

PROGRAMME

TERMS

8th Edition

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INTRODUCTION

A Business Factory is a Galician programme to support and promote innovative entrepreneurship projects: It coordinates a series of public and private agents that provide resources, services, knowledge, experience, methodologies and relationships so that the participating projects, whatever stage they find themselves at (from those in the early stages, without a validated value proposition, through those in the intermediate stage, which are facing the challenge of securing their initial sales, to those in the advanced stage, which are in a position to scale and produce returns), have what they need to evolve faster and have guarantees of achieving their business, innovation and value generation objectives.

Galician Business Factories are characterised by their sectoral nature, in the sense that they are specialised in a particular sector with specific weight in the economy, the labour market and the innovative potential of the community. The advantage of programmes like these is that, due to their specialised nature, they tend to identify market needs more closely and have a greater capacity to adapt to the needs of projects and then integrate them into the sector. The advantage of these programmes is that they are better adapted to the needs of the projects and the market, and that they lead to richer synergies between the participating projects and between one another, their clients and the rest of the actors in the ecosystem.

WHAT IS BFAero

Business Factory Aero (BFAero) is a business incubator and accelerator sponsored by the Galicia Regional Government, through the Galician Institute for the Promotion of the Economy (hereinafter IGAPE) and the Closed-End Investment Firms Management (hereinafter XesGalicia) and managed by the Lugo CEL Initiatives Fund (hereinafter FCEL). It also has the participation of backing companies including leading companies in the aeronautical, aerospace and unmanned vehicles sectors, as well as other sectors with particular importance in Galicia, entities specialised in technology and knowledge and research centres.

FCEL, in addition to participating, together with these entities, in its governance system, manages and coordinates BFAero, carrying out care the tasks of the Management Team and providing all necessary services so that the participating projects are able to meet their objectives with the highest degree of efficiency.

Participating projects can depend on the possibility of access to key infrastructures

within the framework of the Galicia's Aerospace Hub, such as the Rozas aerodrome (Castro de Rei, Lugo) and the Rozas Airborne Research Centre (CIAR) and the support of all agents of the Galician open innovation system: technology centres, clusters, universities, etc.

BFAero is an action promoted by the Regional Government's initiative to develop disruptive technologies in the aeronautical, aerospace and unmanned vehicles sector that improve the provision of public services and generate an industrial footprint around Galicia's Aerospace Hub.

The aeronautical, aerospace and unmanned vehicles sectors have fantastic growth potential which, thanks to the policies developed by the Galician regional administration and the support of various institutions and companies, has an ideal platform in Galicia from which to innovate, develop and serve local, domestic and international clients.

For entrepreneurs or companies that have an idea or project, BFAero can help you prove your product or service in a real environment, since this is the only specific accelerator in the sector in Galicia.

The programme has 3 modalities and the difference between them is what stage the projects are at. **Incubation phase**, lasting up to 12 months, aimed at unincorporated or recently established projects or companies that are at an intermediate stage between ideation and the development of a minimum viable product (MVP). Projects that have already developed a minimum viable product (MVP) and which are making their first sales, but which nevertheless need to systematise their business model, are developing and proving their product or service, achieving recurring sales and/or penetrating new markets, are eligible for the **acceleration phase**, which lasts up to 8 months. If the project has a defined product or service and real sales, the company is starting to grow, albeit incipiently and with the possibility of scaling up, it could qualify for the **consolidation phase**, which would last up to 6 months.

WHAT WE ARE LOOKING FOR

Business Factory Aero is not only aimed at initiatives sponsored by individuals entrepreneurs, but also encourages innovative ideas that are developed within existing companies or which originate in knowledge centres:

Startup: a newly founded company sponsored by private entrepreneurs in the start-up phase, generally associated with innovation and with a scalable business model.

One company spin-out: a newly founded company resulting from the spin-off of a project from an existing company.

Several companies spin-out: a newly founded company resulting from the spin-off of a project developed collaboratively by more than one company.

Spin-off: a newly founded company born from an innovative development originating in knowledge centres (universities, technology centres, etc.).

WHAT WE OFFER

Business Factory Aero offers a wide range of services and activities for projects that take part in the initiative, with the aim of transforming them into innovative, viable and scalable companies:

Training	Financial support	Networking
Workspace	Partnerships with industry	Visibility
Tutors, mentors and experts	Access to early adopters	Access to investors

FINANCIAL SUPPORT

Selected companies will be eligible for funding through a combination of the following modalities:

Non-repayable grant: financial contribution from IGAPE for projects in the acceleration phase.

Participation loan, potentially involving a capitalisation option: a type of loan that has a fixed interest rate and a variable interest rate, depending on the company's results, provided by Xesgalicia.

At the company's request, a direct equity stake in the company may be considered in the context of a financing round.

POSSIBILITY OF PARTNERSHIPS IN THE SECTOR

Participating in the programme will help companies develop and provide them with greater visibility so they can reach leading companies in the sector. Business Factory Aero is the gateway to the aeronautics, aerospace and unmanned vehicles industry for companies sponsored within the accelerator.

The projects will have the option of continuing the relationship with the companies, under the terms and conditions agreed between them.

WORKSPACE

Participating projects can be located in the facilities that FCEL provides to BFAero in the Lugo Exhibition Centre, near the Rozas aerodrome (Castro de Rei, Lugo) and the Rozas Airborne Research Centre (CIAR). The space provides the following services:

- a) Free workspaces:
 - 1. Offices under its own brand or incubators: each company will have at its disposal an office in the Centre for Business Initiatives that FCEL has in the Lugo Exhibition and Conference Centre.
 - 2. A coworking space shared with other companies in the sector.
 - 3. Option of access to infrastructures within the framework of the Galicia's Aerospace Hub, at all times complying with the criteria defined by the Xunta of Galicia.
- b) Access to the Rozas aerodrome at discounted prices (subject to availability at the aerodrome).
- c) Free ICT media:

1. Inclusion on the Galicia's Aerospace Hub website.
2. Project information hosted on the BFAero website.

NETWORKING

Sharing space and taking part in the activities organised by the programme contributes to creating an atmosphere of knowledge sharing and synergies. BFAero, organises events that will enable you to meet leading professionals in the sector.

In addition, collaboration agreements have been signed with various entities that add to the benefits of the projects involved in the initiative. Taking part in these programmes is subject to validation and acceptance by the collaborating entities.

TUTORS AND MENTORS

Every project participating in BFAero is supported by a team of tutors and mentors throughout the incubation, acceleration or consolidation phase.

The project tutor is the key contact for day-to-day operational monitoring: The tutor meets with the project team as often as necessary to ensure that the milestones defined in the Support Plan are achieved, assists with the preparation of the Framework Agreement and the Licensing Report, and informs the Management Team of any significant issues affecting the project's progress.

Alongside the project tutor, a tutor-coordinator oversees the overall coordination of the project's technical and business dimensions, monitors the timetable and the agreed milestones, and reports periodically to the BFAero Management Team on the project's status and progress.

In addition, each project will have a mentor with experience in the aeronautical, aerospace or unmanned vehicle sector, or in complementary fields such as investment or financing. This mentor will provide regular support – generally on a monthly basis – aimed at strengthening aspects that are critical to the project's maturity at each stage.

Projects will also have access to expert tutors in specific fields (industrial property, sector-specific regulations and technical consultancy, among others) for ad hoc consultations whenever required as the project develops.

VISIBILITY

BFAero will help give the projects visibility and reach in the media and social media, as well as through the various acts and events organised within the framework of the programme with the participation of companies in the sector and institutions. The aim is to position the projects participating in the initiative in the market.

BFAERO SEAL

Start-ups selected under the BFAero programme may use the BFAero seal as recognition of their participation in the programme, provided they meet the conditions set by the organisation.

The BFAero seal certifies that the company has been selected to take part in the initiative and may be used in corporate materials, presentations, commercial communications, on the website, on social media and in other communication channels, with the aim of enhancing the company's visibility, positioning and links with the aerospace ecosystem promoted by BFAero.

Use of the seal must at all times comply with the visual identity, the rules governing its use and the guidelines provided by the organisation. BFAero reserves the right to request that the seal be modified or withdrawn where it is used improperly, may be misleading or does not align with the programme's objectives.

The granting of the seal does not imply technical certification, type approval, a commercial guarantee or official validation of the products, services or solutions developed by the start-up; it solely constitutes recognition of its participation in BFAero.

DIFFERENTIAL ASPECTS

This section deals with the overall characterisation of BFAero structured in the differential aspects that distinguish the programme from other, similar initiatives.

Aeronautical and aerospace sector focus

BFAero is a specialist accelerator focused on the sector encompassing aeronautics, aerospace and unmanned vehicles. Its thematic scope is broad and includes, among other areas, the development of platforms and their components (structures, power systems and propulsion), on-board and ground-based equipment and systems, unmanned vehicle applications for different markets, and technologies applied to the satellite sector. In addition to these, BFAero also welcomes projects in emerging technological fields closely linked to this sector, such as advanced autonomy, on-board artificial intelligence, resilient navigation, sensors and payloads, cybersecurity and secure communications, dual-use and defence technologies, the exploitation of space and Earth observation data, BVLOS operations, predictive maintenance, simulation and digital twins, U-space, or unmanned ground and maritime systems linked to aerospace operations.

Thanks to this sector-specific focus – and the diversity of technological fields it brings together – projects participating in the programme will have access to a specialised environment offering tutors, mentors, experts, training, services, infrastructure and technological resources specifically designed for their field of development. Furthermore, the fact that all projects share the same sectoral focus increases the

likelihood of synergies, collaboration and mutual enrichment arising among them.

The final eligibility of each project will be determined, in all cases, in accordance with the thematic areas and criteria set out in the section 'Scope of projects: sector and thematic areas' of these Terms.

Commercial outlet

Joining BFAero means entering the aeronautics, aerospace and unmanned vehicles value chain. First, because BFAero is part of the Galicia's Aerospace Hub, a programme that has different pre-commercial public procurement and innovative public procurement procedures connected to the Galician Regional Government has activated and is supporting the development of a technological innovation hub specialised in unmanned vehicles. Second, because the thematic areas of BFAero express the needs of the sector. In this way, the projects will be orientated towards solving real problems and will therefore be able to find a commercial outlet.

Dual-use technologies, security and resilience

The aeronautical, aerospace and unmanned vehicle sector is particularly important for the development of dual-use technologies, with applications in civilian, industrial and public-sector markets, as well as in the fields of security, emergency response, critical infrastructure protection, resilience and defence.

BFAero, in collaboration with the stakeholders involved in the accelerator, including public institutions, leading companies, technology organisations, players in the innovation ecosystem and other specialist partners, will promote and support the development of projects that help address these challenges by fostering their technological maturity, market orientation, the identification of use cases, connections with potential users or customers, and the creation of opportunities for collaboration.

As part of this approach, BFAero may organise an Investors' Day as a flagship event for presenting projects to investment funds, funding institutions, venture capital vehicles, corporations, business angels and other parties with investment capacity. This event is intended to provide participating projects with an opportunity to showcase their value proposition, business model, progress made during the programme and funding needs, with the aim of generating investor interest and facilitating potential subsequent investment, financing or strategic collaboration processes.

Means and resources

As detailed below, BFAero makes available to participating projects, mostly free of charge, a wide range of advanced means and resources that enable the agile development of technological solutions in the aeronautical, aerospace and unmanned vehicles fields.

Supporting an open innovation ecosystem

Around BFAero, within the framework of the Galicia's Aerospace Hub, an ecosystem of public and private actors has been generated that collaborate to develop innovative solutions in the field of aerospace and unmanned vehicles. The accelerator acts as a catalyst for collaboration between the projects and the various institutions and companies in the ecosystem, starting with the ones that sponsor the programme: The Galician Regional Government, IGAPE, XesGalicia and FCEL.

Support for the full cycle of entrepreneurship projects

Through its three support programme modalities: incubation, acceleration and consolidation, BFAero has the capacity to cover the different stages of evolution of any innovative entrepreneurial project in the aeronautical, aerospace and unmanned vehicles fields, from the earliest stages, from ideation, to the most mature stages, where the aim is to consolidate a business model that produces recurring sales.

International outreach

In line with the Galician Regional Government's strategy and its positioning in global markets, BFAero focuses on international markets from two points of view. Firstly, BFAero is ready to receive projects from any region and country. Secondly, BFAero projects will be supported to internationalise and gain customers in a global market.

Investment attraction

BFAero has specific instruments to encourage projects to approach public and private investment entities, which can provide them with additional development capacities, as well as access to partnerships and new markets.

BFAero Community

BFAero aims to consolidate an active community of participating projects and alumni that will help to strengthen the aeronautical, aerospace and unmanned vehicle ecosystem in Galicia. Its relationship with the projects is not necessarily limited to the duration of the support pathway, and may be extended through follow-up activities, visibility initiatives, connections with business opportunities, participation in events, collaboration on future editions, and access to investment or networking initiatives promoted within the framework of BFAero.

RESOURCES AVAILABLE TO PROJECTS

Funding

The projects will receive non-repayable financial support during the incubation, acceleration and consolidation modalities, as well as access to venture capital during acceleration and consolidation, as shown in the table below:

MODALITY	TYPE	ENTITY	QUANTITY
Incubation	Lost fund	IGAPE	€40,000.00
	Lost fund	IGAPE	€60,000.00
Acceleration	Equity participation/ Shareholder loan (with capitalisation option) ¹	Xesgalicia	Up to €50,000.00
Consolidation	Lost fund	IGAPE	€30,000.00
	Equity participation/ Shareholder loan (with capitalisation option) ¹	Xesgalicia	Up to €250,000.00

In addition, the projects selected in the 3 programmes may be supported by a technological services grant, managed by the CEL Foundation, for the purpose of contracting the necessary CIAR/INTA infrastructures or professional services exclusively from the Galician aerospace ecosystem, which will first be approved by the CEL Foundation.

