

## AC JumpStart Application Guidelines

### What is AC JumpStart?

AC JumpStart is an innovative incubation and mentorship program, funded by FedDev Ontario, aimed at helping technology startups establish and grow their business in southern Ontario. The Accelerator Centre (AC) delivers the program in partnership with Conestoga College, University of Waterloo, University of Guelph, and Wilfrid Laurier University.

### What is the mandate of AC JumpStart?

#### ***Provide new seed funding for mission critical activities***

AC JumpStart provides high-potential companies with an initial \$30,000 in seed funding at a critical and formative stage of development. A select number of University of Waterloo AC JumpStart applicants are also eligible to receive matching capital from the University (e.g. top University of Waterloo applicants may receive a total of \$60,000 in seed funding).

#### ***Increase availability of mentorship and expertise***

AC JumpStart participants will receive up to \$10,000 of in-kind services with our team of in-house mentors. Participants of the program agree to participate in a minimum of 5 hours per month of mentorship with our in-house team.

#### ***Broaden supports offered to early-stage companies***

In addition to the funding, AC JumpStart companies have the opportunity to benefit from the capabilities and services offered by all AC JumpStart partners.

#### ***Expand the investor, customer and R&D partner networks available to companies***

Building on a proven model and leveraging strong regional partnerships and delivery capacity, the collaborative efforts of the AC, Conestoga College, University of Waterloo, Wilfrid Laurier University and University of Guelph (Accelerator Guelph) will significantly increase access to potential customers, partners and investor connections.

## Why should I consider AC JumpStart for my startup?

Access to funding and dedicated mentorship at the formative stage is a significant hurdle for startups.

AC JumpStart addresses both of these challenges by providing essential seed funding and access to experts who can provide the critical guidance and mentorship geared towards helping young companies realize their business goals. It is a formula that builds a foundation for commercial success.

AC JumpStart will create a strong business foundation for participants and companies that consistently innovate, create new products, clients, jobs, and economic value.

**Our goal: To help create more market, customer and investment-ready firms in many sectors, enable these companies to achieve rapid traction and commercial impact, and drive their sustainable contribution to our regional economy.**

### ***Access to Funding***

The program provides \$30,000 in seed funding to support eligible\*, mission critical activities during the formative stage of development. This investment must be matched in cash by all recipient firms as required by FedDev Ontario. For companies who are selected for the program through the University of Waterloo stream, the University of Waterloo will provide the required \$30,000 in matching seed funding. To be considered for the UW stream, applicants must be graduates who earned their last Waterloo degree (in any discipline) within five years.

\*See further eligibility requirements on page 3

### ***Dedicated Mentorship***

The AC has developed an internationally-recognized mentorship program for startup technology businesses and their founders. AC JumpStart recipients will receive up to \$10,000 of in-kind mentorship services for 12 months from world-class mentors in the following disciplines:

- Sales & Marketing
- Public Relations & Communication
- Technology and Product Management
- Product Design
- Finance
- Human Resources, Leadership & Culture
- Customer Experience
- Digital Demand Generation

Completion of mentorship hours is a mandatory part of the AC JumpStart programming. Participants in the program agree to complete 5 hours of mentoring with our in-house team per month.

### ***Market Research and Validation***

AC JumpStart will provide companies access to the market research and analysis expertise of an AC Market Research Service Provider. Each company will have the opportunity to receive 1) Secondary Market Research, and a set of targeted 2) Sales Prospects after completion of an interview and evaluation form.

### ***Linkages to Prospective Investors and Customers***

AC JumpStart will broker linkages between companies, and prospective customers, investors and R&D partners. Each participating company will have the opportunity to tap into the broad and collective regional, national and international networks established by all partners.

### ***Potential for Incubation at the Accelerator Centre***

Participants in the AC JumpStart program may also qualify for acceptance into one of the Accelerator Centre's additional programs. If accepted, applicants will receive increased mentorship support, turnkey workspaces, and access to networking and educational events. Additional information can be found online at [acceleratorcentre.com/programs/ac-jumpstart](http://acceleratorcentre.com/programs/ac-jumpstart)

## **What are the eligibility requirements of AC JumpStart?**

The following are strict criteria for AC JumpStart eligibility:

- Company must be based in southern Ontario, as defined by FedDev Ontario ([click here for full description online](#)).
- Company must be incorporated in Canada, or show proof of a plan to incorporate upon receiving the funds.
- Entrepreneur must be an early-stage company, have an innovative technology product or process, limited R&D, and are working towards commercialization (see [definition](#) from Investopedia)
- Company **must not** have received previous investment from:
  - Scientists and Engineers in Business (SEB) fellowship
  - NFPs and post-secondary institutions under SEB to deliver seed funding (OCE SmartStart, RIC VentureStart, Next36, BioEnterprise, Northumberland CFDC, etc.)
  - Commercialization fellowships (University of Waterloo, McMaster, University of Toronto, Carleton)
  - Previous JumpStart funding recipients
- AC JumpStart investment amount must be matched in cash (such as angel/VC investors, friends/family/founders, academic institution, government sources, and/or industry investors). Funds must be shown in the businesses bank account.

