

For McDermott Pre-Seed Fund Use Only

Application #	Contract #	Date Received	Approved: Y N
			Date:

**The Texas Technology Development Center (“T3DC”)
McDermott Pre-Seed Fund Program**

APPLICATION FORM

1. Applicant name (“Applicant”)		2a. Federal tax ID number:	
		2b. Texas Comptroller of Public Accounts Number:	
3. Location (address) of Texas site:			
3a. County:			
4. Headquarters location, if different from #3 above:			
(See instructions for additional information that may be required)			
5. Phone number: ()		8. Web address, if any:	
6. Fax number: ()		9. Name of primary bank (do not include account number):	
7. E-mail address:		10. Bank location:	
11. Texas House of Representatives district: State Senate district: (Response is optional)		12. City Council district: (Response is optional)	
13. Authorized representative of Applicant entity (name):			
14. Title of representative:			
15. Mailing Address, if different from #3:			
16. E-mail address:			
17. Phone number: ()		18. Fax number: ()	
19. Legal representative(s):			
20. Location of legal representative(s) (address):			
21. Phone number: ()		23. E-mail address:	
22. Fax number: ()		24. Contact person (name):	

and <i>List the following information for each MEMBER</i>	Member Name: _____	Percentage Equity Ownership: _____ %
	Type of equity owned: _____	
	Mailing Address: _____	
	Phone number: () _____	Fax number: () _____
	E-mail / Web Site: _____	
Federal Tax Status	Is the LLC for federal income tax purposes treated as a <input type="checkbox"/> partnership, <input type="checkbox"/> corporation, or <input type="checkbox"/> single-member ignored entity? (check one)	

<input type="checkbox"/> Not-for-Profit	If Applicant is a not-for-profit entity, but will convert to for-profit status, indicate the anticipated date of conversion, as well as intended business entity:
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26. Capitalization Table:

Number of common ownership units or shares: _____

Number of preferred ownership units or shares: _____

Total paid in capital (cash only): _____

Number of warrants issued: _____

Number of options issued: _____

Please give brief description of terms and conditions for preferred units or shares, warrants, or options, as applicable.

27. Total number of years Applicant has been in business: _____	28. Number of years Applicant has been in business in the San Antonio metropolitan area (if different from #27): _____
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29. Previous names, if any, used by Applicant (other than name listed in #1 of this application):

30. Describe all affiliates of Applicant (i.e., parent entities, subsidiaries of Applicant, sibling entities with common owners):

31. Is the Applicant a current or former client of the T3DC or the Texas Research & Technology Foundation? Yes No

32. Check the appropriate box that best describes the Applicant's MAIN BUSINESS ACTIVITY:

<input type="checkbox"/> AUT - Factory Automation	<input type="checkbox"/> ENV – Environmental	<input type="checkbox"/> OF - Computer Software
<input type="checkbox"/> BIO - Biotechnology	<input type="checkbox"/> MAN - Manufacturing Equipment	<input type="checkbox"/> SUB - Subassemblies/Components
<input type="checkbox"/> CHE - Chemicals	<input type="checkbox"/> MAT - Advanced Materials	<input type="checkbox"/> TAM - Test & Measurement
<input type="checkbox"/> COM - Computer Hardware	<input type="checkbox"/> MED - Medical	<input type="checkbox"/> TEL - Telecommunications/Internet
<input type="checkbox"/> DEF - Defense	<input type="checkbox"/> PHA - Pharmaceuticals	<input type="checkbox"/> TRN - Transportation
<input type="checkbox"/> ENR – Energy	<input type="checkbox"/> PHO - Photonics	<input type="checkbox"/> Other _____

33. North American Industry Classification System Code(s) applicable to the Applicant's main business operations:

34. Has the Applicant received funding from any of the following in the past 3 years?

a) Any state or local economic development funds? Yes No

b) Texas Emerging Technology Fund? Yes No

d) SBIR (Small Business Innovation Research)? Yes No

e) STTR (Small Business Technology Transfer)? Yes No

f) Other (please describe)? Yes No

(If the answers to questions "a" through "f" are "No", please skip to question 35. If the answer to any question is "Yes", please attach a separate sheet with the following information for **each** award: Name of program, year award was received, and amount of award.)