Support in the search for additional public and private financing

BFAero will facilitate each project's preparation for and access to additional funding opportunities, both public and private, including, where appropriate, participation in events, panels or meetings with potential investors.

¹ This option is subject to the favourable conclusion of the investment analysis process and compliance with the conditions and requirements defined by Xesgalicia. In addition, the amount will be contingent on other partners or funders providing at least the same financing for the project; in the event that the repayment term for financing from other funders is less than 5 years, the repayment of the Xesgalicia equity loan will be made proportionate to the financing that served as the basis for granting the equity loan.

In particular, BFAero may organise an Investors' Day as a final event or key milestone in the support pathway, at which projects will have the opportunity to present their proposals to funds, investment entities, financial stakeholders, corporations and other ecosystem stakeholders with the capacity to promote the funding and scaling of the initiatives.

To this end, BFAero will support the projects in preparing the information and documentation required for presentation to investors, including reviewing their pitch, analysing financial requirements, refining their investment narrative, structuring their value proposition, preparing presentation materials and developing their communication skills. Projects may also receive support from tutors, mentors and specialist experts to improve their ability to engage with investment entities, understand standard investment analysis processes, and handle meetings, questions and subsequent follow-up processes more effectively.

Support for grant applications

BFAero offers participating projects the option of receiving advice and information on how to apply for public funding while they are participating in BFAero.

Support in internationalisation

BFAero will provide participating projects with opportunities to access foreign markets that may arise over the course of their participation in the programme.

Tutoring

The participation of the projects in BFAero, incubation, acceleration and consolidation, is guided by a tutor who is responsible for accompanying the project in the activities to be carried out in compliance with the objectives and milestones agreed at the start.

Specialised tutoring

The projects are supported by a team of expert tutors with a great track record and extensive experience, and the technological partners of the Galicia Aerospace Hub, who will be in charge of guiding their evolution and checking to see that planned objectives are met. In addition, they will have access to a group of experts both from the business sector (aerospace, aeronautics, unmanned vehicles) and from the scientific/technological sphere (materials, industrial processes for manufacturing structures and components, airworthiness systems, payload integration, data capture and processing, etc.) who have the capacity to advise or resolve specific queries in a complementary manner and in coordination with the corresponding tutor.

On the other hand, support is also provided to projects in different areas according to their specific needs (setting up a company, opening a work centre, information on new

developments in the public support framework, preparation of applications for the public support framework...) and, above all, the preparation of a business plan adapted to the BFAero model that ensures the best possible fit for the development of the project, the design of the support plan, access to funding and investors, among others.

All the projects will receive ongoing support from the FCEL team, which provides its experience in entrepreneurship in the start-up and consolidation of business initiatives.

Mentoring

Participating projects will have a mentor from the aerospace, aeronautics and unmanned vehicles sector, who have had a career and experience in their field and who will be responsible for guiding their development in terms of their introduction into the sector and the establishment of collaboration and business relationships.

If there is a common interest between the project and the backing companies, the participating projects may have a mentor from those backing companies.

Training

Participating projects will benefit from a training programme that aims to provide them with those skills that are considered essential and common to any start-up company, as well as other skills in which their teams need reinforcement. In this respect, there is initial onboarding training, common to all projects, which is dedicated to explaining how the programme itself works. This will be followed by training sessions on topics common to all the projects, such as financing, investment, industrial property, pitching, communications and marketing. In addition, after the training sessions, individual sessions will be offered to resolve any queries or specific needs.

Networking

Among the activities planned by BFAero is the promotion of networking between the projects and the various institutions, companies and other entities in the aeronautical, aerospace and unmanned vehicles sector. This in addition to providing support to projects in the identification, selection and preparation of their attendance at sectoral events. They will also be supported in identifying non-BFAero networking events they may be interested in participating in.

BFAero may also promote activities connecting participating projects and alumni projects from previous cohorts, with the aim of encouraging the exchange of experiences, identifying synergies, generating commercial or technological collaborations, and consolidating a BFAero community linked to Galicia's aerospace and unmanned vehicle ecosystem.

These activities may include project-to-project presentation sessions, sector-specific events, one-to-one meetings, the participation of alumni as speakers or role models in

programme activities, as well as invitations to relevant events organised or promoted by BFAero.

Access to early adopters or potential customers

Depending on the modality in which they choose to participate in the Programme (incubation, acceleration or consolidation), BFAero will facilitate access by each project to "early adopters" who have the capacity to validate the project's development in the case of incubation and, in the case of acceleration and consolidation, access will be given to multiple potential clients.

Access to potential investors

BFAero will facilitate connections between projects and potential investors, funds, financial institutions, corporations, business angels or other players in the investment ecosystem who may be suitable, depending on the maturity level, sector, business model and growth needs of each initiative.

This support may be provided through participation in events, investment panels, one-to-one meetings, feedback sessions, investor networking activities or, where appropriate, BFAero Investors' Day, conceived as a key milestone for presenting projects to stakeholders with the capacity to provide investment, financing, strategic collaboration or support at later stages..

Galicia's Aerospace Hub infrastructures

The projects have access, among others, to the technical resources and infrastructures available at the Rozas aerodrome, the Rozas Airborne Research Centre (CIAR) and the National Institute for Aerospace Technology (INTA), as well as other infrastructures and equipment provided by BFAero's collaborating entities.

CIAR is a pioneering scientific and technological infrastructure in Europe for research in the field of unmanned aerial vehicles and systems. It offers a comprehensive service for testing aerial platforms (both manned and unmanned), equipment, subsystems, components and solutions that can be tested, qualified, approved and certified through infrastructures and instrumentation that constitute a unique space for the development of products and solutions in a safe, efficient manner.

Access to these infrastructures will be subject to and contingent on the availability of the entities that provide them to BFAero.

Visibility and dissemination

In the media and on social media, as well as through the various acts and events organised within the framework of the programme with the participation of companies in the sector and institutions, with the aim of positioning the projects participating in

the initiative in the market; or with collaborations with the sector. Participation in the programme will help projects gain access to backers in that sector, thereby providing them with the possibility of establishing future collaborative relationships.

Participating projects and, where applicable, alumni projects, may be featured in BFAero's communications, informational content, social media posts, bulletins or newsletters, provided that relevant information is available and has been validated by the parties concerned. The aim of these initiatives is to raise awareness of the projects' progress, their business, technological or commercial milestones, and their contribution to the Galician aerospace ecosystem.

PROGRAMME PHASES

The registration process for projects will be open from 30 July until 2 pm. (CET) on 30 October 2026. The selection process will be completed during the month of December with the publication of the selected projects. Business Factory Aero reserves the right to shorten or extend this deadline via an announcement published on the website www.BFAero.es. The final and valid dates will be the ones appearing on the website.

Phase 1 - Call for applications

The call for applications phase is the period in which BFAero invites entrepreneurs, companies, start-ups, university spin-offs and spin-outs of existing companies in the aerospace and unmanned vehicles field to participate as entrepreneurial projects in the accelerator's incubation, acceleration and consolidation programme.

The call phase will begin formally with the publication on the programme's public website of the call terms and will end with the closing date for submission of projects, without prejudice to the promotion, dissemination and presentation of the programme through the programme's own media or through other means such as social media or the mainstream media.

The form will be available until the closing date of the call. The information and documentation requested therein is used, firstly, to check that the candidate project meets the minimum participation requirements and eligibility criteria (described later in this document) and, secondly, to assess whether it is eligible for selection according to the evaluation criteria (described later in this document).

Projects that are interested in participating in this call for applications must fill in the registration form to be provided to projects by the BFAero team by the deadline indicated on the timetable. Once the registration has been validated, it can no longer be modified. Only the information provided on the application form will be taken into account in the evaluation of all projects that comply with the terms and requirements of these terms. Once the application has been considered, BFAero reserves the right to request any further information from the projects if it deems it necessary.

The application form can be accompanied by any and all the information they deem necessary to better understand the project. In addition, there is the option of attaching other files that can provide additional information (presentations, cases, etc.).

It is up to the applicants to decide which phase they want to apply for, although BFAero does reserve the right to change the phase depending on the maturity level of the project.

The submission of an application to this call for applications implies the express acceptance of all the requirements and conditions set out in these terms.

If you have any doubts or queries, you can contact us by e-mail at secretariatecnica@bfaero.es or by phone on 982 284 150.

Together with the form, the details of a person will be requested who, for the purposes of the selection process, will be the person that the programme will use as the exclusive point of contact for correspondence and establishing contact with the project. Confirmation of the project's registration will be sent in writing to the e-mail address provided at the time it is registered for the call during the BFAero selection phase.

To address any queries that may arise while completing the form and, more generally,

during the call for applications, interested parties may contact the BFAero Management Team through three channels:

- Phone: 982 284 150
- E-mail: secretariatecnica@bfaero.es
- BFAero Space: Fundación CEL Iniciativas por Lugo, Centro de Iniciativas Empresariales, Pazo de Feiras e Congresos de Lugo, El Palomar s/n, 27004, Lugo

The call for applications will commence with a public notice announcing its opening on 30 July 2026 and will end when the project submission period closes at 2 pm on 30 October 2026.

Phase 2 - Project selection

The purpose of this phase is to incorporate into BFAero entrepreneurial projects that have the potential to: deal with the challenges posed; take advantage of the services and resources made available to them by the programme through the incubation, acceleration and consolidation modalities and develop significantly; and, potentially, to create advances and innovations that are of interest and value to the aeronautical, aerospace and unmanned vehicles sector in Galicia.

During the selection phase, the projects participating in the programme in the incubation modality (maximum 3 projects), acceleration modality (maximum 5 projects) and consolidation modality (maximum 3 projects) will be selected from among those applicants who have replied to the call for applications.

The Executive Committee reserves the right to modify the allocation of selected projects by support modality in the following circumstances:

- Quality of proposals:** If the quality of the proposals received in any of the modalities does not meet the standards of excellence required by the programme, the number of projects selected in each category may be adjusted.
- Number of proposals:** If a significantly higher volume of applications is received in a given modality than in others, or if a minimum volume of proposals is not reached in a given modality, the number of projects selected in each category may be adjusted.
- Feasibility and potential impact on the aerospace and industrial ecosystem in Galicia:** In the event that a high volume of projects with great potential for impact or scalability in a specific modality is identified, the number of projects selected in each category may be adjusted.

The selection phase will begin after the deadline for applications and will end with the selection of the projects by the BFAero Executive Committee.

The selection of projects will be extended to all candidate projects that comply with the terms and conditions set out in these programme terms. The process will take place in two stages:

1. **Pre-selection:** Initially, it will be determined which projects meet the terms and conditions set out in these Terms, based on the information submitted in the proper manner and within the prescribed time limit using the form provided by BFAero.

During this pre-selection stage, BFAero may require pre-selected projects to clarify, supplement, correct or rectify the documentation or information submitted where this is necessary to verify compliance with the minimum requirements and eligibility criteria established in these Terms. Any such request must be addressed within the time limit and in the manner specified by BFAero, where applicable. Failure to respond to the request within the prescribed time limit, or inability to demonstrate compliance with the applicable requirements, may result in the project being excluded from the selection process.

In all cases, for the purposes of this stage, account will be taken of the information provided through the project application form and, where applicable, any additional documentation or information submitted in response to requests for clarification or rectification issued by BFAero. The form will remain available for as long as the call for applications remains open and will be taken into account in determining whether the minimum requirements and eligibility criteria set out in these Terms are met.

Projects that meet the terms and conditions will be assessed by the BFAero Executive Committee. The assessment will be based on the information provided in the application forms and, where applicable, any supplementary documentation submitted during the pre-selection phase. BFAero reserves the possibility to have the initiatives assessed by external professionals, leading organisations and organisations collaborating with the Programme.

2. **Pitch Day and selection:** Eligible projects will be assessed on the basis of the criteria set out in these terms, which will take into account the value of the project, the project team, business development, socio-economic impact and the project's capacity to improve while participating in the programme. If the project is selected for the personal interview phase, its representative will have 10 minutes to make an elevator pitch presentation to the BFAero Committee, sponsoring entities and, where appropriate, independent experts, preferably in person, to learn more about the project, the business model and the team's (professional profiles, experience, roles etc.). The Committee will then have up to 15 minutes for questions and clarifications on the presentation. The project representative(s) will be interviewed and make a public presentation. The interviews must be attended, as a minimum, by the project promoters or, failing that, by the two team members dedicating 100% of their working time to the

project, in order to introduce themselves, outline their skills and experience, and answer all questions put to them. The remaining team members may attend on a voluntary basis if the applicant project deems it appropriate.

The interviews must be attended, as a minimum, by the project promoters or, failing that, by the two team members dedicating 100% of their working time to the project, in order to introduce themselves, outline their skills and experience, and answer all questions put to them. The remaining team members may attend on a voluntary basis if the applicant project deems it appropriate.

In-person attendance at the activities during this stage, particularly Pitch Day, is the general rule and a material condition of the selection process, given the decisive role that direct contact with the project promoters plays in assessing the project and the team.

