

Guidelines for the Incubatees – Incubation Programme (On-site & Off-site)

1 Admission and Orientation

1.1 Upon receiving request from the Entrepreneurship Centre, the Incubatees shall submit the following documents:

- 1.1.1 Copy of Business Registration Certificate;
- 1.1.2 Copy of Certificate of Incorporation;
- 1.1.3 HKID of the Incubatee; and
- 1.1.4 Proof of financial viability for the project
 - a) Bank statement, or
 - b) A definite plan to raise sufficient funding to operate for at least one year under the Incubation Programme

Failure to provide the above information may lead to disqualification of the offer.

1.2 Allocation of Office Space

- 1.2.1 All applicants can apply for office space free of charge.
- 1.2.2 The priority for office allocation is based on the average weighted score obtained by the Incubatee during the application assessment, i.e. the higher the score, the higher the priority.
- 1.2.3 The Incubatee shall be informed of whether they are eligible for the office allocation.
- 1.2.4 All eligible on-site Incubatees are invited to join and witness the drawing lot session for the office allocation.
- 1.2.5 The result of the drawing lots will be announced to all Incubatees via email.
- 1.2.6 Whenever an on-site incubatee moves out, the Project Assistant (PA) will allocate the office space as 1.2.2 above.
- 1.2.7 The On-site Incubatees shall sign the Acknowledge Receipt of Furniture and Keys (ENC.SF.070) to confirm the receipt of the keys and office fixture when they move into the Entrepreneurship Centre.

1.3 Incubation License and Terms and Conditions

- 1.3.1 Before signing and returning the Incubation License and Terms and Conditions, the Incubatee shall:
- a) Confirm if the stated incubatee's details are correct;
 - b) Review and confirm the Development Milestones with the Entrepreneurship Centre, which are the bases for the project progress monitoring during the incubation period.
 - c) Read through the documents carefully and be fully aware of all requirements including the Code of Conduct and Probity Policy.

1.4 Orientation

- 1.4.1 All Incubatees (On-site and Off-site) are required to attend the orientation session provided by the Business Development Manager (BDM).
- 1.4.2 The orientation session shall include, but not limited to:
- a) The Probity Policy for the Incubatees
 - b) This document "Guidelines for the Incubatees – Incubation Programme (On-site & Off-site)" (ENC.RF.020)
 - c) Business development support

2 Progress Monitoring

2.1 Progress Review

- 2.1.1 In accordance with the Development Milestone as stated in the Incubation License and Terms and Conditions, the Incubatee shall meet with the Senior Manager (SM) and the BDM every six months to review the progress of the incubated projects.
- 2.1.2 The Incubatee shall complete the Progress Review Form (ENC.SF.080) and Survey Form (ENC.SF.090) prior to the meeting to report the progress achieved.
- 2.1.3 The SM/BDM records any findings and recommendations on the Progress Review Form (ENC.SF.080) during the meeting. If the review result is accepted, the Incubatee shall counter-sign the form.
- 2.1.4 The Incubatee shall achieve at least 50% progress in each progress review.

- 2.1.5 If the Incubatee fails to achieve 50% progress for 2 consecutive stages, the SM/BDM shall refer the case to the management of Hong Kong Cyberport Management Company Ltd (HKCMCL) for review.

2.2 Early Termination

- 2.2.1 The incubation may be early terminated if:
- a) The Incubatee fails to achieve the laid down milestones;
 - b) The Incubatee fails to pay the management fee or any fees payable under the Incubation Programme;
 - c) The Incubatee fails to comply with the Code of Conduct specified in the License.
- 2.2.2 The termination will be reviewed and approved by the management of HKCMCL.
- 2.2.3 Upon the approval, a Letter of Termination together with supporting reason(s) and relevant documents will be sent to the Incubatee.

2.3 Voluntary Withdrawal

- 2.3.1 The Incubatee may request for the withdrawal of incubation by submitting the Request for Voluntary Withdrawal Form (ENC.SF.110) to the SM.
- 2.3.2 If the request is accepted, the Incubatee shall receive a Letter of Voluntary Withdrawal if there is no outstanding payment to the Entrepreneurship Centre and the Property Management Company.