JOBS IMPACT

35. Types of employees currently employed by the Applicant	Current number of employees (or percentage of total employees) per category	Current employee number/ percentage in San Antonio Metropolitan Area (if different from column to left)	Average wage of category employees at application date
a) Professional / Scientific			\$
b) Management			\$
c) Technical / Technician			\$
d) Skilled labor			\$
e) Unskilled labor			\$
f) Other (please describe)			\$

36. What effect will an award through the McDermott Pre-Seed Fund Program, if received, have on the Applicant's employment planning? What are your **best estimates** about the impact currently and during follow-on commercialization activities on the Applicant's employment projections? Please indicate estimated numbers on the table below. Please distinguish between jobs impacted on an overall basis and inside the San Antonio Metropolitan Area.

Estimated Job Impact - Number of full-time equivalent jobs				
If an award is received, what is the number of jobs expected to be created in the following categories, if any?	During a one-year period following the award		During a period from 2 to 5 years following the award	
	Overall	Inside San Antonio Metropolitan Area	Overall	Inside San Antonio Metropolitan Area
a) Professional / Scientific				
b) Management				
c) Technical / Technician				
d) Skilled Labor				
e) Unskilled Labor				
f) Other (please describe)				
If an award is NOT received, what, if any, is the number of employees that your company may be forced to lay off ?				
a) Professional / Scientific				
b) Management				
c) Technical / Technician				
d) Skilled Labor				
e) Unskilled Labor				
f) Other (please describe)				

TECHNOLOGY

37. TECHNOLOGY: Check the appropriate box that best describes the **TECHNOLOGY TO BE DEVELOPED UNDER THIS AWARD**

<input type="checkbox"/> AUT - Factory Automation	<input type="checkbox"/> ENV - Environmental	<input type="checkbox"/> SOF - Computer Software
<input type="checkbox"/> BIO - Biotechnology	<input type="checkbox"/> MAN - Manufacturing Equipment	<input type="checkbox"/> SUB - Subassemblies/Components
<input type="checkbox"/> CHE - Chemicals	<input type="checkbox"/> MAT - Advanced Materials	<input type="checkbox"/> TAM - Test & Measurement
<input type="checkbox"/> COM - Computer Hardware	<input type="checkbox"/> MED - Medical	<input type="checkbox"/> TEL - Telecommunications/Internet
<input type="checkbox"/> DEF - Defense	<input type="checkbox"/> PHA - Pharmaceuticals	<input type="checkbox"/> TRN - Transportation
<input type="checkbox"/> ENR - Energy	<input type="checkbox"/> PHO - Photonics	<input type="checkbox"/> Other _____

38. Give a brief, non-confidential description (in lay terms, if possible) of the technology to be developed under this award. Attach additional sheets as needed. Avoid overlap with information in the business plan to the extent possible.

39. INTELLECTUAL PROPERTY: Does the technology to be developed with funding from the McDermott Pre-seed Fund award involve patentable products/processes, or intellectual property that can be protected through copyright or other legal means? If "No," please skip to question 40. If "Yes," please answer Parts "a" through "d" below.	<input type="checkbox"/> Yes <input type="checkbox"/> No
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For this application, assurance that the parties have adequately addressed the ownership and disposition of patents, royalties, and all other intellectual property rights related to this agreement must be documented. Please attach a "Certification of Intellectual Properties Agreement" (see instructions). If the Applicant is unable to submit a copy of a completed Certification of Intellectual Properties Agreement at the time this application is submitted, the Applicant MUST include a brief description of how the patent and licensing agreements will be effectuated between and among all parties.