- University of Waterloo alumni who received their last degree within 5 years and have technology innovations or ideas suitable for business startups are eligible for the university matching funds. As this is a competitive process, only the top university applicants as selected by a review committee will be invited to present their business opportunity.
- Companies that receive a Velocity SAFE based investment are NOT eligible to apply for the University of Waterloo JumpStart stream. Companies however are eligible apply to the Accelerator Centre stream, and will be required to show proof of matching funds.
- Conestoga College stream applicants must be in touch with the Conestoga Centre for Entrepreneurship (C4E) before applying.
- Any employee, or person associated with the organizations carrying out the project (Accelerator Centre, Conestoga College, University of Waterloo, University of Guelph, and Wilfrid Laurier University) are NOT eligible to participate in the AC JumpStart program
- Must show proof of funds and project spending plan
- Completion of the AC JumpStart application form in full

If you have any questions regarding eligibility, please contact [Mbabazi Shumbusho \(Mimi\)](#) prior to submitting an application.

### ***Eligible Activities***

Eligible activities that will enable entrepreneurs to launch their businesses may include:

- technology development
  - feasibility/demonstration, prototype
- sales and marketing
- labour (job creation)
- facilities (e.g. rent)
- professional services
  - legal (business incorporation/registration)
  - accounting (HST registration, business/personal tax filings)
  - intellectual property protection (e.g. patenting)
  - market/sales strategy
  - business planning

## ***Eligible Costs***

Direct eligible costs for project activities may include:

- labour and operating expenditures
- materials and supplies
- consulting and/or professional fees\*
- travel and meeting costs
- minor capital and non-capital acquisitions (e.g. software)

\*Applicants are strongly encouraged to include incorporation costs and associated legal and accounting fees within their budget plans.

## ***Ineligible Costs***

Ineligible costs for project activities may include:

- Unreasonable, or costs not related to the eligible activities
- Costs incurred prior to the date of the proposal approval
- Major infrastructure and capital costs such as land, building and related constructions costs
- Food, accommodation and entertainment costs
- Tuition cost fees for administrators, including payments to any member or office of the recipient's Board of Directors

## **How do I apply to AC JumpStart?**

The AC JumpStart application form can be found [here](#).

### **IMPORTANT:**

Before completing your application, carefully review the guidelines to ensure your proposal activities and objectives fit within the initiative's objectives and criteria. A complete application package must be submitted in order to properly evaluate your proposal.

## **What is the review process for AC JumpStart?**

AC JumpStart applications will be reviewed collaboratively by an expert panel consisting of AC JumpStart partner representatives (Accelerator Centre, Conestoga College, University of Guelph, University of Waterloo, and Wilfrid Laurier University) and independent judges.

A collaborative selection process from the same panel will generate a select list of candidates to engage in one-on-one interviews and dedicated 'pitch competitions.' The number of applicant selections will vary by institution.

**On behalf of the Accelerator Centre, Conestoga College, University of Waterloo, University of Guelph, and Wilfrid Laurier University, we would like to thank all applicants who apply to the AC JumpStart Program.**

This is a competitive process, with only the top applicants being accepted. All applicants will be advised of the result of their applications, and those that are not successful may be encouraged to re-submit (up to two times per company, total) to other cohorts.

## **What do I need to know if I get accepted into AC JumpStart?**

Successful applicants will be required to execute **the AC JumpStart Agreement** as a requirement for the release of project funding.

An initial payment based on the company's first quarter financial needs (not to exceed \$15K, UW has exceptions and can alter payment amounts) will be made at the start of the program to enable initial work to begin. The company will receive follow-on funding in tranches based on the completion of well-defined milestones approved by AC JumpStart mentors and partner organizations.

In order to fully receive the grant, the company must report monthly on mentorship hours, their progress towards project completion, and investment milestones achieved to date. The milestones submitted are to be discussed with the mentor group at the start of the program, and if modified they must be approved by the mentor and ACJS lead, and returned in the fillable sheet format (provided by the ACJS lead) by the company immediately.

### **IMPORTANT NOTE:**

Successful applicants must be aware of the applicable tax implications of AC JumpStart funding they may receive, and that it will be their responsibility to pay all applicable business taxes (including HST) required by the province of Ontario or the Government of Canada.

## Where can I find additional information on AC JumpStart?

For additional AC JumpStart and/or program eligibility, please contact:

Mbabazi S. Shumbusho (Mimi)

Client Experience Coordinator

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