2.4 Early Graduation

- 2.4.1 The Incubatee may request for early graduation by submitting the Request for Early Graduation Form (ENC.SF.100) to the SM for review.
- 2.4.2 The request will be reviewed and approved by the management of HKCMCL.
- 2.4.3 If the early graduation is approved, the Incubatee shall receive a Letter of Graduation and Graduation Certificate if there is no outstanding payment to the Entrepreneurship Centre and the Property Management Company.

2.5 End of Incubation Programme

- 2.5.1 By the end of the Incubation Programme, the Incubatee shall achieve 50% in the previous 3 stages of progress review and 60% in the final stage in order to graduate.

- 2.5.2 A Letter of Graduation and Graduation Certificate will be issued to the graduated incubatee, who has achieved 2.5.1 above.
- 2.5.3 A Letter of Confirmation for End of Incubation will be issued to the Incubatee if the graduation criteria as stated in 2.5.1 above have not been achieved.
- 2.5.4 All outstanding payment with the Entrepreneurship Centre and the Property Management Company, shall be settled before the issue of the confirmation as mentioned in 2.5.2 or 2.5.3 above.

2.6 Post-incubation Arrangement

- 2.6.1 The Incubatees are required to complete the Post-incubation Survey.
- 2.6.2 All financial claims must be submitted within 30 days from the issue date of the Letter of Termination / Letter of Voluntary Withdrawal / Letter of Graduation / Letter of Confirmation for End of Incubation.
- 2.6.3 The On-site Incubatees shall move out from the Entrepreneurship Centre within 30 days of the completion of Incubation period. The office fixture shall be reinstated based on the information stated in the Acknowledge Receipt of Furniture and Keys (ENC.SF.070), and the keys shall be returned to the Entrepreneurship Centre.
- 2.6.4 Incubation Programme Alumni shall have priority for rental of Cyberport Smart-Space, subject to the availability and policy of Smart-Space.

3 Financial Assistance Claim

- 3.1 The total claim of reimbursement for each Incubatee must not exceed HK\$330,000.
- 3.2 The reimbursement ratio are as follows:

Category	Reimbursable Items (as defined under 3.5)	Reimbursable Percentage
A	Equipment or services from the Technology Centre of HKCMCL	75%
B	Training	75%
C	Promotion & Marketing expenses	75%
D	Professional Services	75%
E	Internship Staffing	50%

- 3.3 Incubatees shall always observe the objectives of their business, and all claims submitted to HKCMCL must be for the purpose of developing their business admitted under the

Incubation Programme. HKCMCL shall always have its absolute discretion to accept or reject any claim submitted by the Incubatees.

3.4 When submitting a financial claim, the incubatees shall ensure they have carried out the quotation comparison procedures in the manner set out in 3.6 of this document, except for :

- a) Equipment or services from the Technology Centre of HKCMCL (Category A)
- b) Training organized by the HKCMCL or other training courses recommended by the Entrepreneurship Centre (Category B)
- c) Fees for trade fairs or exhibitions organized by the HKCMCL or Hong Kong Trade Development Council or other trade fairs or exhibitions approved by the Entrepreneurship Centre (Category C)
- d) Online Marketing Service (Category C)
- e) Internship Staffing (Category E)

3.5 Reimbursable Items

3.5.1 Eligible Equipment and Service Expenses at the Technology Centre (Category A)

The reimbursable amount for Equipment and Service Expenses at the Technology Centre includes rental of facilities, rental of equipment and relevant service provided by the Technology Centre of HKCMCL.

3.5.2 Eligible Expenses for Training (Category B)

3.5.2.1 The eligible training expenses for reimbursement include fees for attending training courses, conferences or admission fees for exhibitions or fairs organized by:

- a) HKCMCL, or
- b) Other training courses recommended by the Entrepreneurship Centre regularly from time to time.

3.5.2.2 If the Incubatee wishes to participate in a training other than those listed in 3.5.2.1 above, he/she may seek Entrepreneurship Centre's special approval by submitting the Special Event Request Form (ENC.SF.130). Subject to the reimburseable percentage tabled in 3.2 above, the maximum reimburseable amount (including travel and accommodation expenses) for the following training are capped at:

- a) HK\$50,000 per training attended in North America, South America, Europe and Middle East regions; and

- b) HK\$20,000 per training attended in Asia Pacific regions including mainland China, Japan and Hong Kong.

