome of an internal document created by the NE. NE: NE will use the outcomes of the experiment to decide and agree with HE on one strategy for which a short marketing campaign will be run. The result will be a brief report. HE: HE will discuss NE's proposed strategy and go over the report. October: HE: HE and NE will brainstorm and draft potential growth strategies for NE's start-up. NE: NE with the help of HE create a growth strategy, which as an outcome can be implemented after first 12 months of running the business. NE: NE will provide a detailed professional plan for tested expansion strategy - using methods taught by HE during the program. HE: HE will have a look at the report and pass it further down in the company. NE: NE will ask for feedback on the entire collaboration and work completed. NE and HE will discuss potential future collaboration.

Expected outcome:

For HE: Had the chance to see in practice the new-techniques of effective Agile methodologies that have been used by the NE to test and develop a growth strategy for the HE's business - resulting in an action plan, which can then be passed on for further use in HE's business. For NE: Created a company culture document. Established a PLC in the UK, created an equity shareholders agreement + valuation model that has been discussed with several investors from HEs network. The NE will have first-hand experience of how HE's established business runs. For both: Exchange of knowledge, know-how, best practices network through the respective activities mentioned above. Both sides will have created a growth strategy action plan for their respective companies – formed of knowledge (frameworks, models and experiments) exchange throughout the program. If both sides are satisfied with the predetermined outcomes and the nature of the cooperation, a potential collaboration post the Erasmus program may be established.

IV. COMMITMENT BY THE FOUR PARTIES

By signing this document, the new entrepreneur, host entrepreneur and intermediary organisations confirm that they will abide by the principles of the Erasmus for Young Entrepreneurs Commitment attached below.

THE NEW ENTREPRENEUR UNDERTAKES TO:

Abide	by the rules and regulations of the host entrepreneur, his or her usual working hours, code of conduct and rules of confidentiality.
Communicate	with the intermediary organisations about any problem or changes regarding the placement.
Comply	with all arrangements negotiated for his or her stay in order to achieve the stated objectives, particularly execute the planned activities and the work/learning project and to do his or her best to make the stay a success.
Submit	a report in the specified format, together with the requested supporting documentation to substantiate costs, at the end of the stay.

THE INTERMEDIARY ORGANISATIONS UNDERTAKE TO:

Select	suitable, recently established, new entrepreneurs (NE) and host entrepreneurs (HE) and ensure that they are both able to achieve the objectives of the stay.
Facilitate	the matching between a qualified and suitable NE and HE and ensure that both parties agree on a work/learning project whose contents are transparent and acceptable and whose objectives are achievable.
Prepare	the NE and HE for the practical, professional and cultural aspects of the stay.
Help	to manage transport, accommodation, visa/work permit arrangements, social security cover and insurance, to the extent necessary and desired.
Provide	contact details of all parties involved and ensure that final arrangements are in place before the NE leaves his or her home country.
Establish	appropriate communication channels for all parties.

Evaluate	progress on the project on an ongoing basis and take appropriate action if required.
Disburse	funding to the NE as appropriate, on the basis of agreed activities, milestones and reporting.
Evaluate	with each NE the personal and professional development achieved.

THE HOST ENTREPRENEUR UNDERTAKES TO:

Comply	with all arrangements negotiated, particularly the NE's work/learning project, and to do his or her best to achieve the objectives and make the stay a success.
Assign	to the NE tasks and responsibilities that match his or her knowledge, skills, competences and objectives and ensure that appropriate equipment and support are available and that the NE's work/learning objectives are achieved.
Foster	the NE's understanding of entrepreneurship and how to start-up a business.
Provide	practical support if required.
Submit	a report in the specified format at the end of the stay.

THE NEW ENTREPRENEUR:

Mr Patrick Obdrzalek

I agree with the above mentioned stay abroad and the principles that concern me.

Signature of the NE

Date:

Mr Patrick Obdrzalek (Signed)

08/07/2019

THE NE's INTERMEDIARY ORGANISATION:

Slovak Business Agency

I agree with the above mentioned stay abroad and the principles that concern my IO.

Coordinator's signature

Date:

Mr. Martin Menkyna (Signed)

08/07/2019

THE HOST ENTREPRENEUR:

Mr Keith Willey

I agree with the above mentioned stay abroad and the principles that concern me.

Signature of the HE

Date:

Mr Keith Willey (Signed)

08/07/2019

THE HE's INTERMEDIARY ORGANISATION:

EISC Ltd [United Kingdom]

I agree with the above mentioned stay abroad and the principles that concern my IO.

Coordinator's signature

Date:

Mr Toni Saraiva (Signed)

08/07/2019