Only in exceptional circumstances, and solely in cases of force majeure or a justified, unforeseen and unforeseeable cause, duly substantiated and brought to the attention of the Management Team as far in advance as possible, may remote participation be authorised. The assessment of whether such circumstances exist, as well as the decision on whether or not to authorise remote participation, shall lie exclusively with the Management Team, whose decision shall be final and not subject to appeal. Under no circumstances shall the mere preference for or suitability of the candidate project be considered a justified cause for these.

Following this presentation, up to 11 candidate projects will be selected, with the following composition: 3 for the incubation modality, 5 for the acceleration modality and 3 for the consolidation modality, based on the information garnered from the application forms, interviews, Pitch Day presentation and any additional or complementary information provided during the application process; relating this information to the assessment criteria set out in the terms of this document. In addition to the 11 selected projects, and based on the descending order of the scores obtained in the selection phase, a reserve list of projects will be drawn up which may be added to the accelerator beneficiaries in the event that any of the initially selected projects pull out or are expelled. In this case, the support period for the back-up project will be reduced by the time already enjoyed by the previous beneficiary project.

The BFAero Executive Committee will be responsible for selecting projects and will hold at least two sessions to deal with the pre-selection and selection stages. It will be supported by the Management Team and, if necessary, may ask for reports and/or support for the candidate projects from independent experts who are able to provide information relevant to the evaluation.

Number of projects

There are no limits on the number of projects that are able to be submitted by each

sponsor team, but only one project will be eligible. In the case of spin-offs and spin-outs, BFAero reserves the right to select more than one project from the same sponsor based on whether or not there is a clear difference between the project teams.

Team

All members of the sponsor and management team must be of legal age. The team will be made up of at least 2 members, who will be fully dedicated to the company and have the capacity to make decisions in order to make the best use of the programme.

Incompatibilities

The members of the Executive Committee may not participate as sponsors and/or members of the selected projects, nor may they provide any kind of external service required by BFAero. In the case of staff seconded to their respective entities, the express consent of all members of the Executive Committee will be required. The members of the Management Team may not participate as sponsors and/or members of the selected projects, nor may they provide any kind of external service required by BFAero.

Phase 3 - Entry

The entry phase begins with the invitation to the selected projects to join BFAero and ends with the acceptance of the invitation to join the incubation, acceleration or consolidation modality under the terms set out in this section. The selected projects will receive a formal invitation to join the programme at BFAero headquarters, located in the BFAero Space, at FCEL's Business Initiatives Centre, at the contact email address provided in the registration form. The person responsible for the project must formally accept the invitation within 72 hours by replying to the e-mail received. If such acceptance is not received by the deadline, the Executive Committee may send the invitation to the next highest scoring project. Upon acceptance of the invitation to participate in the BFAero programme and following individual analysis of the project's development needs in relation to the services provided by BFAero, projects will sign:

1. A Framework Agreement that will include the undertakings assumed by all the signatories of this agreement concerning the selected project regarding support during the incubation, acceleration or consolidation period. Inter alia, this agreement will specify, as a minimum, the following aspects:
 - a. The support modality for the project, be it incubation, acceleration or consolidation.
 - b. The support plan that is ultimately agreed, including all aspects of it (tutoring, mentoring, experts, training, access to clients, access to investors, networking, use of BFAero spaces, support consultancies, etc.), as well as the planned timing of their activation, the planned arrangements where applicable, and the expected objectives/indicators.

- c. The development milestones able to be assessed that the project undertakes to achieve during the implementation of the support plan.
 - d. Basic support in terms of financing, understood as the financing already committed by BFAero's promoters.
 - e. Where appropriate, other support in terms of financing, both from BFAero's sponsors and from other agents participating in it, which will need to be set out in the corresponding Financing Agreements as set out in point 2.
 - f. Rules to ensure that all funding bodies act as a unit.
 - g. The procedures governing termination of the agreement and licensing of the project upon termination of its participation in BFAero.
2. The financing agreements, which will be as numerous as the number of financing entities that decide to finance the selected project, and for the formalisation of which the models and practices of each of the financing entities will be followed, with the possibility of establishing rights and obligations bilaterally with the project, without prejudice to the rules found in the Framework Agreement in order to guarantee that all parties act as a unit. It is envisaged that funding agreements may be reached following the signature of the Framework Agreement, during the development of the pathway or support plan.

During this phase, all projects will be supported by the BFAero Management Team, which will guide them through the stage of processing and bedding in to the programme.

Phase 4 - Project support programme

Support for the selected projects will begin, once the corresponding agreements have been signed, with the effective development of the pathway or support plan established in each Framework Agreement, scheduling and carrying out the different actions set out in it, this generally ending on expiry of the term envisaged for each type of modality, save in the event of early termination of the agreements due to failure to exceed objectives, failure to live up to the undertakings assumed by the sponsors, their withdrawal from the programme and other causes equivalent to those already mentioned.

WHAT WE REQUIRE OF ALL PROJECTS

- Engagement, effort and commitment to the project.
- That they own the intellectual property of the idea/ project submitted, or, failing this, the corresponding permissions to use intellectual and/or industrial property of third parties.

- Participation in the welcome session.
- They make a firm commitment to participate in the face-to-face activities that take place: they must actively participate in training, tutorials and follow-up meetings, both online and face-to-face:
 - Mandatory participation in the **tutoring** and **mentoring** activities carried out as part of the initiative, both face-to-face and online. At least 4 hours a month of technical tutorials and 4 hours of management tutorials. At the end of the mentoring period, a mentoring report must be completed for each meeting (according to the model provided), which must be signed by one of the sponsors and by the mentor.
 - Mandatory participation in training programmes.
 - Mandatory participation in follow-up meetings.
 - Compulsory attendance at the specialised workshops planned throughout the Programme (financing, patents, etc.).
 - Supporting the networking sessions that will take place throughout the Programme.
- Achieving the milestones or, failing this, reasoned justification for not achieving them.
- Signing, where appropriate, the corresponding special agreement that will set out the terms and conditions for the granting of the subsidy provided by IGAPE, this being an essential requirement for receiving the subsidy.

They must also report in a timely and transparent manner to the Executive Committee on the progress and results of the project and comply with the deliverables defined within the programme, within the required timeframe and in the required manner.

To summarise, those companies that participate in Business Factory Aero undertake to live up to the following obligations:

- Accept and comply with the terms of the programme.
- Ensure that the information provided is reliable.
- Abide by the deadlines set by the initiative for the provision of information.
- Attend and actively participate in the programme activities.
- Collaborate in the BFAERO programme's promotional activities.
- Ensure that any additional information pertaining to the programme that may be required of them during the life of the programme is supplied.
- Give notice of any material changes relating to the project and/or to the composition of the sponsor and/or management team, the entry of new shareholders, trading name, brands and logos, as well as to provide any other

substantial information pertaining to the project during the term of the programme, including the subsequent monitoring period in which the contracts associated with the funding received remain in force.

Three modalities of support programmes are envisaged for the selected projects: Incubation, acceleration and consolidation.

4.1 Support for the incubation modality

This programme is the first stage of BFAero's support cycle for entrepreneurship projects, which is designed for unincorporated or newly founded companies (with no comparable history of activity) that are at an intermediate stage between ideation and the development of a minimum viable product (MVP). It is aimed primarily at entrepreneurial projects in the aeronautics, aerospace and unmanned vehicles sectors.

Projects that do not have an incorporated company at the time of entry must, as a mandatory requirement, formally adopt the legal form of a capital company, with a work centre, registered office and tax domicile in Galicia, within a period not exceeding 2 calendar months from the date of entry into BFAero (in the case of international projects, this period shall not exceed 4 months). Formal incorporation as a capital company, with its registered office and tax domicile in Galicia, is an essential requirement for applying for and obtaining the right to IGAPE funding.

If, at the time it enters the incubator phase, it has been incorporated for no more than 5 years, the projects must open a work centre in Galicia within a period of no more than 2 calendar months from the date of entry into BFAero. It is an essential condition to have a formally incorporated company with the legal form of a capital company, with its registered office and tax domicile in Galicia for it to be able to apply for and obtain the right to IGAPE funding, both on account and in advance.

The incubation programme will last approximately 12 months. The participating company or project must pass, as a minimum, a mid-term evaluation, at the end of the first 6 months, in which it will have to demonstrate that it has achieved the milestones previously set out in the Support Plan. In the event that these objectives are not achieved, the Executive Committee will consider whether the company should continue to be supported or, on the contrary, should be terminated.

By taking part in the incubation programme, the project will have access to all the BFAero resources referred to earlier in this document. They will be arranged according to the specific needs of each project and will be set out and planned in the Support Plan.

This, in turn, may be modified to adapt to any setbacks that may arise as the project develops and demonstrates its performance in relation to the milestones that have been set.

4.2 Support in the acceleration modality

The acceleration programme focuses on supporting projects that have already developed a minimum viable product (MVP) and which are making their first sales, but which nevertheless need to systematise their business model, achieve recurring sales and/or penetrate new markets.

In the case of projects that do not have a company incorporated at the time of their entry, they must formalise their legal form as a capital company with a work centre, registered office and tax domicile in Galicia within a period of no more than 1 calendar month from the date of entry into BFAero. It is an essential condition to have a formally incorporated company with the legal form of a capital company, with its registered office and tax domicile in Galicia for it to be able to apply for and obtain the right to IGAPE funding, both on account and in advance.

If, at the time it enters the incubator phase, it has been incorporated for no more than 5 or 7 years, the projects must open a work centre in Galicia within a period of no more than 1 calendar month from the date it joins the accelerator. It is an essential condition for it to have a work centre open in Galicia in order to apply for and obtain the right to IGAPE funding both on account and in advance.

Business projects will be funded:

- a) Newly founded or, if not newly founded, up to 5 years old at the closing date of the call.
- b) up to 7 years old at the closing date of the call in the case of biotechnology, energy, industrial and other strategic sectors or companies that design their own technology.

To access XESGALICIA funding, it must be a company with its main centre of activity and corporate and fiscal domicile in Galicia.

The acceleration programme will last approximately 8 months. The participating company or project must pass a mid-term evaluation after 4 months, in which it will have to demonstrate that it has achieved the milestones previously set out in the Support Plan. In the event that these objectives are not achieved, the Executive Committee will consider whether the project should continue to be supported or, on the contrary, should be terminated.

Similarly to incubation projects, companies in the acceleration modality will receive services, resources and support from BFAero according to their needs and the undertakings set out in the Support Plan.

4.3 Support in the consolidation modality

The consolidation programme focuses on supporting companies in the aeronautics,

aerospace and unmanned vehicles sector, with a maximum age of 7 years and a high capacity for growth.

These have already been incorporated as companies that have a defined product or service and real sales. The company is starting to grow, albeit incipiently and with the possibility of scaling up.

The consolidation programme will last approximately 6 months. The participating company or project must pass a mid-term evaluation at the end of the first 3 months, in which it will have to demonstrate that it has achieved the milestones previously set out in the Support Plan. In the event that these objectives are not achieved, the Executive Committee will consider whether the company should continue to be supported or, on the contrary, should be terminated.

Each company in consolidation modality will receive the services and support necessary for its individual characteristics, which will be included in the Pathway or Support Plan.

Participating companies must open a work centre in Galicia within 1 calendar month of joining BFAero, if they do not already have one.

It is an essential condition for it to have a work centre open in Galicia in order to apply for and obtain the right to IGAPE funding both on account and in advance.

To access XESGALICIA funding, it must be a company with its main centre of activity and corporate and fiscal domicile in Galicia.

4.4 Investor's Day BFAero

The BFAero Programme may include the holding of an Investors' Day as a final milestone or key event in the support pathway, conceived as an event for presenting projects to investment entities, investment funds, venture capital firms, public or private funding vehicles, corporations, business angels and other players in the ecosystem with the capacity to support the funding, growth or scaling of participating projects.

The Investors' Day will aim to provide projects with a dedicated opportunity to present the progress made during their participation in BFAero, showcase their value proposition, business model, funding needs, growth strategy and market potential, and generate interest among potential investors or funding institutions that may contribute to the future development of the companies.

Throughout the support pathway, projects will receive support from tutors, mentors and specialist experts in preparing for their participation in this event through specific training, tutoring and mentoring activities aimed at developing their ability to communicate with investors. These activities may include, among others, reviewing and refining their pitch, preparing financial and business documentation, presentation skills training, preparing answers to frequently asked questions, and support in identifying the project's unique selling points from an investment perspective.

Phase 5 - Licensing

The licensing phase, which will aim at the orderly exit of BFAero projects, will take place once the process of supporting the participating projects has been completed.

At least two months prior to the planned end date of the support programme, the Executive Committee will assess the situation of each company on the incubation, acceleration or consolidation pathways, so that the licensing is beneficial for all parties involved and abides by the agreements reached in the Framework Agreement between BFAero and the participating project.

In the event that funders maintain their positions in an already licensed company and therefore the Framework Agreement with BFAero is no longer in force, all relationships after the licensing date will be conducted bilaterally between the funders and the company.

TIMETABLE FOR THE 8th EDITION

For the purposes of the timetable, BFAero is structured into the aforementioned call, selection, entry, incubation, acceleration, consolidation and licensing phases.

BFAero 8th Edition Timeline									
Year	Month	Call	Selection	Entry	Incubation	Acceleration	Consolidation		
2026	Jul								
	Aug								
	Sep								
	Oct								
	Nov								
	Dec								
2027	Jan								
	Feb								
	Mar								
	Apr								
	May								
	Jun								
	Jul								
	Aug								
	Sep								
	Oct								
	Nov								
	Dec								

The registration period or call phase begins when this document is published on the BFAero website.

