**CLSV/Praxis Center Incubation Acceptance Letter Outline**

1. **Opening**

Welcome to the \_\_\_\_\_ Center for Venture Development! Your company (\_\_\_\_\_\_\_\_ hereafter referred to as **Company**) has been approved for admission to the incubation program. Here are some other details of **Company**’s relationship with the Centers:

1. **The space license agreement**

The **Company** incubation program starts when the space license is executed and ends when the space license is terminated. For companies that are not Cornell technology licensees, the equity agreement should be executed concurrently with the space license agreement.

1. **Non-Employee Affiliation Appointment**

On-site employees of **Company** will be offered a non-employee affiliation appointment as an Incubator Associate at Cornell University for the period starting MONTH YEAR, renewable every 12 months. This is a non-benefit eligible appointment, and **Company** employees will receive no salary, payments or benefits from Cornell for the period of this appointment. If the employee already has an existing appointment at Cornell or is an enrolled student, the Incubator Associate appointment does not apply.

The Incubator Associate appointment is contingent upon the individual’s employment by **Company** and on-site responsibilities in the Center. If the individual is no longer employed by the company, the appointment will be ended. You are required to notify Center Staff of employee terminations at least 7 days prior to the last day of employment with the company to allow timely termination of the Incubator Associate appointment in Cornell systems and execution of Center exit and security procedures.

The incubator Associate appointment will be terminated 30 days after the C**ompany** leaves the incubation program. The university also has the right to terminate the Incubator Associate appointment following University’s separation policy.

1. **Amenities**

**The incubation program provides the following services:**

* Use of the Center’s space and shared equipment, as indicated in the space license agreement
* Use of the Center’s shared subscription and center industry association membership
* Use of Cornell specialized research facilities/equipment/services at internal rate, including, but not limited to:
  + The Cornell Institute of Biotechnology’s Biotechnology Resource Center (“BRC”)
  + The Cornell Nanofabrication Center (“CNF”)
* Coaching and assistance from the Center Staff, Center’s Executives-in-Residence, Center Volunteer mentors, etc., on topics such as technology development, business planning, fund raising, management team recruiting, etc.
* Access to incubator client-only funding opportunities at Cornell

1. **Services Access**

**An Incubator Associate Appointment offers access the following university services**

* Cornell NetID
* \_\_\_\_@Cornell.edu email address
* Cornell ID Badge / Keycard
* Access to parking and bus privileges available through Cornell Transportation Services, e.g., free TCAT bus
* Use of the Cornell University Library system
* Ability to participate in the discounted Meal Choice program through dining services
* Ability to purchase a Cornell University Wellness Recreation Membership
* Access to Cornell perks and discounts (<https://hr.cornell.edu/wellbeing-perks/perks-discounts>)

1. **Facilities Access**

**An Incubator Associate appointment enables access to Company offices, laboratories and Center shared workspaces under the following conditions:**

* Incubator Associates must complete and maintain compliance with all safety training courses established by the facilities safety office for the Center
  + Upon completion of all required safety training, the Incubator Associates’ keycard will be authorized for entry to the Center facilities allocated to **Company** in their Space License Agreement.
  + Incubator Associates’ access to University or Center facilities may be withdrawn at University or Centers’ sole discretion for any violation of safety or policy (not sure how to handle: harassment, work permit, bullying, quarantine, and other issues)
* The Cornell University Badge / Keycard also permits access to other locked University laboratory and office facilities subject to their access approvals

**Once the company leaves the incubation program, these amenities will be terminated within 30 days.**

1. **Graduation / termination policy**

The Center’s goal is to facilitate the forward progress of client companies to the point where each will merit significant outside investment, and achieve self-sufficiency. In principle, Clients should leave the incubation program when Center’s highly subsidized services are no longer considered likely to yield significant incremental Client progress.

**Graduation Criteria**

* **Company** receives accumulated equity investment over $2.5M

OR

* **Company** has sufficient cash on hand to sustain >12 months of operation at client’s current monthly burn rate

OR

* **Company** has four consecutive quarters of positive free cash flow from its independent operation

OR

* **Company** is acquired by another organization

Gradation criteria will be determined by case-by-case review by the Advisory Council at its sole discretion.

**Termination Criteria**

* Major company failures that will lead to discontinuation of the operation, e.g., founding team dismissal, unrecoverable technology failure
* **Company** is unable to move make forward progress according the incubation plan and unable to pivot to a mutually agreed-upon new incubation plan between the company and the Center in three consecutive quarters.
* **Company** is no longer in good standing with the Center, e.g., contract breach, severe misconduct
* **Company** voluntarily withdraws from the Center

Termination will be determined by case-by-case review by the Advisory Council at its sole discretion. **Company** will receive a verbal warning, followed by a written notice and finally a termination vote.

Length of Center residency is not a determinant factor. However, the guidance is 18-36 months of residency in the program. Clients who have been a resident in the Center for more than 36 months will subject to an annual graduation/termination review by the Advisory Council.