3.5.2.3 Relevant overseas travel and accommodation expenses for attending those events mentioned in 3.5.2.1 and 3.5.2.2 are also eligible for reimbursement.

3.5.2.4 The trained staff must be the founder, a director or a full-time staff of the Incubatee company. Maximum headcount for each reimbursable training is 2.

3.5.3 Eligible Promotion & Marketing Expenses (Category C)

3.5.3.1 The eligible promotion and marketing expenses for reimbursement include:

- a) Placement of advertisement such as advertisement on print and online marketing service; and the maximum reimburseable amount for which is capped at \$50,000 per incubatee during the entire incubation period,
- b) Fees for trade fair or exhibition, and relevant cost of physical marketing collaterals, and
- c) Travel and accommodation expenses for participating overseas trade fair or exhibition.

3.5.3.2 The promotional or marketing events, which are eligible for reimbursement, are events organized by

- a) HKCMCL, or
- b) Hong Kong Trade Development Council (HKTDC).

3.5.3.3 Any expenses in relation to production of souvenirs are NOT eligible for reimbursement.

3.5.3.4 If the Incubatee wishes to participate an exhibition or trade fair other than those listed in 3.5.3.2 above, he/she may seek Entrepreneurship Centre's special approval by submitting the [Special Event Request Form \(ENC.SF.130\)](#).

3.5.4 Eligible Expenses for Professional Service (Category D)

3.5.4.1 The eligible Professional Service expenses for reimbursement include:

- a) Legal and consultancy services (including: for non-disclosure agreement, service contract, intellectual property (IP) consultancy services (trademark or patent application), accounting and auditing, etc.)
- b) Professional services for overseas soft landing services at:
 - *Cyberport Representative Offices*
 - *PolyU Shenzhen Entrepreneurship Centre*

3.5.4.2 The following expenses are NOT eligible for reimbursement:

- a) Any expenses in relation to company registration;
- b) Any expenses in relation to company / corporate restructure;
- c) Any expenses in relation to Immigration services / investment visa application;
- d) Any expenses in relation to fund raising activities; and
- e) Trademark or patent registration and annual fee

The list of expenses not eligible for reimbursement set out above is not exhaustive. The incubatee should consult the SM or BDM if they have any doubts.

- 3.5.4.3 The incubatee is required to provide services deliverables to the Entrepreneurship Centre, such as license agreement, sales contract, etc., which can serve as templates to be shared among other Incubatees.

3.5.5 Eligible Expenses for Internship Staffing (Category E)

- 3.5.5.1 The reimbursable amount for internship expenses include:

- a) 50% of the monthly basic salary of the intern. Subject to the reimburseable percentage tabled in 3.2 above, the maximum reimburseable amount of monthly basic salary is capped at HK\$9,000 per intern per month; and
- b) 50% of employer's MPF contribution for the intern. Subject to the reimburseable percentage tabled in 3.2 above, the maximum reimburseable amount of employer's MPF contribution is capped at HK\$450 per intern per month.

- 3.5.5.2 Any other expenses, e.g. allowances, overheads, fringe benefits, etc. are not reimbursable.

- 3.5.5.3 Maximum 3 interns may be requested at any one time. In special case, the Incubatee may claim for more interns by submitting written request to the management of HKCMCL.

- 3.5.5.4 The recruited intern shall be:

- a) Either
 - From internship programmes offered by recognized local or overseas tertiary institutions, or
 - A first-degree / first-diploma / master degree graduate from recognized local or overseas tertiary institutions within the past 24 months and
- b) With academic discipline relevant to the recruited position; and
- c) A permanent Hong Kong resident or resident permitted to remain in Hong Kong for not less than 7 years.

- 3.5.5.5 The internship position shall be full-time or part-time offer up to 12 months. The employment contract shall comply with the employment law of Hong Kong.
- 3.5.5.6 The incubatee shall send the resumes of the selected candidates to the Entrepreneurship Centre before making the offer.
- 3.5.5.7 The employment letter of the intern shall be submitted to the Entrepreneurship Centre for record within 1 month of the employment.