Deadline for receiving applications: 2 pm (UTC+1) on 30 October 2026, Spain time. Applications received after the 2 pm deadline on 30 October 2026 will not be considered or evaluated. Only those applications that are submitted by the deadline through the appropriate channel, and that have fully completed the questionnaire, will be considered for the selection phase.

Once the call phase has ended and the deadline for project applications has passed, the selection phase will begin, in which the applications submitted will be evaluated and the ones to be included in BFAero will be selected.

The selected projects will then move on to the entry phase, in which they will have a maximum period of 1 month to provide the required documentation, sign the necessary agreements and complete other formalities related to their entry into BFAero. It is at this stage that the Framework Agreement will be drawn up and signed.

Subsequently, incubation, acceleration and consolidation programmes will start as planned in the Framework Agreement, which will have its own timetable.

The final dates and deadlines will be published on the BFAero website.

FINANCING CONDITIONS

The funding proposed from the BFAero programme is a combination of an commitment from IGAPE and potential funding from XESGALICIA.

Basic funding commitment

The basic funding commitment is understood as being the amount to be set in the call for applications as the funding commitment to be received by the companies selected in the various support programmes.

This basic funding commitment will be articulated as follows:

On the part of IGAPE:

Non-repayable financing:

- Incubation: up to €40,000 per project. Entities and subsidiaries and/or affiliates whose projects have previously been subsidised by IGAPE in the framework of any other similar acceleration programme will not be eligible for this funding if they have received an amount equal to or greater than the aforementioned amount.
- Acceleration: up to €60,000 per project. Entities and subsidiaries and/or affiliates whose projects have previously been subsidised by IGAPE in the framework of any other similar acceleration programme will not be eligible for this funding if they have received an amount equal to or greater than the aforementioned amount.
- Consolidation: up to €30,000 per project. Entities and subsidiaries and/or affiliates whose projects have previously been subsidised by IGAPE in the framework of any other similar acceleration programme will not be eligible for this funding if they have received an amount equal to or greater than the aforementioned amount.

In the case of companies that have previously received subsidies from IGAPE in the framework of similar acceleration programmes, the non-refundable funding to be received in the context of BFAero will be calculated as the difference between the amount that would have been granted had it not been previously funded and the amount actually subsidised in other programmes.

In addition, the projects selected in the 3 programmes may be supported by a technological services grant, managed by the CEL Foundation, for the purpose of contracting the necessary CIAR/INTA infrastructures or professional services exclusively from the Galician aerospace ecosystem, which will first be approved by the CEL Foundation.

*This exclusion will not apply in the case of projects that have been beneficiaries of previous BFAero accelerator calls at earlier stages.

This aid is subject to the provisions of Law 9/2007 of 13 June on subsidies in Galicia, and Decree 11/2009 of 8 January, which approves the regulations of this Law, as well as the basic regulations of Law 38/2003 of 17 November on general subsidies and its regulations approved by Royal Decree 887/2009 of 21 July.

They shall also be subject to the de minimis rules laid down in Commission Regulation (EU) No 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJEU-L-2023-881820 of 15 December 2023).

Pursuant to Article 3(2) of the above-mentioned Regulation, the total amount of de minimis aid granted by a Member State to a single enterprise shall not exceed €300 000 over any period of three fiscal years.

Bilateral financing agreements

In parallel to the basic funding commitment, the signatory entities and any entities that may accede to the agreement and participate in the funding mechanism for the development of the aeronautics, aerospace and unmanned vehicles sector in Galicia, may sign bilateral funding agreements with the selected partners, both in the incubation programme and in the acceleration and consolidation programme.

On the part of XESGALICIA, for each of the companies in the acceleration and consolidation phase, up to a maximum of 50,000 euros in the acceleration phase and up to 250,000 euros in the consolidation phase, through the venture capital fund that best suits the evolution phase of the project, may be financed, both through equity participation and in the form of a participation loan with the option of capitalisation, through the venture capital fund that best suits the project's state of development.

This funding will be contingent on other funders or partners providing at least the same amount of funding to the project, as well as on passing the investment analysis process carried out by the XESGALICIA team. XESGALICIA's financing will be provided under the same conditions as the financing that served as the basis for granting the participation loan or capital contribution.

General characteristics of equity loan financing.

Amount: up to €50,000 in the acceleration phase and €250,000 in the consolidation phase.

Maximum term: up to 7 years.

- Interest-free period: up to 2 years.

- Interest rate: Fixed (to be determined) + Variable (to be determined).
- Eligible for capitalisation.

To receive this funding, the company must be incorporated, have its main centre of activity and its registered office and tax domicile in Galicia. Projects financed by XESGALICIA will require subsequent monitoring and will have to provide periodic financial information or any other information deemed appropriate. The documentation to be submitted to XESGALICIA in order to obtain this funding is listed in Schedule III to these terms.

This funding will be compatible with other aid granted by another public administration, public or private body or entity, be it domestic or international, for the same purpose, without, in any case, isolated or in concurrence with other subsidies, aid, income or resources, exceeding the cost of the subsidised activity and the ceilings on public funding.

In the event of abandonment, non-compliance with the provisions set out in the programme call or with the conditions set out for its concession or in the event of a negative monitoring report, this will entitle XESGALICIA to terminate the funding granted and/or not to make any pending disbursements. The documentation to be submitted to XESGALICIA in order to obtain this funding is listed in Schedule III to these terms.

TERMS AND CONDITIONS

This chapter details the different conditions that determine the relationship between BFAero and those projects that apply to the call and participate in the incubation, acceleration and consolidation support programmes. First, the minimum requirements are listed, which are the basic conditions that must be met by projects applying to join BFAero. Second, eligibility criteria are explained, which are the characteristics that projects must have for them to be considered eligible and therefore to be evaluated in the selection process. Third, the evaluation criteria, which determine the aspects that the Executive Committee will analyse in order to select the candidate projects, and their relative weight, are explained. The following are the general commitments and requirements that projects participating in the incubation, acceleration and consolidation programmes must abide by during their relationship with BFAero.

Finally, incompatibilities are indicated, whereby it is established that certain entities, given their involvement in BFAero, cannot submit projects to the call for applications.

Minimum requirements

- A solvent team that has the necessary skills and abilities to see to the technical and economic management of a company, with a minimum of two people who are fully dedicated to the project. A detailed description of the team's composition, roles and responsibilities, CVs, and an appropriate level of knowledge and experience should be provided.
- Innovative, acceleratable and scalable project.
- Each business initiative (whether incorporated or not) may submit multiple projects, but will only be eligible for one of them. However, in the case of projects that originate from a university, technology centre or similar, more than one project originating from these entities may be eligible.
- All members of the project team must be of legal age.
- Projects may be formally constituted as a commercial company (public or private limited company) that has been incorporated for no more than 5 years at the closing date of the call for incubation and acceleration projects, and for no more than 7 years in acceleration in the case of biotechnology, energy, industrial and other strategic sectors or companies that design their own technology; and for no more than 7 years at the closing date of the call for consolidation projects.
- For the selected projects promoted by entrepreneurs with unincorporated companies, they must set up a company with registered office and tax domicile in the Autonomous Community of Galicia or undertake to do so within the first 2 months in the case of the incubation programme, and within the first month for the acceleration programme, and in any case be compliant with these requirements at the time they apply for funding. In the event that they have already been incorporated but do not have their tax domicile or registered office

in Galicia, they shall undertake to set up a work centre in Galicia within a maximum of two months for the incubation programme and one month for the acceleration and consolidation programmes.

- The projects must own the intellectual and/or industrial property of the idea, product or service submitted or, failing this, the corresponding permissions to use intellectual and/or industrial property of third parties. The participant represents and warrants that:
 - Its solution is an original work and does not infringe any industrial or intellectual property rights. This means that any and all industrial and intellectual property rights, as well as any and all information provided by the participant (images, trademarks, graphic designs, databases, and any other content) are the exclusive property of the participant or, where applicable, duly licensed to the participant by the owner.
 - It owns or is a licensed user of any and all algorithms, codes and/or data used in the solution.

Project eligibility criteria

Project eligibility checklist

☐ The project belongs to the aeronautical, aerospace or unmanned vehicle sector.	☐ The project falls within at least one of BFAero's thematic areas.
☐ The project is put forward by a company, entrepreneurs, a start-up, a spin-out or a spin-off.	☐ In the case of a start-up, the company is no more than 42 months old on the closing date of the call for applications.
☐ In the case of a one-company spin-out, the project stems from the separation of a project from an existing company.	☐ In the case of a several-company spin-out, the project stems from the separation of a project developed collaboratively by several companies.
☐ In the case of a spin-off, the project or company arises from an innovative development originating at universities or technology centres.	☐ If applying for the consolidation programme, the company belongs to the aeronautical, aerospace or unmanned vehicle sector and is no more than 7 years old on the closing date of the call for applications.

Scope of projects: sector and thematic areas

As a general rule, projects must fall within the aeronautical and aerospace sector, or relate to unmanned vehicles that contribute to this sector and their operations. For these purposes, unmanned vehicles are understood to include UAVs (Unmanned Aerial Vehicles), USVs (Unmanned Surface Vehicles) and UGVs (Unmanned Ground Vehicles), the latter being the specific area in which BFAero specialises. Projects belonging to sectors outside this area of specialisation will also be eligible to participate, provided that they have applications within the aeronautical, aerospace and unmanned vehicle sector.

Within this overall framework, projects must specifically address more concrete issues defined through BFAero's thematic areas, with the input and approval of the other

members of the Executive Committee, in line with the sector's existing innovation needs. These thematic areas constitute a broad framework, within which there is room for both established technologies in the sector and emerging technological fields linked to it; the examples given in each area should not be taken as an exhaustive list.

Accordingly, the thematic areas established for the eighth edition of BFAero are as follows:

1. Platforms and their components: structures, power, propulsion, systems, navigation and piloting. These include, among others, developments related to advanced autonomy, on-board artificial intelligence, resilient navigation and sensors.
2. Equipment and systems: both on-board and ground-based, including, amongst others, payloads, cyber security and secure communications, predictive maintenance, simulation and digital twins.
3. Unmanned vehicle applications for specific markets, including, among others, BVLOS operations, U-space solutions, and unmanned ground or maritime systems linked to aerospace operations.
4. Technologies applied to the satellite sector, including their development, operation and integration into aerospace solutions, as well as space data, satellite downstream activities and solutions for exploiting Earth observation data.
5. Dual-use technologies, security, defence and resilience: aeronautical, aerospace, satellite or unmanned vehicle-based solutions with potential civilian applications and security or defence applications.

The final eligibility of each project in relation to these thematic areas will be assessed by the Executive Committee in accordance with evaluation criterion C1, without prejudice to the possibility that a single project may be linked to more than one area where its technological nature so warrants.

Nature of projects

BFAero is aimed not only at companies and entrepreneurs but also at start-ups, spin-outs and spin-offs. The latter terms are described below:

- Startup: a newly founded company (up to 42 months old on the closing date of the call) sponsored by entrepreneurs in their personal capacity in the start-up phase, generally associated with innovation and with a scalable business model.
- One company spin-out: a newly founded company resulting from the spin-off of a project from an existing company.
- Several companies spin-out: a newly founded company resulting from the spin-off of a project developed collaboratively by more than one company.
- Spin-off: a newly founded company born from an innovative development originating in knowledge centres (universities, technology centres, etc.).

For the consolidation programme, projects of companies in the aeronautics and

aerospace sector with a maximum age of up to 7 years on the closing date of the call.

Participation modality

Eligible companies or projects may participate in the incubation, acceleration and consolidation pathways according to their degree of development, based on the following characteristics:

- Incubation: seed projects are projects at an early stage, where a minimum viable product or service (MVP) is being developed or has been developed and the business model has been outlined.
- Acceleration: early stage projects or companies with a defined product or service and/or initial sales, i.e. with a minimum viable product (MPV) already having been developed. The business model is structured and is being scaled up, at least incipiently.
- Consolidation: incorporated companies, at the consolidation stage, with a defined product or service and sales needs:
 - o Define and develop a commercial plan aimed at increasing the sales they are already obtaining from the marketing of their product by obtaining new clients or entering new international markets and which need to adapt their production and industrialisation processes to be able to meet the increase in demand for their product.
 - o Develop technical or technological improvements for the product they are already marketing due to feedback received from the market in order to increase their sales and reach those potential customers whose needs their product or service is not yet meeting.

Evaluation criteria

Criterion		Maximum score
Project evaluation		Relative weight-30%
C1	Degree of alignment with the chosen thematic area	2%
C2	Degree of innovation and technological challenge of the project	10%
C3	Degree of scalability of the product from an operational and business perspective	15%

C4	Quality and methodology of the submitted proposal	3%
Team evaluation		Relative weight -20%
C5	Commitment and dedication of the team	Exclusion criterion
		10%
C6	Suitability and complementarity of the team members to ensure the achievement of objectives	10%
Business development assessment		Relative weight-25%
C7	Commercial implementation of product or service, sales and customers	15%
C8	Potential for internationalisation	10%
Socio-economic impact assessment		Relative weight-15%
C9	Potential impact on society and/or on the future development of products and services in the project's application field	5%
C10	Impact on the dynamisation of Galicia's business fabric	5%
C11	Impact on employment generated and envisaged in Galicia	5%
Evaluation of the project's capacity for improvement in the programme		Relative weight -10%
C12	Incubation: ability to develop a Minimum Viable Product (MVP) over the course of the Programme	10%
	Acceleration: the project's ability to achieve initial sales and improve the minimum viable product (MVP) with feedback from the market over the course of the Programme	
	Consolidation: the project's ability to achieve recurring sales and restructure its production processes to make the company scalable during the Programme.	
TOTAL		100%

C1. Alignment with the thematic areas set out in the call (2%)

The project must be aligned with one of the thematic areas set out in the call for applications. This evaluation will take into account:

- Clarity in explaining of the link to the thematic area whose needs the project meets.

- The potential impact of the proposed solution in relation to the thematic area.

In this way, the following will be considered:

- Highly aligned: those projects that provide a technological improvement or innovation that solves a highly relevant problem within the chosen thematic area.
- Somewhat aligned: those projects that provide a technological improvement or innovation that solves a relevant problem within the chosen thematic area.
- Loosely aligned: those projects that provide a technological improvement or innovation that solves a somewhat relevant problem within the chosen thematic area.
- Not aligned: those projects that do not provide any technological improvement or innovation that solves a problem within the chosen thematic area.

C2. Degree of innovation and technological challenge of the project (10%)

For those projects that are candidates for incubation, 3 factors will be taken into account in the assessment of technological innovation:

- The characteristics of the product or service idea.
- The problem it aims to solve.
- The advantages it expects to have over identified potential competition.

For those projects that are candidates for acceleration and consolidation, 3 factors will be taken into account in the assessment of technological innovation:

- The characteristics of the product or service.
- The problem or need it solves.
- Its advantages over its competitors.

ENISA start-up certification would also be a bonus.

C3. Degree of scalability of the product from an operational and business point of view (15%)

To assess the degree of scalability, the business model should be described, both from a production and commercial point of view, and a justification should be given as to why it is considered scalable.

For those projects that are candidates for incubation, the following factors will be taken into account in assessing scalability from an operational and business point of view:

- Income and spending forecast.
- Identification of potential distribution channels.
- Scalability potential of the project, which is understood as being the ability to produce the product or service exponentially and to have the capacity to generate sales in a similar manner.

For those projects that are candidates for acceleration and consolidation, the following factors will be taken into account in assessing scalability from an operational and business point of view:

- Income and spending forecast.

- Distribution channels.
- Pricing strategy.
- Scalability potential of the project, which is understood as being the ability to produce the product or service exponentially and to have the capacity to generate sales in a similar manner.

ENISA start-up certification would also be a bonus.

C4. Quality and methodology of the submitted proposal (3%)

The quality and methodology of the proposal submitted to BFAero will be assessed taking into account the following:

- The project must be supported by a realistic work plan and provide initial planning in terms of scope and time that allows for subsequent monitoring of the project. The work plan should include the description of the product or service to be developed, the activities and resources needed to achieve the result, milestones and clear, verifiable deliverables.
- The work plan should provide a clear link between the people and the tasks they perform and be consistent with the proposed staffing and budget (BFAero funding) for each of the activities.

C5. Commitment and dedication of the team (Exclusive criterion)

Not having at least 2 profiles fully dedicated to the project will be considered an exclusion criterion.

C5. Commitment and dedication of the team (10%)

Based on the minimum of 2 profiles fully dedicated to the project submitted to BFAero (exclusion criterion), the number of additional profiles and the % of dedication of the same will be positively valued.

C6. Suitability and complementarity of the team members to ensure the achievement of objectives (10%)

The assessment of team members' suitability and complementarity will take into account the fact that the project team has all the skills and abilities needed to successfully achieve the objectives of the project submitted to BFAero. In the event that they do not have any of the necessary profiles, it will be considered whether it is proposed to include the project during the period of the programme.

For those projects that are candidates for incubation, the following factors will be taken into account in assessing the suitability and complementarity of team members:

- That there are profiles with sufficient skills, knowledge and experience to develop a Minimum Viable Product (MVP) over the course of the Programme.
- Skills, knowledge and experience in the economic and commercial management of the product or service and the ability to determine the target market will be a plus.

For those projects that are candidates for acceleration, the following factors will be taken into account in assessing the suitability and complementarity of team members:

- That there are profiles with sufficient skills, knowledge and experience to improve the Minimum Viable Product (MVP) with the feedback obtained from the market during the programme.
- To have at least one profile with knowledge and experience in the economic and commercial management of the product or service and the ability to determine the target market, define a marketing and sales plan and implement it.

For those projects that are candidates for consolidation, the following factors will be taken into account in assessing the suitability and complementarity of team members:

- To have profiles and knowledge and experience focused on the economic and commercial management of the product or service and to improve the marketing and sales plan and implement it.
- To have the technical equipment necessary for the industrialisation of the product or service required to cope with scalability of sales.
- It will be a plus if a profile has knowledge and experience focused on the internationalisation of the product or service.

C7. Commercial implementation of the product or service, sales and customers (15%)

For those projects that are candidates for incubation and acceleration, the business plan for the product or service idea for of the product or service already defined in which it will have to be addressed will be assessed:

- Size of target market.
- Estimate of potential customers and sales in the first three years from the start of marketing the product or service.

For those projects that are candidates for consolidation, the commercial implementation of the product or service will be assessed and 3 factors will be taken into account:

- The net turnover for the last few years, explaining what portion of it corresponds to the product or service submitted to BFAero.
- The number of contacts and customers made during the last financial year.
- To have a defined and implemented marketing strategy.

C8. Internationalisation potential (10%)

For those projects that are candidates for incubation and acceleration, the assessment of the internationalisation potential will take into account:

- The identification and justification of the choice of at least one international target market and its dimensions.

For those projects that are candidates for consolidation, the assessment of the internationalisation potential will take into account 2 factors:

- The number of countries in which the company has made any sales of the product or service provided.
- To have a defined internationalisation strategy that seeks to increase the level of sales in international markets in the short or medium term. It would also be an asset if this strategy were already in implementation.

C9. Potential impact on society and/or on the future development of products and services in the project's application field (5%)

It will be assessed positively if the submitted project has an influence on its field or sector of application, so that it enables the development of new products and services and has an impact on the socio-economic development of the region.

C10. Impact on the dynamisation of Galicia's business fabric (5%)

It will be assessed positively if the project has an impact on the development of the business fabric of the region, for example if it has established or plans to establish collaborations and/or synergies with public administrations, universities, technology centres and/or companies in the ecosystem.

C11. Impact on employment generated and envisaged in Galicia (5%)

It will be assessed positively if the project has generated or will generate employment in the region, be it talent from Galicia or talent attracted from outside the region.

C12. Project's capacity for improvement in the programme (10%)

A project that is likely to produce tangible results within the timeframe determined by its participation in the programme will be assessed positively. In addition, in the case of projects that have the potential for improvement in the degree of maturity of the product/service (TRL), according to the TRL H2020 definition, their capacity for improvement during the programme will be assessed. To conduct the assessment, the following distinction will be made:

- For those projects that are candidates for incubation: the project's real possibilities of proving the viability of its business model and developing a Minimum Viable Product (MVP) will be weighed up. This involves checking that there is a market demand and confirming with potential customers what the characteristics of the value proposition and the provisions of the business model as a whole are (in particular regarding the monetisation model) and being able to conduct initial Proofs of Concept (PoC).
- For those projects that are candidates for acceleration: the chances that the project can obtain first sales and improve the Minimum Viable Product (MVP) will be estimated using the feedback obtained from the market over the course of the programme. Therefore, the ability to define a marketing plan over the first months of the pathway and the ability to execute it successfully will be crucial.
- For those projects that are candidates for consolidation: the possibilities of the project achieving recurring sales and of restructuring its production processes to make the company scalable during the Programme will be analysed. In addition, the project's ability to define an internationalisation plan that can be implemented throughout the pathway will be assessed positively.

In addition, in the event that the applications received meet any one of the following conditions:

- They have participated in any of the instruments of the European Innovation Council (EIC): Pathfinder, Transition or Accelerator¹.

¹ [EIC Accelerator - European Commission \(europa.eu\)](https://eic-accelerator.ec.europa.eu/)

- They have received the EIC Seal of Excellence².
- They have participated in one of the Knowledge and Innovation Communities (KIC) of the European Institute of Innovation and Technology (EIT)³.
- It has participated in other European R&D&I or entrepreneurship programmes in which it has highlighted its differentiation and technological innovation, or has made progress in marketing itself.
- It has the official start-up certification issued by ENISA within the framework of Law 28/2022 of 21 December on the promotion of the start-up ecosystem.

Their score will be increased by five percent (5%), 100% being the maximum score they can receive. In the event that an application fulfils two or more of these conditions, the increase in the score will not be cumulative, rather just 5%.

² Second, Regulation (EU) 2021/1695 of the European Parliament and of the Council of 28 April 2021 establishing the Framework Programme for Research and Innovation Horizon Europe (OJEU L170).

³ [European Institute of Innovation & Technology \(EIT\) | EIT \(europa.eu\)](https://european-institute-of-innovation-and-technology.eu/)

LEGAL ISSUES, TERMS AND CONDITIONS

Since information will be exchanged throughout the various phases of the programme, it is important to be clear about the use of information and the responsibilities surrounding it.

Acceptance of the terms

Participating in the call for applications implies the acceptance of these terms, with no exceptions or conditions, as well as any resolution that may arise.

In the event that, during the course of the programme, it is found that any member of any of the participating teams is not compliant with the undertakings signed in the sworn statement, the Executive Committee reserves the right to demand compliance with these undertakings, failing which the project's candidacy will be excluded.

Projects will be subject to ongoing evaluation throughout all phases of the programme, and projects that fail to abide by the requirements, obligations and milestones set, as well as by all the sections included in "Legal aspects, terms and conditions" may be excluded from the programme and, consequently, lose the benefits derived from it, following a reasoned report from the Executive Committee of the programme.

Furthermore, BFAero reserves the right to annul, modify or suspend any aspect or criterion of the call and selection process.

The undertaking assumed by accepting these terms will take effect from the date of acceptance of these rules and remain in force until five years after the end of the call in which they were accepted.

General undertakings

The undertakings by which the projects abide, generally speaking, will be as follows:

- Accept and comply with the terms of the programme.
- Ensure that the information provided is reliable.
- Abide by the deadlines set by BFAero for supplying information.
- Maintain up-to-date information on the project and team members on the BFAero management platform throughout the duration of the programme, information that will be integrated into the Xunta de Galicia or IGAPE Balanced Scorecard (BSC).
- Collaborate in the BFAero programme's promotional activities.
- Ensure that any additional information that may be required throughout the

term of the programme is supplied.

- Give notice of any material changes relating to the composition of the sponsor team, the entry of new shareholders, trading name, brands and logos, as well as to provide any other substantial information pertaining to the project during the term of the programme.
- Undertake to promptly disclose in writing and in a reliable manner any conflict of interest identified with any of the actors involved in the programme.
- Minimum attendance: A minimum of two registered members of the promoter team must attend and actively participate in all activities of each programme.
- Make use of the facilities made available to the projects, both the CEL Foundation's business incubator and Galicia's Aerospace Hub infrastructures.
- Inform the BFAero management team of any change or incident that affects the conditions under which they adhered to the programme or financing agreements.
- Cooperate at all times with the Galician Regional Government, as well as with the BFAero management team.
- Be up-to-date with its Social Security obligations, state tax obligations and tax obligations to the Autonomous Community of Galicia, as well as not being subject to the impediments to attaining the status of beneficiary in accordance with articles 13.2 and 13.3 of Law 38/2003, of 17 November.
- The beneficiary company shall ensure that any and all information and documents submitted, from the application to the justification stage, are true and faithfully depict the true situation.
- It must provide BFAero's managing body with any documentation and information needed to properly justify the aid.
- It will keep all the documents accrediting the actions supported and will keep them at the disposal of the Galician Regional Government or BFAero's management team for a period of five years from the end of the justification period.
- It will undergo any checks deemed appropriate by the Galician Regional Government or BFAero's management team, providing any and all information requested by these parties.
- The aid will be reimbursed in the event of non-compliance with the regulations in force, the terms of this call, the Framework Agreement signed by the project's representative(s), the Instructions of the Technological Services Exchange, the IGAPE direct grant agreement and its Guide for the Justification of Expenditure, the financing agreement signed with Xesgalicia and other guides or instructions sent to the project representatives.
- It will give adequate publicity to this Programme, through the dissemination of the results of the accelerated project in the form or forums requested by IGAPE, Xesgalicia or the BFAero management team.

- It will comply with the requirements set by IGAPE, Xesgalicia or the BFAero management team regarding checks and controls.
- Projects shall be responsible for the reliability and monitoring of the implementation of the actions supported, so that the level of achievement of each action can be known at all times.
- They shall establish mechanisms to ensure that the actions to be carried out by third parties contribute to the achievement of the envisaged actions and that these third parties provide the necessary information, where appropriate, to determine the value of the relevant indicators, milestones and targets of the Framework Agreement.
- They shall be responsible for maintaining an adequate audit trail for the actions carried out in the framework of this grant and for keeping supporting documentation.
- Ensure that measures are in place to prevent, identify, report and remedy fraud and corruption, prevent conflicts of interest and double funding.

Requirements for incubation, acceleration and consolidation projects

Projects in the **incubation programme** must meet the following requirements:

- Dedication to the project of at least two people (100% of their time), who must cover the profiles of manager and technical manager.
- It is mandatory that at least one of the shareholders and/or founders of the company/project be involved in its integral participation in the programme.
- Compliance with the KPI (Key Performance Indicators) table and monthly progress.
- Achieving the milestones or, failing this, reasoned justification for not achieving them.
- Participation in all programme activities is mandatory.
- Signing, where appropriate, the corresponding special agreement that will set out the terms and conditions for the granting of the subsidy provided by IGAPE, this being an essential requirement for receiving the subsidy.
- Publicise the funding and support obtained by the BFAero programme in the dissemination activities related to the project, as well as on its social media and website.
- Participate in BFAero's dissemination, promotion and image activities.
- Transparency of projects in reporting on their progress and results.
- Comply with the requirements for setting up a company under the conditions and by the deadlines indicated, as well as the requirements for establishing a work centre.