If more than one of the following categories is involved, please attach additional sheets as needed.

a) Patent application associated with the technology	Patent application number:	Owner / Assignee:
	Estimated value? \$	
Describe nature of patent applied for:		
Status of application (Dates and events chronologically stated, including continuation, divisionals, foreign filing, etc.)		
b) Patent award associated with the technology	Issued patent number:	Owner / Assignee:
	Estimated value? \$	
Describe nature of patent issued:		
c) Other intellectual property produced (ex: copyrights)	Type?	Owner / Assignee:
	Estimated value? \$	
Describe the nature of the intellectual property:		

d) Legal representative for intellectual property (if different from #19-24)
Name:
Address:
Phone number:
Fax number:
E-mail:

Financial Information

(Please see the list at the end of this application of required financial documents to be separately included in your application.)

40. Award amount requested by the Applicant: \$ _____

41. Describe the proposed purpose / use of the award; attach additional sheets as needed. *Please be specific and complete.*

42. Describe the estimated timing and amounts of payments by which the Applicant anticipates repaying the McDermott Pre-Seed Fund Program funds if an award is granted, including the date of final payment; attach additional sheets as needed.

43. MATCHING FUNDS (3:1 total required). Please fill in the following table, based on the Applicant's matching funds sources; attach additional sheets as needed.

a) Cash Match amount \$ _____ (1:1 minimum required) Please provide details about cash match source(s).	b) In-Kind Match amount \$ _____ (2:1 maximum allowed) Please provide details about in-kind source(s).
c) Funds already expended in development of this technology: \$ _____ Please provide details about how these funds have been used.	

44. Has the Applicant received past awards under the McDermott Pre-Seed Fund Program? Yes No
 (If "No," please skip to #45. If "Yes," please list dates and amounts below; attach additional sheets as needed.)

a) Date of award _____ Amount \$ _____ Date repaid _____

b) Date of award _____ Amount \$ _____ Date repaid _____

45. List OTHER CREDITORS of Applicant below; attach additional sheets as needed.)

a) Current Creditors <i>List the following information about each current creditor.</i>	Name of current creditor:	
	Mailing Address:	
	Phone number: ()	Amount owed: \$
	Contact name:	Due date:
	Collateral:	Guarantor(s)
b) Anticipated Creditors <i>List the following information about each anticipated creditor.</i>	Name of anticipated creditor:	
	Mailing Address:	
	Phone number: ()	Amount to be borrowed: \$
	Contact name:	Due date:
	Collateral:	Guarantor(s)

MANAGEMENT

46. List all officers of the Applicant (name and title):

a) _____ Title: _____

b) _____ Title: _____

c) _____ Title: _____

d) _____ Title: _____

e) _____ Title: _____

47. List the proposed management team responsible for technology development: (Please attach resumes for each)

a) _____

b) _____

c) _____

d) _____

e) _____

<p>48. List consultants, companies, or individuals who are to play an essential role in development of the technology:</p> <p>a) _____</p> <p>b) _____</p> <p>c) _____</p> <p>d) _____</p> <p>e) _____</p>	<p>49. List major suppliers or raw material providers or others from whom significant contribution is anticipated for the successful development of the technology:</p> <p>a) _____</p> <p>b) _____</p> <p>c) _____</p> <p>d) _____</p> <p>e) _____</p>
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50. List **related parties** that are currently (or prospectively): a) employed by the Applicant; b) subcontract for the Applicant; or c) represent major customers or major suppliers. (See the instructions for definitions.)

a) _____

b) _____

c) _____

LEGAL / DISCLOSURES

For questions 51 through 53, if "Yes," explain in full in an attached document.

51. Are there any judgments or court actions completed or pending against the Applicant, or any current or prospective employee, officer, principal, director, or owner?	<input type="checkbox"/> Yes <input type="checkbox"/> No
52. Has any current or prospective employee, officer, principal, director, or owner been accused or convicted of any crime or wrongdoing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
53. Have there been any current or past bankruptcies on the part of the Applicant (or predecessor entities), or on the part of any current (or prospective) officer, principal, owner or in any business dealings of current (or prospective) officers, principals, or owners of the Applicant?	<input type="checkbox"/> Yes <input type="checkbox"/> No

54. Do T3DC or Texas Research & Technology Foundation employees, board members, or their respective family members have any business relationships with the Applicant, or the owners, officers, or governing board members of the Applicant?

