

breakthru

NBIF START-UP COMPETITION

CyberHatch Handbook



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Ensure you have reviewed the complete details on the process and criteria for NBIF's Breakthru Start-up Competition here on our website. The information contained in this document pertains to certain aspects of Breakthru: CyberHatch specifically.

1.0 Introduction

Are you ready to BREAKTHRU - Cyberhatch

Breakthru - Cyberhatch, is NBIF's start-up competition in partnership with CYBERNB. It encourages the creation and development of entrepreneurial, innovative business ventures in the Cyber- Technology Sector in the province of New Brunswick (N.B.). This province-wide competition provides participants with a unique opportunity to access start-up capital, mentoring, and support.

Entrepreneurial New Brunswickers who are interested in pursuing the development of a new and innovative **Cyber-Technology** venture in N.B. are encouraged to enter the competition. Participants will compete for the chance to win **\$25,000** in the form of a SAFE investment from NBIF, and expert support from CYBERNB, to help launch and grow their start-up.

The competition unites members from all areas of the community, including business, academic and government sectors, with the common goal of enhancing entrepreneurship and seeding new and innovative cyber-tech ventures.

1.1 OBJECTIVES

Breakthru - Cyberhatch is designed to accomplish the following primary objectives:

- Encourage and support the creation and development of new and innovative **Cyber-Technology** ventures
- Prepare and mentor participants and their companies for **investment and growth**



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- Create awareness of **entrepreneurship** and enhance the **entrepreneurial ecosystem**; and,
- Foster a **culture of innovation** in New Brunswick.

2.0 Prizes

The prizes provide successful participant(s) with the critical start-up capital and/or support that they require to launch their new business venture.

Grand Prize: One \$25,000 SAFE investment by NBIF, subject to the proper due diligence and Expert Support provided by CYBERNB for a period of 6 months.

Second Prize: Expert Support provided by CYBERNB for a period of 6 months.

2.1 SAFE Investment

The investment component of the prize money will be provided to the successful participant by NBIF. The investment is subject to the satisfactory completion of final due diligence by the NBIF. The investment will be completed as a SAFE investment into an appropriately incorporated entity. Where required, NBIF will assist the prize recipient with the incorporation process. In exchange for its investment, NBIF and the winning company will enter into a Simple Agreement for Future Equity (SAFE). This SAFE will have no interest, a \$2,500,000 valuation cap, a 24-month term and a 20% discount on the next round of financing. As an example: this SAFE investment will be similar to the SAFE investment that was popularized by the Y-Combinator.



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2.2 Expert Support provided by CYBERNB

The expert support will be provided by CYBERNB to the first and second place winners, for a total duration of up to 6 months. It will include overview of the startup product, market, business model and value proposition, as well as ongoing access to content, industry network and expert advice. The value of the expert support is estimated at \$25,000 in value to each winner.

Additionally, ensure you have read the terms and conditions as an applicant and participant in the competition, along with the helpful resources to support you through the entire competition process.