Projects in the **acceleration programme** must meet the following requirements:

- Dedication of at least two team members (100% of their time), to be gradually supplemented according to required profiles.
- Compliance with the KPI (Key Performance Indicators) table and monthly progress.
- Achieving the milestones or, failing this, reasoned justification for not achieving them.
- Participation in all programme activities is mandatory.
- Signing, where appropriate, the corresponding special agreement that will set out the terms and conditions for the granting of the subsidy provided by IGAPE, this being an essential requirement for receiving the subsidy.
- Publicise the funding and support obtained by the BFAero programme in the dissemination activities related to the project, as well as on its social media and website.
- Participate in BFAero's dissemination, promotion and image activities.
- Transparency of projects in reporting on their progress and results.
- Comply with the requirements for setting up a company under the conditions and by the deadlines indicated, as well as the requirements for establishing a work centre.

Projects in the **consolidation programme** must meet the following requirements:

- Dedication of at least two team members (100% of their time), to be gradually supplemented according to required profiles.
- Compliance with the KPI (Key Performance Indicators) table and monthly progress.
- Achieving the milestones or, failing this, reasoned justification for not achieving them.
- Participation in all programme activities is mandatory.
- Signing, where appropriate, the corresponding special agreement that will set out the terms and conditions for the granting of the subsidy provided by IGAPE, this being an essential requirement for receiving the subsidy.
- Publicise the funding and support obtained by the BFAero programme in the dissemination activities related to the project, as well as on its social media and website.
- Participate in BFAero's dissemination, promotion and image activities.
- Transparency of projects in reporting on their progress and results.
- Comply with the requirements for setting up a company under the conditions

and by the deadlines indicated, as well as the requirements for establishing a work centre.

Incompatibilities

With regard to the consideration of a candidate project as being suitable for the selection process, the following incompatibilities shall be taken into account:

- Sponsors may not participate or submit projects in the capacity of owners of such projects.
- The members of the Executive Committee may not participate as a sponsor team and/or be members of the selected projects. In the case of staff seconded to their respective entities, the express consent of all the members of the Executive Committee will be required.
- If projects are submitted by partner organisations or their staff, they must be approved by the Committee as a whole.
- The members of the Management Team may not participate as a sponsor team and/or be members of the selected projects.
- Entities whose projects have been previously subsidised by IGAPE in the framework of any other similar acceleration programme, in its incubation, acceleration or consolidation programmes, will be excluded from the IGAPE subsidy provided for in this agreement. This exclusion does not apply in the case of projects that are financed solely through participation in the different phases of the BFAero accelerator.

Responsibility

Applicants shall be liable for all damages, direct or indirect, that are caused or which may be caused by the infringement of these terms, exonerating those responsible for the programme from any liability in this regard, without any exception.

In these terms, applicants shall be liable for the infringement of third parties' rights during their participation in the programme for this call and shall hold harmless the third parties concerned and, where appropriate, those responsible for the programme for any damage or prejudice caused and claimed, in or out of court, including, expressly, the fees of the professionals involved in the proceedings, for breach of the obligations described in these terms.

Representation

Natural persons signing or electronically submitting documents on behalf of applicants or beneficiaries of grants must be represented for each action. Representation may be attested by any legally valid means that provides a reliable record of its existence.

Non-compliance

Continuous monitoring. Selected projects will be subject to continuous monitoring throughout their participation in BFAero, with the aim of verifying the project's progress, the degree of compliance with the Support Plan, the achievement of the milestones and deliverables set out in the Framework Agreement, participation in the programme's activities, compliance with reporting obligations, and the appropriate use of the support received

For these purposes, the Management Team may periodically classify the status of each project according to the following levels: (i) compliant implementation; (ii) correctable deviation; or (iii) serious deviation. In the event of a correctable deviation, the Management Team may require the project to submit a corrective action plan, setting out specific measures, responsible parties and deadlines. In the event of a serious deviation, repeated failure to provide information or a substantial risk of non-compliance with the Framework Agreement, the Management Team shall submit a reasoned report to the BFAero Monitoring Committee, which has exclusive responsibility for the formal classification of the non-compliance and the adoption of measures.

Classification of non-compliance. For the purposes of this call for applications, and without prejudice to the case-by-case assessment to be carried out by the Monitoring Committee, the following shall be considered:

- Minor non-compliance: one-off delays that can be remedied, incomplete submission of documentation that can be rectified, or failure to update project information where this does not materially affect the monitoring of the project.
- Serious non-compliance: a lack of effective commitment from the designated team; repeated non-participation, without justified cause, in mandatory programme activities; repeated failure to update KPIs or relevant information; lack of transparency in reporting; failure to meet non-essential milestones where partial completion has been demonstrated; or the use of support received for purposes other than those intended, where this does not constitute very serious non-compliance as defined in the following section. For these purposes, 'repeated non-participation' shall mean unjustified absence from two or more mandatory programme activities within the same six-month period, and 'repeated failure to update' shall mean failure to update KPIs or relevant information during two consecutive monitoring cycles, in accordance with the frequency established for each modality.
- Very serious non-compliance: falsification of documents or concealment of information that is decisive for the assessment or monitoring of the project; withdrawal from the programme; refusal to undergo verification checks; misuse of funds or services; substantial failure to meet the essential milestones of the Framework Agreement; subsequent loss of the eligibility requirements on which selection was based; or failure to meet the conditions concerning incorporation,

registered office and tax domicile, or place of business in Galicia, where these are essential in accordance with the participation modality.

Applicable measures. Depending on the nature, severity, recurrence, remediability and impact of the non-compliance, and following a reasoned report from the Monitoring Committee, the following measures may be adopted either individually or cumulatively: a formal warning; a requirement to submit a corrective action plan; enhanced monitoring; temporary suspension of certain services or benefits; non-validation of non-compliant actions or expenditure; partial loss of outstanding benefits; exclusion from the programme; and/or a proposal for the full or partial repayment of aid received, together with any applicable late-payment interest.

Determination of the amount to be repaid. The amount to be repaid shall be determined in accordance with the principle of proportionality, taking particular account of the degree of actual compliance achieved by the project, whether the project has come significantly close to full compliance, the existence of actions unequivocally aimed at fulfilling the commitments undertaken, the relevance of the unmet milestones to the purpose of the aid, the damage caused to the programme, the recurrence of non-compliance, and the extent of the project's cooperation with the Management Team during the monitoring process and, where applicable, the verification process.

For guidance purposes, and without prejudice to the individualised assessment to be carried out by the Monitoring Committee in each case, the following ranges shall apply:

Type of non-compliance	Indicative consequence
Minor non-compliance remedied within the prescribed time limit	No repayment; warning or enhanced monitoring
Minor non-compliance not rectified	5%–10%
Failure to comply with publicity requirements	10%, in line with the current basis
Repeated failure to update KPIs or relevant information	10%–25%
Repeated non-attendance at mandatory activities	10%–30%
Lack of effective commitment from the designated team	20%–50%
Failure to meet non-essential milestones where partial completion has been demonstrated	20%–50%
Failure to meet essential milestones under the Framework Agreement	50%–100%
Failure to incorporate, relocate, establish a place of business or have an employee in Galicia, where this is an essential condition	50%–100%
Lack of transparency preventing verification of progress	50%–100%
Withdrawal from the programme or refusal to undergo control	100%

Type of non-compliance	Indicative consequence
Falsification, concealment of material information or misuse of funds	100%, without prejudice to any other liabilities

Procedural safeguards. Except where the adoption of a precautionary measure is appropriate to protect the interests of the programme, none of the above measures shall be adopted without first giving the affected project an opportunity to be heard. The project shall have a period of 10 working days from the date of notification to submit representations and provide any documentation it considers relevant.

Relationship to grant regulations. All of the foregoing is without prejudice to the fact that the repayment of aid granted by IGAPE and, where applicable, the termination of Xesgalicia financing instruments, shall be processed in accordance with the procedure and safeguards set out in their specific regulatory framework (Law 9/2007 of 13 June on grants in Galicia; Decree 11/2009 of 8 January; Law 38/2003 of 17 November, the General Law on Grants; and Royal Decree 887/2006 of 21 July). Such legislation shall prevail over the provisions of this section in the event of any inconsistency.

Intellectual property

Having, if applicable, the intellectual property of the idea/project submitted, or having the corresponding permissions for its use, is a minimum requirement set out in the terms and conditions.

Each applicant warrants that the content of its submission is of its original creation and does not infringe any rights, including the intellectual property rights of any third party and that the content is not illegal, nor has it been created in breach of any contractual obligation to a third party.

The information provided by the applicant must be correct, truthful and complete, and the applicant assumes full responsibility for any inaccuracies. Otherwise, BFAero shall be entitled, without prejudice to any other legal means, to withdraw, refuse or suspend the rights granted to the applicant in these terms.

The participant expressly authorises those responsible for the programme to use his/her name and image in publicity material related to this call, without any consideration in that regard. By submitting an application, the participant assumes that the submission of the application document confirms the voluntary nature of the application.

The applicant accepts that the programme officers will make the decisions relating to the call as well as making the final selection of programme projects. The applicant acknowledges that, even if its project is selected, the programme managers are not obliged to fully develop the programme.

Disclosure of information

Participants consent to the use of the basic project data during the evaluation process

as provided for in the terms.

Likewise, acceptance of these terms authorises the promoting entities to use the logo, project name, or any other kind of audiovisual support developed or recorded during the course of the programme, in all those dissemination and communication activities they deem appropriate, irrespective of the medium or format employed.

The content of all ideas and projects submitted to this call, and all data and information of any kind provided by the applicant, will be treated as confidential by BFAero, which undertakes not to use them for purposes other than those arising out of this document.

Communications

Any and all notifications regarding the development of the programme will be published on the BFAero website (www.BFAero.es) and will be available for consultation at FCEL's offices in Lugo. Any other individual notification will be communicated using the e-mail address or telephone number used in the registration of the project on the website, or the one subsequently provided by the main sponsors of the project for this purpose.

Protection of personal data

In compliance with Regulation (EU)2016/679 on the protection of personal data, we inform you that the controllers of the data supplied as a participant will be processed by the sponsoring and collaborating entities of the BFAero programme, including, among others, the Instituto Gallego de Promoción Económica, taxpayer ID code (CIF) Q6550010-J; XesGalicia Sociedad Gestora de Entidades de Inversión de Tipo Cerrado, S.A.U., CIF No. A-15.674.203; Fundación CEL Iniciativas por LUGO with CIF G-27.213.206; with the purpose of evaluating the projects presented, managing the participation in the programme, disseminating and promoting it to the public.

The lawfulness of making use of your data is based on your acceptance of all the provisions of these terms, the related legal obligations, as well as on your consent. The recipients of the information will be all the sponsoring entities, as well as third parties in compliance with the related legal obligations. The envisaged retention period is as set out in each of the phases of the project indicated in these terms, as well as the period necessary in order to comply with the related legal obligations and, in any event, for as long as the consent given is not withdrawn. No international transfer of data is envisaged except for storage purposes and, if necessary, we will only use certain applications involving international transfer to the United States which ensure that they will only be made to entities that have demonstrated and committed, through standard contractual clauses (SCCs), to comply with the level of protection and safeguards in accordance with the parameters and requirements set out in current European data protection legislation, such as the European Regulation, or where there is a legal entitlement to make the international transfer. Participants may exercise their rights of access,

rectification, deletion, data portability, limitation and opposition, as well as revocation of consent given, if applicable, by contacting BFAero at protecciondatos@bfaero.es. It may also file a complaint with the Spanish Data Protection Agency if it considers that its rights have been violated. More information at <https://bfaero.com/politica-privacidad/>.

Complaints

For the interpretation and fulfilment of these terms, the Executive Committee and the participants in the programme shall be subject to the application of Spanish law.

Any dispute arising out of the interpretation or execution of this document shall be resolved directly by the parties, for which purpose the parties undertake, in good faith, to make their best efforts for the consensual resolution of their disputes, in accordance with the common intention expressed herein, within a maximum period of fifteen (15) working days from the date on which either party gives written notice to the other party regarding any claim. Failure to reply on the part of the other party will not suspend the aforementioned period.

Any dispute, controversy or claim arising out of this document or the interpretation thereof which cannot be settled in accordance with the preceding paragraph, as well as any dispute concerning breach, termination or invalidity, shall be settled by arbitration. Arbitration will take place in the city of Vigo. The arbitration award shall be final and not subject to appeal, and any appeal against it will be waived.

Miscellaneous

BFAero does not guarantee the availability and continuity of the operation of the platform or the services hosted on it, as it may suffer interruptions or malfunctions in its operation. BFAero assumes no liability for any damage or loss suffered by the claimant owing to the malfunction or inability to use the information or services provided through the platform provided. It likewise shall not be liable for any damage or loss that may be caused by interference, omissions, interruptions, computer viruses or disconnections in the portal and the services due to any cause, including causes beyond the control of BFAero.

