

Appendix-II

Agreement between Host Institution/Business Incubator and Incubatee

Under scheme for "Support for Entrepreneurial and Management Development of SMEs through Incubators"

This agreement is made on this _____ day of _____-(Month) 20____

BETWEEN

_____(hereinafter referred to as Host Institution/BUSINESS INCUBATOR, the expression which unless repugnant to context shall be deemed to include its successors, administrators and executors) of the first part.

AND

_____(hereinafter referred to as INCUBATEE, the expression which unless repugnant to context shall be deemed to include its successors, administrators and executors) of the second part.

1.0 PREAMBLE

WHEREAS, the HOST INSTITUTION/BUSINESS INCUBATOR has been incorporated for nucleating and promoting business enterprises for the benefit of the society and has been entrusted the task of running various programs and the management of various supporting facilities/resources for the benefit of entrepreneurs/entrepreneurial ventures by the _____(hereinafter referred to as HOST INSTITUTION)

WHEREAS, the BUSINESS INCUBATOR has been approved by the Government for participation and funding support under the scheme for providing support for Entrepreneurial and Management Development of SMEs through Incubators (hereinafter referred to as the SCHEME)

WHEREAS, the INCUBATEE has applied for support for business advancement and its commercialization (hereinafter referred to as the PROJECT) from the BUSINESS INCUBATOR under the SCHEME,

WHEREAS the BUSINESS INCUBATOR has reviewed the PROJECT proposal through its Managing Committee and approved the PROJECT for incubation under the SCHEME on such terms and conditions mentioned hereinafter

It is now agreed by and between the parties as follows:

2.0 RESPONSIBILITIES OF THE BUSINESS INCUBATOR

- 2.1 The BUSINESS INCUBATOR shall extend support to the INCUBATEE for the execution of the PROJECT to the extent agreed in the final PROJECT budget and financing sheet (Appendix-I to this agreement) approved by the Managing Committee.
- 2.2 The support extended to the INCUBATEE could include support towards one or more of the following - the technology fee, guidance fee for mentors/handholding persons (for technology, intellectual property planning and business planning), hiring or leasing cost of machinery/equipment/instruments or related services, office facilities (like telephone, fax, computers etc),

infrastructural facilities (accommodation charges, utilities, etc) and other project costs depending upon the needs of the INCUBATEE and those approved by the Managing Committee.

3.0 RESPONSIBILITIES OF THE INCUBATEE

- 3.1 The INCUBATEE shall maintain documented evidence (invoices and receipts) of all costs incurred in running the PROJECT and submit to the BUSINESS INCUBATOR on a timely basis.
- 3.2 The INCUBATEE shall contribute a minimum of 15% (for micro enterprises) or 25% (for small enterprises) of the total project cost. In the event of failure of the INCUBATEE meeting this requirement, the BUSINESS INCUBATOR shall be free to withdraw its support.

4.0 GENERAL

- 4.1 Both parties can terminate this agreement at any point by giving one month advanced notice of their termination to the other party after a period of 365 days from the date of this agreement.
- 4.2 Termination of this agreement subject to settlement of claims against each other will mean that both parties will be absolved of their responsibilities from the date of termination.
- 4.3 The parties shall endeavor to resolve any dispute relating to the rights, duties, terms and conditions contained in this agreement by mutual negotiations in good faith. However if the dispute remains unresolved, the arbitration of such disputes would be handled by the Managing Committee. The verdict of the Committee would be final and binding.
- 4.4 Neither party shall be held responsible for non-fulfillment of their respective obligations under this agreement due to the exigency of one or more of the force majeure events such as but not limited to acts of god, war, flood, earthquakes, strike, lockouts, epidemics, riots, civil commotion, etc., provided on the occurrence and cessation of any such events, the party affected thereby shall give a notice in writing to the other party within one month of such occurrence or cessation. If the force majeure conditions continue beyond six months, the parties shall then mutually decide about the future course of action.

In witness thereof the parties have caused their authorized representatives to sign this agreement on the date mentioned hereinabove.

Signed on this _____ day of _____ (Month) 20_____.

For & on behalf of the Host
 Institution/BUSINESS INCUBATOR
 Name:
 Designation:
 Postal Address:

For & on behalf of the INCUBATEE
 Name:
 Designation:
 Postal Address:

Phone number:
 Email address:

Phone number:
 Email address: