



## Missouri Innovation, Development, and Entrepreneurial Advancement (IDEA) Fund Co-Investment Programs Application

*This is not the IDEA application; this is a PDF copy of the application. All applications must be submitted online. A link to the application can be found on MTC's website (<https://www.missouritechnology.com/>).*

### MTC IDEA Fund Co-Investment Program - FY2021

The Missouri IDEA Funds Co-Investment programs were created to support Missouri's early-stage entrepreneurs in developing technologies and creating jobs across Missouri. The programs support technology startups through matching equity or convertible debt investments for the purpose of technology and business development.

Email Address:

#### Section 2. Applicant Information

1. Legal Business Name:
2. Doing Business As (DBA):
3. Applicant Organization website:
4. Is the Applicant Organization's headquarters located in Missouri?
  - Yes
  - No
5. Corporate headquarters address (street, city, state, zip):
6. What is the Applicant Organization's legal structure?
  - C Corporation
  - S Corporation
  - B Corporation
  - LLC
  - Other
7. State of Incorporation/Organization/Formation:
8. Year Applicant Organization was Founded:
9. Federal Employer Identification Number (FEIN):
10. Missouri Tax Identification Number (MITS):
11. North American Industry Classification System (NAICS) Code:



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12. Signing Authority for Applicant Organization (name, title, phone number, email):
13. Primary Contact Person (name, title, phone number, email):
14. Which MTC co-investment program is the Applicant Organization applying to? See our website for full program descriptions.
  - TechLaunch (up to \$100k)
  - SEED Capital (up to \$500k)
15. Area of Focus:
  - Animal Health
  - Plant Science
  - Biomedical Science
  - Applied Engineering (software)
  - Defense and Homeland Security
16. In one sentence, tell us what the Applicant Organization does.
  - *Suggested text limit of less than 275 characters (including spaces).*

### Section 3. Product or Service

1. Describe the problem the product or service addresses and briefly identify the customer segment it targets.
  - *Suggested text limit of less than 1,000 characters (including spaces).*
2. Describe the product or service and highlight the value proposition to the customers.
  - *Suggested text limit of less than 1,000 characters (including spaces).*
3. How is the solution unique or superior to the competition?
  - *Suggested text limit of less than 1,000 characters (including spaces).*
4. Where is the Applicant Organization in the product development cycle?
  - Research & Development
  - Early Beta
  - MVP
  - A commercially available product with early adopters
  - Scaling sales and marketing efforts



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5. Does the Applicant Organization or anyone associated with the Organization hold the rights to any intellectual property related to the product or service?

- Yes
- No

6. If yes, explain who currently holds the rights, in any form, to any intellectual property related to the products. Include a list of the intellectual property (licenses, patents, patent applications).

7. If applicable, describe the Applicant Organization's future intellectual property strategy.

- *Suggested text limit of less than 1,000 characters (including spaces).*

### Section 4. Market Opportunity

1. What market does the Applicant Organization serve, and how large is it? Be sure to identify the customers clearly. If applicable, be sure to differentiate between customers (who are paying for the product or service) and users.

- *Suggested text limit of less than 1,000 characters (including spaces).*

2. Describe the competitive landscape and Applicant Organization's competitive advantage. Include a discussion of direct and indirect competitors.

- *Suggested text limit of less than 1,000 characters (including spaces).*

3. How will the Applicant Organization access its market, and what is the sales strategy?

- *Suggested text limit of less than 1,000 characters (including spaces).*

4. Describe where the Applicant Organization is in its go-to-market strategy and which market channels have been tested or are currently being used? Using applicable KPIs, highlight the sales and marketing traction for 2020, as well as discuss the traction goals for 2021.

- *Suggested text limit of less than 1,000 characters (including spaces).*

5. Describe the major barriers to entry into the market. This should include any barriers your Applicant Organization must overcome as well as those barriers your Applicant Organization has established to prevent other market entrants.

- *Suggested text limit of less than 1,000 characters (including spaces).*

### Section 5. Business Model

1. How does the Applicant Organization, or how will it, make money?

- *Suggested text limit of less than 1,000 characters (including spaces).*



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2. Describe how the business is scalable.

- *Suggested text limit of less than 1,000 characters (including spaces).*

3. What is the total revenue to date (not including investments or non-dilutive funding)?

4. What were the total revenues for the past year (not including investments or non-dilutive funding)?

5. What is the projected revenue for the current year, and what is the projected month over month or year over year revenue growth for the current year?

- *Suggested text limit of less than 275 characters (including spaces).*

6. What is the average monthly burn rate for the current year?

7. How much capital will it take to make it through the next 18 months?

- *Suggested text limit of less than 275 characters (including spaces).*

### Section 6. Execution & Team

1. Define the roles of the current team members (including founders) and identify which are full-time, part-time, paid, or unpaid, and where each team member is located (city & state).

- *Suggested text limit of less than 1,000 characters (including spaces).*

2. Describe the founder(s) and team member(s) relevant business experience, industry knowledge, and other information about why your team is equipped to succeed in running this business?

- *Suggested text limit of less than 1,000 characters (including spaces).*

3. Select any of the statements below that apply to the Applicant Organization.

- The management team includes a female founder.
- The management team includes a female, non-founder member.
- The management team includes a diverse founder.
- The management team includes a diverse, non-founder member.
- None of the above.
- Prefer not to respond.

4. What is the most recent product development or traction milestone that has been achieved?

- *Suggested text limit of less than 1,000 characters (including spaces).*

5. What is the business's next major milestone, and how long will it take you to achieve it?

- *Suggested text limit of less than 1,000 characters (including spaces).*



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6. Discuss the nature of any existing or planned research, commercialization, and/or industry collaborative relationships that will play a role in achieving the critical commercialization milestones.

- *Suggested text limit of less than 1,000 characters (including spaces).*

7. Does the Applicant Organization have an Advisory Board or Board of Directors? If so, provide their names, links to their LinkedIn Profiles, and describe their role in the Applicant Organization.

- *Suggested text limit of less than 1,000 characters (including spaces).*

8. Add links to any recent press releases or articles/blog posts that feature the Applicant Organization or product.

### Section 7. Deal Terms

1. Type of Investment:

- Equity
- Convertible Debt
- Other

2. If other was selected, explain the proposed type of investment.

3. Amount of funds requested from MTC:

4. Provide an overview of the current funding round. Including but not limited to- pre-money valuation or cap on the convertible note, additional deal terms, amount of funding already committed, expected closing date, the identity of the lead investor, etc.

- *Suggested text limit of less than 1,000 characters (including spaces).*

5. Provide an overview of the use of funds for the current funding round.

- *Suggested text limit of less than 1,000 characters (including spaces).*

6. Describe the specific commercialization milestones that will be achieved with the funding.

- *Suggested text limit of less than 1,000 characters (including spaces).*

7. Provide an overview of the matching funds. Include the source of the funds, the amount of the funds from each source, and the funds' status (closed, soft circled, in active investment discussions, early outreach).

- *Suggested text limit of less than 1,000 characters (including spaces).*

8. Briefly describe the amount of capital required to take the Applicant Organization to an exit and how the Applicant Organization will access the required funds.

- *Suggested text limit of less than 1,000 characters (including spaces).*



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9. Briefly describe the Applicant Organization's exit strategy.

- *Suggested text limit of less than 1,000 characters (including spaces).*

10. How much capital has been invested in the Applicant Organization to date- equity investments, non-dilutive grants, in-kind services, and startup/pitch competition prizes? What are the sources of those investments?

- *Suggested text limit of less than 1,000 characters (including spaces).*

11. Is at least 51 percent of the Applicant Organization owned by a woman or women who are U.S citizens?

- Yes
- No

12. List any organizations of any corporate type that own the Applicant Organization in whole or in part.

13. List any organizations of any corporate type that the Applicant Organization owns in whole or in part.

14. Has the Applicant Organization or anyone employed by or holding equity interests of, or debt instruments issued by, the Applicant Organization ever applied for or received any financial assistance or direct investment from MTC or the Missouri Department of Economic Development?

- Yes
- No

15. If yes, please provide details of the transactions.

- *Suggested text limit of less than 1,000 characters (including spaces).*

### Section 8. Economic Development Impact

1. How many full-time Missouri-based employees does the Applicant Organization currently have, and what is the average salary?

2. How many full-time Missouri-based employees does the Applicant Organization expect to have one (1) year post-funding, and what will the average salary be?

3. How many full-time Missouri-based employees does the Applicant Organization expect to have three (3) years post-funding, and what will the average salary be?

4. How many full-time Missouri-based employees does the Applicant Organization expect to have five (5) years post-funding, and what will the average salary be?

5. Describe the methodology for determining these job creation and salary figures.

- *Suggested text limit of less than 1,000 characters (including spaces).*



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### Section 9. Required Documents

- Executive Summary
- Investor Pitch Deck
- Capitalization Table
- Financial Statements for the Applicant Organization's three (3) most recently completed fiscal years
- Most recent balance statement and profit and loss statement
- Pro forma financial projections for a five (5) year period on an annual basis
- State of Missouri certificate of good standing for the applicant organization (dated within 60 days of submission). A copy can be obtained from the Missouri Secretary of State.
- Certificate of authority for the applicant organization to conduct business in the State of Missouri (applicable for non-Missouri corporate entities). A copy can be obtained from the Missouri Secretary of State.
- Current Missouri tax clearance (dated within 60 days of submission). A copy can be obtained from the Missouri Department of Revenue by submitting a Form 943 request.

### Section 10. Optional Documents

- Business Plan
- Term Sheet for current fundraising



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### Section 11. Legal

Attach a detailed explanation if any of the Applicant Organization's officers, directors, or beneficial owners is now or within the last ten (10) years:

- Been delinquent in the payment of any non-protested taxes or any other amount due to the State of Missouri (or any political subdivision thereof) or federal government.
- Filed for or publicly announced its intention to file for bankruptcy protection.
- Been barred or disqualified from contracting with any state, federal government, or any local municipality, or any political subdivision thereof.
- Been found to employ an unauthorized alien.
- Been informed of any investigation respecting personal or business actions or inactions that might give rise to a possible violation of state or federal criminal, securities, or competition laws.
- Been convicted of or under indictment for any criminal offense other than a misdemeanor.
- Had a business or professional license suspended, revoked, or surrendered voluntarily.