The applicant shall not use the platform to submit content that may violate applicable law or public morals or any other content that is harmful, abusive, disrespectful, defamatory, vulgar, obscene, racist or otherwise; perform any illegal or fraudulent act; or submit any documentation or material not related to the purposes of the call or to BFAero as a whole. BFAero reserves the right to remove any content that is in breach of these terms.

The participants in the programme assume the obligation to provide, within the time period foreseen in the last paragraph of the "Acceptance of the Terms" section, any

additional documentation that may be required by those responsible for the programme in order to comply with information obligations that may derive from regulations currently in force or which may come into force during the term of the programme. Failure to provide this information by the given deadline may lead to suspension and/or termination of the programme with respect to those in breach.

Compliance

FCEL has approved codes of good governance and has implemented a compliance programme that includes all the internal rules, processes, policies and measures implemented to ensure good governance of the institution and all the programmes it develops or governs and to avoid or mitigate the risk of any kind of legal non-compliance. Any and all projects selected and supported by this programme will comply with and enforce this system of good governance and compliance.

For more information see <https://fundacioncel.org>

SCHEDULES

Schedule I: Documentation to be submitted to IGAPE prior to signing the direct grant agreements

In order to determine whether the payment of aid to each beneficiary is appropriate, the certification issued by the management team, listing the projects finally included in the incubator, will be taken into account.

The following documentation shall be provided with this certification for each project included in the accelerator:

- Company's Taxpayer ID number.
- Certificate of ownership of the account into which payments are to be made, which must include the company name, the International Bank Account Number (IBAN) or the International Bank Identifier Code (BIC/ SWIFT).
- Declaration of responsibility that it is not subject to any of the prohibitions on obtaining subsidies set out in Article 10 of Law 9/2007, of 13 June, on subsidies in Galicia, and that it is not subject to any of the prohibitions set out in Articles 13.2 and 13.3 of Law 38/2003, of 17 November.
- Certifications that it is up to date with the payment of state tax obligations, with the Galician Autonomous Community and with Social Security.
- Document listing each selected project with the company and its legal representative, as well as the start and end dates of the incubation, acceleration and consolidation programme.

Schedule II: Model Direct Grant Agreement

MODEL DIRECT GRANT AGREEMENT.

COLLABORATION AGREEMENT BETWEEN THE GALICIAN INSTITUTE FOR THE PROMOTION OF THE ECONOMY AND _____ WHICH GOVERNS THE CONDITIONS FOR THE IMPLEMENTATION OF THE SUBSIDIES ENVISAGED IN THE AGREEMENT SIGNED BETWEEN THE GALICIAN INSTITUTE FOR THE PROMOTION OF THE ECONOMY (IGAPE), SOCIEDAD GESTORA DE ENTIDADES DE INVERSIÓN DE TIPO CERRADO, S.A.U. (XESGALICIA), THE CEL INITIATIVES POR LUGO FOUNDATION, FOR THE DEVELOPMENT OF THE 6TH, 7TH AND 8TH EDITION OF THE AERONAUTICS BUSINESS FACTORY - BFAERO.

Santiago de Compostela, _____

HERE PRESENT:

On the one hand, Ms. MARÍA JESÚS LORENZANA SOMOZA, Regional Minister of Economy and Industry of the Galician Regional Government, appointed to this position by Decree 44/2024, of 14 April, (DOG No. 73, of 14 April 2024), acting in the name and on behalf of the Galician Institute for the Promotion of the Economy (hereinafter IGAPE), by reason of her position and by virtue of the provisions of Article 11 of Law 5/1992, of 10 June, on the creation of the Galician Institute for the Promotion of the Economy;

On the other hand, Mr/Ms _____, NIF _____, and address for service at _____, on behalf of the company _____, the sponsor of the project _____.

HEREBY STATE:

I. The Galician Institute for the Promotion of the Economy (hereinafter IGAPE), XESGALICIA Sociedad Gestora de Entidades de Inversión de Tipo CERRADO SAU (hereinafter XESGALICIA), the CEL Initiatives for Lugo Foundation (hereinafter CEL FOUNDATION), signed an agreement for the continuity of the Aeronautics Business Factory - BFAero.

II. That the aforementioned agreement provides for various financial contributions for projects selected for the incubation and acceleration phase by the Executive Committee of the BFAero Programme, a condition that the aforementioned project meets.

III. This agreement is in line with the provisions of Law 5/2013, on the promotion of research and innovation in Galicia, as well as with the priorities found in the Smart Specialisation Strategy Plan for Galicia (RIS3), specifically in the Innovative entrepreneurship framework programme.

At the same time, Law 14/2013, of 27 September, on support for entrepreneurs and

their internationalisation, establishes in its first article the objective of supporting entrepreneurs and their business activity, promoting their development, growth and internationalisation and fostering an entrepreneurial culture and a favourable environment for economic activity, both in the initial stages of starting their activity and in its subsequent development, growth and internationalisation.

IV. The singular nature of this agreement is justified by the prior selection of the beneficiary project, which was subject to due publicity and selection requirements under a competitive tendering system.

The publicity requirements were fulfilled by publishing the BFAero Programme call for applications on the BFAero website, which was open to all projects that had fulfilled the specific conditions of the programme.

Based on the foregoing, both parties agree to enter into this collaboration agreement, subject to the following,

CLAUSES:

1. - Purpose.

The purpose of this Agreement is to regulate the terms and conditions for the execution of the subsidy provided for in the agreement signed by and between IGAPE, XESGALICIA, and the CEL FOUNDATION, for the development of the BFAero Programme.

A document describing the particular characteristics of the project shall be included in this agreement, according to the model provided for this purpose, as well as the Support Plan foreseen for the selected project.

2. - Duties of the beneficiary.

Without prejudice to the other obligations set out in Article 11 of Law 9/2007, of 13 June, on subsidies in Galicia, the beneficiaries of the aid granted are obliged to:

- a) Repay the subsidy received in the event of non-compliance with the conditions of participation in the BFAero programme.
- b) Provide the information required by the Public Accounts Department of the Autonomous Community, by the Court of Auditors and by the Court of Accounts in the exercise of their functions to audit and control how subsidies are used; and submit to the verification actions to be carried out by these bodies in relation to financial control, and other applicable actions; as well as those carried out by the granting body; and, where appropriate, those of the managing authority, the verifications of Article 13 of Regulation (EC) No 1828/2006 and, where applicable, those of the financial services of the European Commission and the European Court of Auditors, and to provide any information requested in the exercise of the aforementioned actions.
- c) Notify the awarding body of any subsidies, aid, income or resources that finance the subsidised activities. This notification must be made as soon as it becomes

known and, in any event, before justification of the use made of the funds received.

- d) Justify, in cases in which the amount of eligible expenditure exceeds the amounts set out in the revised text of the Public Sector Contracts Act, approved by Royal Legislative Decree 3/2011, of 14 November, for minor contracts; the request for at least three bids from different suppliers, prior to the contracting of the commitment for the work, provision of the service or delivery of the goods, unless, due to their special characteristics, there is not a sufficient number of entities on the market to carry out, provide or supply them, or unless the expenditure was incurred prior to the grant application, in accordance with the provisions of Article 29, Section 3 of Law 9/2007, of 13 June, on subsidies in Galicia, as amended by the second final provision of Law 2/2013, of 27 February, on the general budgets of the Autonomous Community of Galicia for 2013.
- e) Give express consent to the publication, by the Galician Government, of the data referring to this agreement, in accordance with Article 15 of Law 1/2016, of 18 January, on transparency and good governance, relating to the specific obligations regarding information on agreements; and with the provisions of Decrees 126/2006, of 20 July, and 132/2006, of 27 July, which regulate the register of agreements of the Galician Regional Government, and the public registers created in Articles 44 and 45 of Law 7/2005, of 29 December, on the general budgets of the Autonomous Community of Galicia for the year 2006, respectively.
- f) Give express consent to publication in the National Grants Database, in the terms provided for in Article 20 of Law 38/2003, of 17 November, on general subsidies, modified by Article 30.3 of Law 15/2014, of 16 November, on streamlining the public sector and other administrative reform measures.
- g) Comply with the publicity obligations set out in Article 18 of Law 38/2003, of 17 November, on general subsidies, as amended by article 30.2 of Law 15/2014, of 16 September, on streamlining the public sector and other administrative reform measures.

3. - Financing and eligible costs

The total amount of aid to be granted by IGAPE is as follows:

- €40,000, corresponding to projects participating in the incubation phase.
- €60,000, corresponding to projects participating in the acceleration phase.
- €30,000, corresponding to projects participating in the consolidation phase.

The corresponding dates of the incubation and acceleration programmes will be specified in the descriptive document appended to this agreement.

This amount will be financed from the budget application 09.A1.-741A-7700 of the

IGAPE budgets for the corresponding year.

To determine the origin of the aid paid to the beneficiary, the certification issued by the BFAero Programme management team, listing the projects selected for the incubation and acceleration phase by the Programme's Technical Committee, will be taken into account.

Eligible expenses shall be deemed as those that correspond to the nature of the subsidised activity and which are strictly necessary for the development of the project in accordance with the activities provided for in the support plan for the incubation and acceleration phases. Under no circumstances may the acquisition cost of eligible expenditure exceed the market value.

Only expenses incurred within the period between the start date and the end date of the incubation and acceleration phase are eligible.

For illustration purposes, the following items are considered eligible:

- Staff costs, with an employment contract, assigned to the Work Centre located in Galicia, as well as the fees of the sponsors who are registered as self-employed in the Special Regime for Self-Employed Workers (RETA), provided that in both cases their actual link to the project is accredited, with a limit of 80% of the total costs to be justified in the case of incubation projects and 50% of the total costs to be justified in the cases of acceleration and consolidation projects. Projects must provide evidence of the secondment and dedication of staff by means of a sworn declaration signed by the project leader and the employee.

The following table shows the percentage of staff costs attributable to the project sponsor team at BFAero according to the modality to which it belongs:

Modality	% of attributable staff costs of the sponsor team	Maximum subsidisable ceiling
Incubation	100% of 1 profile. 50% or the remainder	€32,000 maximum limit over the total aid to be granted by IGAPE
Acceleration	70% of 1 profile, 30% or the remainder	€30,000 maximum limit over the total aid to be granted by IGAPE
Consolidation	30% of all profiles	€15,000 maximum limit over the total aid to be granted by IGAPE

- Costs of participating in fairs, congresses and other networking activities specific to the project.
- Acquiring equipment and instruments insofar as these are used for acceleration activities.
- Costs of obtaining, validating and defending patents and other intangible assets, including the costs of obtaining official certifications needed for the viability of the project.

- External technology services.
- Support services for the preparation of the business plan, for going to market, or for seeking out investors.
- Subcontracting (50% limit)

In accordance with the provisions of Article 29.3 of Law 9/2007, of 13 June, on subsidies in Galicia, when the amount of eligible expenditure exceeds the amounts set for minor contracts in the revised text of Law 9/2017, of 8 November, on Public Sector Contracts, transposing into Spanish law the Directives of the European Parliament and of the Council 2014/23/EU and 2014/24/EU, of 26 February 2014; the beneficiary must request at least 3 bids from different suppliers, prior to contracting the commitment, unless, due to its special characteristics, there is not a sufficient number of entities on the market, or unless the expenditure was incurred prior to the grant application. The choice between the tenders submitted, which must be presented in the justification, must be expressly justified in a memorandum when the choice is not made in favour of the most economically advantageous proposal.

Actions contracted with research organisations or other entities, which involve the execution of part of the activities included in the acceleration programme that constitutes the object of the grant, shall be considered as subcontracting. Subcontracting, duly justified and reasoned, must conform to the provisions of Article 27 of Law 9/2007 of 13 June, on subsidies in Galicia, bearing in mind that, in any case, this may not exceed the limit of 50% of the total cost of the subsidised activity.

In cases where subcontracting takes place, beneficiaries must provide an express declaration that the persons or entities subcontracted for the subsidised activities are not related to them, in accordance with Article 27.7 of Law 9/2007, of 13 June, on subsidies in Galicia and its Regulations.

If the amount of VAT is not recoverable, it may be deemed an eligible expense. In this case, a certificate concerning the VAT status of the entity must be submitted.

IGAPE will provide financing for this aid via the mechanisms provided for in the legal system, with the fulfilment of the legal requirements by those selected to be beneficiaries being an essential condition for its being granted.

4. - Payment regime.

Pursuant to the provisions of Articles 31.6 of Law 9/2007 of 13 June on subsidies in Galicia and Articles 62 and 63 of the Regulations implementing the aforementioned Law, advance payments may be made, these being payments of funds following their justification, as the necessary funding to carry out the actions inherent to the subsidy.

The detailed instructions and the corresponding forms for submission of the documentation will be provided by the Galician Institute for the Promotion of the Economy, and the documentation must be submitted in an orderly manner following the structure set out in these instructions.

For each annuity of the incubation phase, the following payments may be requested on the due dates listed in the descriptive document appended to this agreement:

A.First payment.

Up to a maximum of 50% of the amount earmarked for each of the selected projects may be paid in advance, on request and according to the following classification of the pathways:

Incubation	Acceleration	Consolidation
Advance payment 50% 6th month payment upon 25% execution Final payment 25% upon justification	Advance payment 50% Final payment 50% upon justification	Payment on completion and justification

All advances requested shall include a reasoned decision and delivery in full of the following documentation:

- a) Application, in the model that will be provided by the Galician Institute for the Promotion of the Economy, which will include the following responsible declarations:
 1. Declaration concerning the aid being applied for or granted for the same purpose as well as the aid, being applied for or granted, for the same costs, even if the purpose was different, from any and all public administrations. If applicable, a simple copy of the decision granting other aid must be submitted.
 2. Declaration concerning any and all aid received by the company as de minimis aid during the previous two fiscal years and during the current fiscal year.
- b) Certifications that it is up to date with the payment of state tax obligations, tax obligations of the autonomous community and with Social Security obligations, if those previously submitted are not in force.