3.6 Quotation Comparison Procedures

- 3.6.1 The Incubatee shall always obtain quotations from supplier/service providers listed in the Endorsed List of Supplier/Service Provider ("Endorsed List") except the items mentioned in the 3.4 of this document.
- 3.6.2 The number of quotation shall be obtained as below:

<u>Price of the Goods and Services</u>	<u>No. of Quotation</u>
≤ HK\$5,000	1
HK\$5,001 to HK\$50,000	2
> HK\$50,000	3

- 3.6.3 The Incubatee shall always select the lowest price offer.

3.7 Claim Procedures

- 3.7.1 When submitting financial claims, the incubatee shall submit all necessary supporting documents together with the following claim forms, whichever applicable:

Category	Reimbursable Items	Claim Form to use (Doc. Ref.)
A	Equipment or services from the Technology Centre of HKCMCL	<i>ENC.SF.140</i>
B	Training for current incubatee	<i>ENC.SF.141</i>
C	Promotion & Marketing expenses	<i>ENC.SF. 141</i>
D	Professional Services	<i>ENC.SF. 141</i>
E	Internship Staffing	<i>ENC.SF.142</i>

- 3.7.2 Only computer-printed claim form will be accepted. Handwritten claim form will not be accepted.
- 3.7.3 Incubatees shall submit a Claim Form no more than 60 days of :

- a) Payment for Internship (Category E); or
 - b) The event date for other categories.
- 3.7.4 Payer's name should be the same as Incubatee company name.
- 3.7.5 Supporting documents for internship claim include:
 - 3.7.5.1 For the first reimbursement cycle:
 - Employment contract; and
 - The resume of the intern, HKID or Student ID; and
 - The School Certificate or transcript of the intern.
 - 3.7.5.2 For the subsequent two-month reimbursement cycles:
 - The payroll notices of the cycle; and
 - Employer's MPF Payment Records; and
 - Incubatee's relevant bank records and/or payroll cheques; and
 - Salary increment letter; and
 - Termination letter (if any).
- 3.7.6 Supporting documents for other reimbursable claims shall include, but not limited to, original receipts, invoices and/or quotations.
- 3.7.7 The Incubatee shall promptly provide all necessary information reasonably requested by HKCMCL in relation to their claim.
- 3.7.8 HKCMCL shall always have its absolute discretion to accept or reject any claim submitted by the Incubatees.

4 Probity Policy for Incubatees

To ensure openness, fairness and integrity of the Incubation Programme, each applicant/incubatee shall:-

- 4.1 observe the Prevention of Bribery Ordinance (Cap. 201) and shall advise its employees, agents, subcontractors and other personnel who are in any way involved in its application/project (the "Personnel") that they shall observe the same and that they are not allowed to offer to or solicit or accept from any person any advantages as defined in the Prevention of Bribery Ordinance in relation to the application/project;
- 4.2 not offer or give or agree to give any person employed by HKCMCL, any members of the vetting panelists or person acting on its behalf, any advantage gift favour during the incubation period or as an inducement or reward for such person's doing or forbearing to do or for having done or forborne to do any act in relation to the Incubation Programme or for showing or forbearing to show favour or disfavour to any person in relation to the Incubation Programme;

- 4.3 promptly declare and notify HKCMCL in writing of any potential or actual conflict of interest upon becoming aware of the same. "Conflicts of interest" shall include (but are not limited to) any situation where the personal/financial interest of an applicant/incubatee or its Personnel, conflict or compete, or may be expected to conflict or compete, with the role, duties and/or impartiality of such applicant/incubatee or Personnel under the Incubation Programme;
- 4.4 apply the financial assistance (e.g. allowances) prudently, efficiently and solely for the purpose of the project approved under the Incubation Programme;
- 4.5 abide by the principles of openness, fairness and competitiveness in the procurement of any goods/services in connection with the Incubation Programme; and
- 4.6 take all necessary measures (including by way of a code of conduct or contractual provisions) to ensure that its Personnel are aware of and comply with the requirements under this Policy.