Check the box if the above statements do not apply to any of the Applicant Organization's officers, directors, or beneficial owners.

- Does not apply to the Applicant Organization.

### Section 12. Conflict of Interest Disclosure

MTC's Conflict of Interest Policy can be found here: [https://www.missouritechnology.com/docs/default-source/default-document-library/mtc---conflict-of-interest-policy-2013E3B12080EFA0.pdf?sfvrsn=e55b5f31\\_0](https://www.missouritechnology.com/docs/default-source/default-document-library/mtc---conflict-of-interest-policy-2013E3B12080EFA0.pdf?sfvrsn=e55b5f31_0)

The Applicant has reviewed MTC's Conflict of Interest Policy (as amended on October 25, 2010) and Current List of Employees and Directors.

- Yes
- No

Disclose Any Known or Potential Conflicts of Interest Respecting the Applicant Organization and MTC.





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### Section 13: Certifications

By submitting this application, the Applicant Organization certifies and acknowledges the following:

1. The Applicant Organization has reviewed the applicable program description and MTC's investment review process, both of which are available at [www.missouritechnology.com](http://www.missouritechnology.com).
2. MTC reserves the right to request any additional information at any time in connection with its evaluation of this application or any resulting award.
3. MTC's form of investment will be limited to convertible debt (unsecured or secured, which collateral may include intellectual property) and direct equity investments. In special circumstances, MTC will consider alternative investment forms (e.g., SAFES).
4. MTC is subject to the Missouri Open Records Act and that information the Applicant Organization deems to be confidential and a "closed record" in accordance with that Act shall be clearly marked and stamped. A non-negotiable Non-Disclosure Agreement is also available upon request.
5. MTC will generally not agree to be subject to any of the following in connection with its investment:
  - Confidentiality obligations with no exception for disclosures required by law;
  - Non-compete obligations and similar restrictive covenants; and
  - Powers of attorney or provisions granting others the right to make decisions adversely affecting MTC without MTC's consent.
6. MTC tracks the performance and economic impact of each project it funds annually for a period of ten years from the date of investment and the Applicant Organization will be contractually required to cooperate with these efforts.
7. Awards will be subject to the determination of compliance with the terms and conditions required by any source of funding, including, without limitation, the U.S. Department of Treasury.
8. Awards will be subject to the execution of MTC's Participation Agreement (the form of which is available at [www.missouritechnology.com](http://www.missouritechnology.com)). The Participation Agreement will contain, among other things, the following terms:
  - Restrictions on the use of the MTC-provided funds (including restrictions with respect to the prohibited purposes outlined in Section 196.1127 of the Missouri Revised Statutes);
  - MTC be given appropriate oversight of its investment, which will include, at a minimum, board of director observation rights and delivery to MTC of quarterly and annual financial statements; and
  - Potential repayment of MTC-provided funds if the Applicant Organization relocates, or announces its intention to relocate, its headquarters or a significant portion of the jobs it creates outside of the State of Missouri at any time.



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MTC reserves the right to revise the Participation Agreement at any time or request additional terms based on the particular award and/or Applicant Organization.

9. Funds cannot be awarded to any of the following:

- Gambling establishments, retail trade establishments, food and drinking places, public utilities, educational service, religious organizations and public administration;
- Any Applicant Organization that is delinquent in the payment of any non-protested taxes or any other amounts due the state or federal government or any other political subdivision of Missouri;
- Any Applicant Organization that has filed for or has publicly announced its intention to file for bankruptcy protection;
- Real estate investment firms, when the real property will be held for investment purposes as opposed to loans to otherwise eligible small business concerns for the purpose of occupying the real estate being acquired;
- Firms involved in speculative activities that generate profits from fluctuations in price rather than through the normal course of trade, such as wildcatting for oil and dealing in commodities futures, when not part of the regular activities of the business;
- Firms involved in lending activities, such as banks, finance companies, factors, leasing companies, insurance companies, and any other firm whose stock in trade is money;
- Pyramid sales plans, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;
- Firms engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution; or
- Companies whose ownership or immediate family includes any of the following: a member of the Missouri General Assembly, a member of Congress, a statewide elected official, an employee of the Office of Governor, or any employee of the Missouri Department of Economic Development or Missouri Technology Corporation that is involved in the administration, oversight, or approval of this program.

The Applicant has reviewed and agrees to the certifications stated above.

- Yes
- No



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### Section 14: Affirmation

I certify that I am the authorized representative for the Application Organization who is authorized to make the statement of affirmation contained herein. To the best of my knowledge and belief, I certify that the information contained in this application is complete, true, and correct. If any information submitted on or with this application requires alteration or supplementation, I agree to provide that information in writing to the MTC as soon as practical. I understand the submitting false or misleading information in connection with this application may be punishable by law.

1. Digital Signature
2. Name
3. Title
4. Date