Yes No

If "yes," please explain. Attach additional sheets as needed. Additionally, state any and all known conflicts of interest on the part of the Applicant and its current and proposed employees, officers, principals, directors, or owners. Attach additional sheets as needed.

55. Name and describe the position or function of any and all family members of any current or prospective employees who are currently working or may prospectively be working for the Applicant. Attach additional sheets as needed.

CERTIFICATE OF APPLICATION

By submitting an application for an award from the McDermott Pre-Seed Fund to the T3DC, Applicant accepts the following terms and conditions for with respect to the application form and attachment documents ("Application"):

1. Confidentiality:

a. To the extent possible, Applicant should not submit any confidential or proprietary information (hereby referred to as "Confidential Information") with the Application. If T3DC expressly requests Confidential Information from Applicant, that submission of Confidential Information will be subject to a separate Confidential Disclosure Agreement between Applicant and T3DC.

b. If the Applicant desires to submit any documents containing Confidential Information, the Applicant must clearly indicate which documents contain Confidential Information, and the portions of those documents containing Confidential Information must be clearly marked.

c. The Application, supporting documentation and any other documents submitted to T3DC will be destroyed after the selection process is complete in accordance with T3DC's document retention policy. T3DC will not return any submitted Application documents after the completion of the current funding round. Applicants are encouraged to retain copies of all documents submitted.

2. Proprietary Information:

Today organizations are increasingly expected to provide statistics which demonstrate their programs' effectiveness and economic impact. Some of the information provided by applicants on these applications, along with any follow-up survey information, will be used for three purposes: 1) enable T3DC to develop a clearer, more accurate picture of San Antonio's growing high tech community; 2) provide aggregate statistics to demonstrate the economic impact of this program; and 3) demonstrate the value of the program as the basis for continued funding. It is expected that some of the information supplied by applicants will provide baseline data and projections of economic impact. Information from the application may be published by T3DC only in aggregate form for statistical purposes and will not identify individual applicants.

3. Application Process:

a. During the application process, T3DC may request additional information from the Applicant. Applicant understands that failure to provide this information, with the time frame requested by T3DC, may result in disqualification of the Application.

b. Applicant understands that T3DC may perform some diligence on the Applicant and the individuals listed in the Application.

4. Conflict of Interest:

a. T3DC is committed to maintaining a review process that is fair and reasonable. Therefore all reasonable efforts will be made to avoid unfair bias in the acceptance, qualification, evaluation, and further submission of Applications. In particular, Applicant understands that any business, financial, or other relationship between an applicant and person who may be responsible for reviewing such applicant's Application may present a risk of actual or apparent conflict of interest ("Conflict of Interest"). Applicant agrees to notify T3DC should it determine that it have an actual or potential Conflict of Interest with any such person, including T3DC Board or Executive Committee (both referred to herein as "Board Members"). There is no duty to disclose with respect to anonymous members of a Review Committee ("Reviewers") that may review the Application.

b. If requested by T3DC to identify Reviewers or Board Members with which Applicant may have a Conflict of Interest, Applicant agrees to provide a response to this request within the timeframe provided by T3DC. Failure to provide this response may result in disqualification of the Application.

c. Applicant promises not to have any contact with any Reviewers or Board Members while the Application is under review by T3DC, unless contact has been initiated by T3DC. Applicant understands that such communications may result in disqualification of the Application.