5 Code of Conduct

5.1 The use of the Offices and Centre

5.1.1 Centre Opening Hours (The Incubatees's Area only)

Monday - Sunday 24 Hours

5.1.2 Incubation Management Office

Opening Hours

Monday - Friday 09:00 - 17:30

Saturday, Sunday & Public Holiday Closed

- 5.1.3 Incubatees are required to enter or exit the Incubatees' Area through the main door (Lift access in Core F or cargo lift) beyond office hours. The Incubatee and their visitors are allowed to enter and exit the centre during the opening hours and are restricted to have activities within the Incubatee's Area when the Management Office is closed.

- 5.1.4 For security reasons, the Incubatee and their visitors should enter and exit the centre through the main entrances during office hours. After office hours, the Incubatee and their visitors are required to enter and exit the Incubatee's Area through the back doors.

5.1.5 Connect-Space and Meeting Rooms

Opening Hours

Monday - Friday 09:00 - 17:30

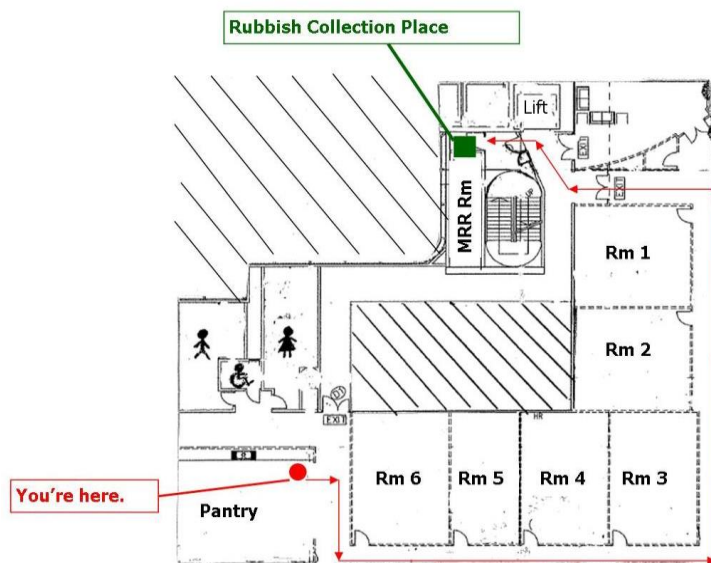
Saturday, Sunday & Public Holiday Closed

- 5.1.6 Company account (using Technology Centre Corporate Account Form) must be applied prior to the booking of Technology Centre's facilities and services.
- 5.1.7 The use of the Meeting Rooms will require prior booking at the Incubation Management Office.
- 5.1.8 If the use of Connect-Space and Meeting Rooms are required beyond opening hours, the Incubatees are required to make prior reservation with the Centre.
- 5.1.9 Door key will be given to the Incubatees upon acceptance of the booking.
- 5.1.10 Door must be locked after using and key must be returned to the Centre office latest by the next working day.
- 5.1.11 The meeting room shall be reinstated after used (e.g. Switched off the light, lined up the chairs, cleared the rubbish and cleaned the whiteboard).
- 5.1.12 The Incubatees shall be wholly responsible for any damages of fixtures and furniture, if any, caused during the booking period.

5.2 General

- 5.2.1 The Incubatee must answer all correspondences received from the Entrepreneurship Centre as appropriate.
- 5.2.2 The Incubatee must respond to any contact or message made by staff of the Entrepreneurship Centre when required to do so.
- 5.2.3 At termination, the allocated Room of the Incubatee must be left in vacant possession and to the satisfaction of the staff of the Entrepreneurship Centre, and the Incubatee must return the keys of the Room to the Entrepreneurship Centre.
- 5.2.4 At termination, all furniture belonging to the Incubatee, her personal possessions and rubbish must be removed, and all fixtures and fittings present at the time of moving in must be left in a good state of repair.
- 5.2.5 In the absence of a rule, common sense and common courtesy should prevail.
- 5.2.6 Shoes and clothes are required in all common/ public areas. (No slipper or pajama PLEASE!!)
- 5.2.7 No pets and animals are allowed in the Centre.
- 5.2.8 Incubatees shall keep the Centre and their rooms clean and tidy.
- 5.2.9 Pantry sink shall be kept cleaned to avoid blocking.
- 5.2.10 In order not to disturb other Incubatees, sound volume shall be kept low at all times.