B.Final payment of the annuity and justification.

The remaining amount for each of the selected projects will be paid upon application and justification of the grant awarded with the following documentation:

- a) Application, in the model that will be provided by the Galician Institute for the Promotion of the Economy, which will include the following responsible declarations:

1. Declaration concerning the aid being applied for or granted for the same purpose as well as the aid, being applied for or granted, for the same costs, even if the purpose was different, from any and all public administrations. If applicable, a simple copy of the decision granting other aid must be submitted.
 2. Declaration concerning any and all aid received by the company as de minimis aid during the previous two fiscal years and during the current fiscal year.
 3. In the case of subcontracting, a declaration that the persons or entities subcontracted for the subsidised activities are not related, in accordance with Article 27.7 of Law 9/2007, of 13 June, on subsidies in Galicia.
- b) Certifications that it is up to date with the payment of state tax obligations, tax obligations of the autonomous community and with Social Security obligations, if those previously submitted are not in force.
 - c) Financial report, in the model that will be provided by the Galician Institute for the Promotion of the Economy, listing the expenses incurred using the grant received, including their relationship to the proposed activities of the acceleration programme.
 - d) Supporting documents for expenditure: Expenditure shall be supported by invoices and other documents of equivalent probative value in the legal and commercial transactions or with administrative effectiveness, in original or certified electronic copies. When the beneficiary does not have electronic invoices to justify the subsidy, it must provide an authentic electronic copy of the original paper documents, in accordance with the procedures set out by the regulations in force.
 - e) Supporting documentation for payments: payments shall be supported by originals or certified electronic copies of bank transfers, bank certifications, bank statements, or documents obtained through electronic banking provided that they bear the bank's stamp. In no case shall payments be justified by a receipt from the supplier.

These documents must clearly identify the payee and the payer, the number and the satisfaction of the total amount of the invoice (including VAT), as well as the reference. In the event that the payment document does not refer to invoices, it must be accompanied by supporting documentation which enables the correspondence between expenditure and payment to be verified (traceability).

Where a payment voucher includes multiple invoices, it shall be accompanied by a detailed list of invoices which indicate that the payment corresponds to those invoices. In the case of invoices paid jointly with other invoices not related to the plan, it will be necessary to submit the corresponding bank statement accompanied by the company's payment order stamped by the bank with a detailed list of the invoices.

Under no circumstances will payments paid at the cash desk or in cash and payments made by debit or credit card not associated to the beneficiary company be accepted as justified by receipts from the supplier, or payments made by debit or credit card not associated to the beneficiary company.

- f) Final annual report of the project incubation programme: this will justify compliance with the conditions imposed in the grant award, indicating the activities carried on and the objectives achieved. This report will be signed by the representatives of the beneficiary entity and the BFAero programme management team.

The organisation may submit any other documentation or material that it considers necessary to present to better justify the subsidised actions.

- g) Certificate concerning the VAT status of the entity, only for cases where VAT is not recoverable.
- h) Letter of payment referred to in Article 48.2. g) of Decree 11/2009 of 8 January, which approves the Regulation of the Galician Subsidies Law (LSG), relating to the reimbursement of unexpended balances, as well as the interest derived therefrom; payable in cases in which the possibility of granting advances is foreseen.

5. - Guarantee scheme.

Article 65 of Decree 11/2009 of 8 January, which approves the LSG Regulations, stipulates the obligation of beneficiaries and collaborating entities to provide guarantees in cases, among others, in which the possibility of advance payments is foreseen.

This agreement provides for the advance payment of up to 75% of the amount earmarked for the financing of the project. Considering that the purpose of this contribution is to support the different projects, facilitating the formalisation or constitution of the same in companies, and reducing the economic burden borne by any one company, both in its origins, as in the beginning of its activity; if exempted from the constitution of guarantee legally provided, according to the provision contained in Article 67 of the LSG Regulations, regarding the possibility of authorisation by the Regional Council for an exemption from the obligation to provide guarantees.

6. - Modification of actions.

The need to modify the actions to be carried out, after the conditions taken into account at the time of the award have been altered, may give rise to the grant awarded being modified. In any event, the aforementioned modification shall only be made after a favourable report from the Executive Committee.

The action to approve the modification of the actions will begin with the application by the interested party, which must indicate the scope of the proposed modification, in such a way that the actions to be modified and the development of the project are clear. This application must be submitted to the registry of the Galician Institute for Promotion

of the Economy.

Following such request, IGAPE will obtain the corresponding favourable report or approval from the Technical Committee.

Following the above actions, IGAPE will, where appropriate, approve the proposed modification.

The above modification, if any, shall be formalised in the corresponding document or addendum. According to the provisions of article 31.4 of Law 14/2013, of 26 December, on streamlining the autonomous public sector, regarding sustainable contracting, the agreements signed by the General Administration of the Autonomous Community and the instrumental entities of the autonomous public sector may be subject to modification when the aim is to achieve the objectives of budgetary stability and financial sustainability. The purpose of such amendments shall be to reduce the volume of the obligations or to extend their period of validity.

7. - Compatibility with other aid

This aid will be compatible with other aid granted by this or any other Public Administration, public or private body, be it a domestic or international organisation or body, for the same purpose, without in any case, in isolation or in concurrence with other subsidies, aid, income or resources, exceeding the cost of the subsidised activity.

The aid granted by IGAPE to projects that participate or which have participated in other acceleration programmes financed with funds from the Galician Regional Government or which have received funding from IGAPE in these programmes is incompatible with the aid granted by IGAPE.

This exclusion does not apply in the case of projects that are financed solely through participation in the different phases of the BFAero accelerator.

8. - Applicable regime and repayment

This aid will be subject to the provisions of Law 9/2007, of 13 June, on subsidies in Galicia; Decree 11/2009, of 8 January, which approves its regulations, as well as the basic regulations of Law 38/2003, of 17 November, on General Subsidies and its implementing regulations, approved by Royal Decree 887/2006, of 21 July.

Partial or total repayment of the funds received shall take place in the event of non-compliance with the conditions set out for their granting under the terms set out in Title II of Law 9/2007, of 13 June, on subsidies in Galicia.

It will also repay the funds (in full or in part) in the event of non-compliance and/or poor use of the acceleration by any of the projects selected in the final phase, which must be reflected in a sufficiently reasoned report.

They shall also be subject to the de minimis rules laid down in Commission Regulation (EU) No 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJEU-L-2023-

81820 of 15 December 2023).

Pursuant to Article 3(2) of the above Regulation, the total amount of de minimis aid granted by a Member State to a single enterprise shall not exceed €300 000 over any period of three fiscal years. The ceiling applies to all de minimis aid received by the undertaking, irrespective of the form in which it is granted or the objective pursued. The beneficiary must submit a declaration of any and all de minimis aid received by the company during the previous two fiscal years and during the current fiscal year.

9. - Monitoring and enforcement mechanisms.

For the proper monitoring of the actions of the agreement, a monitoring committee will be set up, with representatives of IGAPE and representatives of the beneficiary entity.

10. - Validity.

Without prejudice to the provisions of the second clause regarding the start date of the acceleration activities, this agreement shall be in force from the day following its signature until the end of the incubation, acceleration and consolidation phase, there being no possibility of extension.

11. - Legal nature and dispute resolution.

This agreement is administrative in nature and shall be governed by the provisions of these clauses and by the provisions of Law 9/2007, of 13 June, on subsidies in Galicia; as well as by Decree 11/2009, of 8 January, which approves the Regulations of the aforementioned Law; and by any other regulations that may be applicable.

12. - Amendments to the agreement.

According to the provisions of article 31.4 of Law 14/2013, of 26 December, on streamlining the autonomous public sector, regarding sustainable contracting, the agreements signed by the General Administration of the Autonomous Community and the instrumental entities of the autonomous public sector may be subject to modification when the aim is to achieve the objectives of budgetary stability and financial sustainability.

The purpose of such amendments shall be to reduce the volume of the obligations or to extend their period of validity.

Any amendment made to the content of this agreement will be proposed by the Monitoring Committee and must be formalised in the corresponding addendum.

The provisions of the previous section shall not apply to any amendment of the actions related to the projects presented, which shall be governed by the provisions set out in the Programme's terms.

This agreement may be amended in order to achieve the objectives of budgetary stability and financial sustainability. The purpose of such amendments shall be to reduce the volume of the obligations or to extend their period of validity.

In witness whereof, the following have signed this document in duplicate at the place and on the date indicated in the heading.

Regional Minister for Economy and Industry

Legal representative of the entity

María Jesús Lorenzana Somoza.

Schedule to the agreement

MODEL OF THE DESCRIPTIVE DOCUMENT CONCERNING THE SPECIFIC CHARACTERISTICS OF THE PROJECT.

Name of project:

- Company name and company NIF:
- List of sponsors /NIF:
- Sponsor 1
- Sponsor 2
- Brief description of the project:
- Start/ end date of incubation-acceleration-consolidation phase:

Deadlines for submission of documentation:

- First payment (advance):
- Second payment (meeting Milestones)
- Final justification:

Amount of non-refundable aid:

Other information of interest:

SCHEDULE III: Documentation to be submitted to Xesgalicia for the financing of each of the projects in the acceleration/consolidation phase

a) Identification of contact person(s).

b) Business plan (doc format):

- Project sponsors and relevant experience: CVs and profiles of founding team, highlighting their previous experience, achievements and project-relevant expertise.
- Background and description of project.
- Product or service. Production processes. Production facilities.
- Market, sector, competition.
- Business model.
- Marketing and commercialisation strategy. Key commercial contracts.
- Current and projected staffing levels.
- Planned investment and project financing.
- Financial plan with financial statements for at least 4 financial years (model provided by XESGALICIA in Excel format).
- Monthly cash flow statement for the first year from the current position (in Excel format).
- Executive summary of the above elements (model provided by XESGALICIA in Power Point format).

c) Financial documentation:

- Approved and, where appropriate, audited annual accounts for the last 3 financial years for which the accounts have been closed. If the company is less than 3 years old, the annual accounts for all closed financial years since its incorporation must be provided.
- Balance sheet, profit and loss account and cash flow statements as at the end of the last quarter of the current financial year.
- Bank pool as at the closing dates of the last quarter and the last financial year ended.
- Budget for the current financial year.
- Bank of Spain CIRBE report.
- List of all public aid applied for (approved, granted or pending resolution) for the same project and, in particular, from IGAPÉ.

- Certificate attesting to the absence of any debts with the aforementioned Institute.
 - Public and private funding planned, requested and/or obtained for the project.
- d) Scientific and technical documentation (to be provided where appropriate):
- Scientific and technical documentation related to the technology or product:
 - Detailed description of the technology or product developed by the start-up.
 - Technical reports explaining the scientific basis of the technology or product.
 - Documents supporting the innovation and originality of the technology or product.
 - Laboratory studies demonstrating the efficacy or unique characteristics of the technology or product.
 - Feasibility reports and market studies:
 - Market analysis showing the potential demand for the product or service.
 - Economic feasibility studies that demonstrate the profitability and sustainability of the business. Market research to support the need for and interest in the proposed solution.
 - Test results and validation:
 - Test and experimental data supporting the functionality and efficacy of the product.
 - Results of proofs of concept, prototypes or minimum viable products (MVP).
 - Evaluations and validations by third parties or experts in the field.
 - Intellectual property:
 - Patents or patent applications related to the technology or product.
 - Legal documentation proving ownership and protection of intellectual property.
 - Trademark or copyright registrations related to the brand or products.
 - References and collaborations:
 - Letters of support or recommendation from relevant experts, academics or professionals.
 - Documentation of collaborations with research institutions, universities or other companies.
- e) Legal documentation:
- Deed of incorporation and articles of association of the company.

- Composition of the capital and management bodies.
 - Copy of the shareholders register.
 - Certificate indicating that it up-to-date with the different public administrations (AEAT, Social Security and Autonomous Community).
 - Sworn statement concerning litigation to which the company, its partners and/or directors are party.
 - Previous shareholder agreement and, if applicable, commitments made by other accelerators.
 - Data Protection Act (LOPD) document (model provided by XESGALICIA).
- f) Anti-money laundering and terrorist financing (PBLAC) documentation:
- Customer Identification Form (Model provided by XESGALICIA).
 - Record of beneficial ownership.
 - Definitive VAT number.
 - National ID No. - DNI - (or equivalent) of the representative of the Company or of the beneficial owners.
 - Certificate of ownership of the current account including all its holders.
- g) Other documentation:
- Documentation concerning ownership of the technology and/or rights to exploit the technology.
 - In the case of non-cash contributions, documentation of the valuation of such assets.
 - Adherence to the internal publicity regulations (model provided by XESGALICIA).
 - Authorisation of use of the company logo by XESGALICIA.

Any documentation or information necessary for knowledge and proper understanding of the business plan or the economic, financial and legal situation of the company may be requested.

The documentation of the business plan must be presented in Galician or Spanish, the amounts in euros and must be signed by the legal representative of the company.

Documentation submitted in a language other than Galician or Spanish must be translated by a sworn interpreter [sic].

- h) The name of XESGALICIA may not be used for other financing that may be requested for the project, unless this is expressly authorised by XESGALICIA, which will be exempt, in any case, from the consequences of not financing the project, whatever the cause may be.