5. Assistance from Reviewers and Board Members:

- a. Reviewers and Board Members are volunteers donating their time to assist T3DC in processing applications, and potentially provide some limited assistance to applicants. While Reviewers or Board Members may be asked to relay feedback to applicants, their advice may not necessarily represent the position of T3DC.
- b. Before a final decision has been reached on the Application, should Applicant enter into any agreement with any Reviewers or Board Members, Applicant will provide written notification to T3DC. Failure to provide this notification may result in disqualification of the Application.

6. Liability Waiver:

- a. Applicant understands that T3DC's invitation to Applicant to submit the Application and Applicant's submission of an Application do not create any obligation, warranty or promise by T3DC to make any award, grant, or availability of funding to Applicant.
- b. Unless T3DC expressly requests Confidential Information from Applicant, and the treatment of such Confidential Information is expressly covered under a separate Confidential Disclosure Agreement between Applicant and T3DC, Applicant hereby waives and releases T3DC and its employees, agents, Reviewers and Board Members from any and all expenses, costs and liabilities, including all actions, claims for injunctive relief, or claims for damages of any kind resulting from the release of Confidential Information.
- c. Applicant hereby waives and releases T3DC and its employees, agents, Reviewers and Board Members from any and all expenses, costs and liabilities, including all actions, claims for injunctive relief, or claims for damages of any kind resulting from the operation of this Application process and the submission of this application and any information contained therein, including without limitation any claims based on release of Confidential Information.
- d. T3DC AND ITS EMPLOYEES, AGENTS, REVIEWERS AND BOARD MEMBERS SHALL IN NO CASE BE LIABLE IN CONTRACT, TORT OR OTHERWISE FOR ANY LOSS OF REVENUE, PROFIT, BUSINESS OR GOODWILL OR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE COST, DAMAGES, OR EXPENSE OF ANY KIND HOWEVER CAUSED OR HOWEVER ARISING UNDER OR IN CONNECTION WITH THIS APPLICATION OR THE APPLICATION PROCESS.

7. Certification Statement:

As authorized representative and agent of the Applicant, I have read and understand all of the rules and policies pertaining to this Application. I affirm that no false or misleading statements have been made or allowed to stand in this Application. I further certify that the Applicant is in good standing under the laws of the state in which the Applicant was organized and that no delinquent taxes are owed to any federal, state or local taxing entity.

I acknowledge that T3DC desire to publicize and promote the McDermott Pre-Seed Fund program for the benefit of the T3DC, the community and its citizens and I agree they have my permission as agent for the Applicant to use the Applicant's business name and other non-confidential information in various public media for this purpose.

Signed: _____

Name: _____

Title: _____

REQUIRED DOCUMENT ATTACHMENTS

The following printed documents must be attached to this completed application. (Other documents may be requested to complete the application and to determine eligibility.)

The application should be prepared in a format which can be sent to the TTDC in an e-mail, if at all possible. (*) indicates documents which also require an e-mailed version to be submitted, if at all possible.

- Contracting authority of representative agent or officer
- Certificate of Formation and operational documents (such as bylaws or partnership agreement)
- Pro forma financial information (Five-year projected / Current / Three-year historical), including:
 - Balance sheets
 - Income statements
 - Cash flow statements
 - Cash budgeting statements
 - Sources and uses of funds statementsPlease indicate whether pro forma financial information has been reviewed by an accountant
- Business plan (five complete copies are required) *
- Supplier agreement(s)
- Certification of Intellectual Properties Agreement
- Confidentiality agreements (only if requested in advance by T3DC)
- Licensing / royalty agreement(s)
- Patent(s) or patent application(s) with legal documents indicating current assignment of ownership
- Other legal documentation regarding trademark filing, trade secrets, copyrights, or any other intellectual property
- Statements by "Matching Investors," including recast financial spreadsheets, if existing or available
- Any contracts pertaining to agreements to recruit management
- Resumes of management team for technology proposed to be developed if award is granted
- A one or two page brief abstract or synopsis (executive summary) of the Applicant and the technology to be commercialized (limit to ____ pages)*

The McDermott Pre-Seed Fund is operated by The Texas Technology Development Center (T3DC), a non-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.