- 5.2.11 No smoking is permitted in the Centre.
- 5.2.12 The temperature of air-conditioning shall be adjusted by Property Management Company if necessary.
- 5.2.13 eNews and circular will be sent to Incubatees via email regularly.
- 5.2.14 Incubatees are required to take their bulky and heavy rubbish to the MRR Room in accordance with the location map below:



5.3 Illegal Activities

- 5.3.1 Illegal activities in the premises are forbidden under any circumstances (e.g. piracy, using illegal software copy, copyright infringement, gambling, obscene activities, theft, break-in, etc.).

5.4 Nuisance

- 5.4.1 The Incubatee will undertake not to cause nuisance or annoyance to neighbors and other Incubatees of the centre.
- 5.4.2 Aggressive or malicious behavior, either verbal or physical, will not be tolerated.
- 5.4.3 It is the Incubatee's responsibility to control the behavior of her visitors.

5.5 Repairs/Cleanliness

- 5.5.1 Decent usage of office furniture, doors and other utilities are expected.

- 5.5.2 Keep the office clean and in a good state of repair. This will involve reporting to the Entrepreneurship Centre any defect or necessary repairs as soon as practically possible. Every effort must be made to minimize the consequences of any necessary repair, particularly regarding water leaks, to avoid further damage to the premise.
 - 5.5.3 All damages to the office or its fixtures and fittings are made good as soon as possible.
 - 5.5.4 The Incubatee is expected to leave the common / public area in the condition they found it and are required to clean up any mess created by the Incubatee or their guests after use of the area.
 - 5.5.5 All rubbish shall be moved from the office and under no circumstances shall waste materials of any kind be allowed to accumulate which may cause infestation of any kind or allow infestation to thrive.
- 5.6 Payment (paid by cheque)
- 5.6.1 **Monthly Management Charge:** Fixed and payable in advance latest by the end of each calendar month. (Payable to ISS Eastpoint directly)
 - 5.6.2 **Air-Conditioning Charge:** Basic charge covering twenty-four (24) hours from Mondays to Saturdays is included in the Monthly Management Charge. Special request of air-conditioning on Sundays or public holidays will be charged on an hourly rate, and be equally shared among all Incubatees requesting such service.
- 5.7 Power Saving
- 5.7.1 Office equipment shall be shut down at night, on weekends and before holidays. If computers must be left on round the clock, the monitors shall be turned off when they are not used.
 - 5.7.2 Battery chargers and portable transformers shall be disconnected when not in use.
 - 5.7.3 Lights shall be switched off when leaving the office.
 - 5.7.4 Lights and air conditioning shall be switched off after using the meeting room.
 - 5.7.5 Products registered with Energy Efficient Labeling Scheme (EELS) shall be adopted as far as possible.
- 5.8 Alteration, Damages and Removal of Fixtures
- 5.8.1 No construction work that may alter the building structure and other fixtures is allowed without prior approval by the Entrepreneurship Centre.

- 5.8.2 Special request on installation of any equipment that may affect the building structure and other fixtures is subject to prior approval by the Entrepreneurship Centre.
- 5.8.3 Under no circumstances will the Incubatee permit willful damage to be inflicted on the premise or remove any fixtures and fittings belonging to the Incubator. Evidence of such action may result in prosecution or be subject to replacement charge as follows:

Item	Replacement Charge
S-Shape desk top (model # BS1515ARGL)	@ HK\$2,420
Desk Leg	@ HK\$360
S Shape desk top (model # BS1815ARGL)	@ HK\$3,600
Low back chair with armrest	@ HK\$1,080
Mobile steel pedestal	@ HK\$1,060
Steel double door cabinet	@ HK\$3,500
Lower desk front panel	@ HK\$740
Combination panel	@ HK\$280
Upper desk front panel	@ HK\$380
IP Phone and associated cabling work (exclude handset)	@ HK\$3,000
Other fixtures or facilities	To be negotiated