



**HUSTLE Defense Accelerator  
Participation Agreement**

- 1) **Program.** Teams wishing to compete for HUSTLE prize funding must first be accepted into the HUSTLE Defense Accelerator program. During this business accelerator program, entrepreneurs will develop their business in preparation for the HUSTLE Demo Day, which will be the culmination of each HUSTLE Defense Accelerator cohort. The teams that successfully participate in the accelerator are automatically selected to be in a 12-Month Incubator. During the HUSTLE Defense Accelerator program, each team shall:
  - a. Assure at least one C-level member participates in the on-site curricula unless exceptions are agreed by Griffiss Institute HUSTLE Instructors for such things as health, business responsibilities, etc.; and
  - b. Prepare a "pitch" to the Demo Day judges. This pitch shall include a plan of proposed expenses that will be made in the event that the Team is a Prize winner at Demo Day.
  - c. For Rome-based, in-person cohorts, companies will be required to participate on-site for the duration of the program. Out-of-pocket expenses including food and housing will be paid for in the form of a stipend so that out-of-pocket expenses for founders will be minimized.
  - d. Companies who participate in the HUSTLE Defense Accelerator, and are awarded prize money, must provide evidence of corporate residency in New York State for at least one year.
- 2) **Prizes.** Teams that successfully complete the HUSTLE Defense Accelerator program and prepare a "pitch" may be invited to Demo Day. This event is the opportunity for teams to compete for cash investment prizes. If a company successfully wins prize money, they secure a spot in the HUSTLE 12-Month Incubator and a SAFE note will be executed. See full Terms & Conditions for information on the HUSTLE 12-Month Incubator.
- 3) **Conditions to Receipt of Prizes.** As a condition to receipt of Prizes, each Team agrees to each of the following conditions:
  - a. The Team shall be in compliance with the rules of the Program established by the Griffiss Institute, as amended from time to time, to the extent such rules are not inconsistent with the terms and conditions hereof (the "**HUSTLE Rules**")
  - b. All statements contained in the Team's HUSTLE Defense Accelerator application shall be true and correct in all respects, unless otherwise disclosed in writing to the Griffiss Institute.
  - c. The Team shall (i) be incorporated or be a limited liability company (the "**Company**") under the laws of one of the fifty (50) states of the United States of America and (ii) furnish to the Griffiss Institute a copy of its incorporation/formation documents, together with all amendments, and a copy of its Bylaws, Shareholders Agreement, Operating Agreement, as the case may be, and such other similar documents, all in form and substance reasonably satisfactory to the Griffiss Institute.
  - d. The Team shall have furnished such bills of sale of other documents as the Griffiss Institute shall reasonably require showing that the Company has good, marketable, and valid title to all

of its operating assets, subject only to those liens and encumbrances which are reasonably acceptable to the Griffiss Institute.

- e. The Team shall have furnished a certificate, affidavit or other statement affirming that there are no actions, suits, proceedings or investigations pending or threatened against the Company to the best of its knowledge.
  - f. The Team shall have furnished agreements from key personnel of the Company providing for the confidentiality of all Company property and key personnel's agreement not to compete with the business of the Company or solicit its customers or employees, all in form reasonably satisfactory to the Griffiss Institute business practices. The Company shall keep adequate books, accounts and records in accordance with past custom and practice as used in the preparation of the financial statements, which books, accounts and records shall fairly present the financial condition and results of operations of the Company. All such minute books, stock record books, and accounts and records of the financial statements shall be made available to the Griffiss Institute upon its written request at reasonable intervals and upon sufficient notice.
  - g. Intellectual Property Ownership. All intellectual property, including but not limited to inventions, discoveries, designs, software, data, trade secrets, and know-how, developed, conceived, or reduced to practice by the Company or its personnel, whether prior to or during its participation in the Program, shall remain the sole and exclusive property of the Company. Nothing in this Agreement shall be construed to grant Griffiss Institute any ownership interest in the Company's intellectual property.
  - h. Publicity Rights. The Company grants to Griffiss Institute, its affiliates, and their respective representatives a perpetual, worldwide, royalty-free, non-exclusive license to use, reproduce, publish, and display the Company's name, logos, trademarks, pictures, voices, videos, and general descriptions of its participation in the HUSTLE Accelerator and/or Incubator programs (collectively, the "Publicity Materials"). This license is for the purpose of promoting the HUSTLE programs, the Griffiss Institute, and related educational and marketing efforts across various print and digital platforms, including public affairs releases, recruitment materials, social media, and websites. The Company understands that Griffiss Institute cannot control how this information will be used once it is publicly disclosed.
  - i. Company acknowledges agrees to abide by GI's anti-harassment and Code of Conduct policies while at the Innovare Advancement Center and program events.
- 4) **Withdrawal.** The Company may at any time elect to withdraw from the Program, and in doing so must present a letter to the HUSTLE administrator stating the reason for withdrawing.
- a. In the event of withdrawal:
    - i. the Company shall have no further obligation to comply with its Business Plan.
    - ii. the Griffiss Institute shall have no further obligation to award the Prize funding to the Company.
    - iii. the Warrant and obligations under paragraphs 6 and 7 hereof shall remain in full force and effect; and
    - iv. all other obligations of the Company and the Griffiss Institute hereunder shall terminate.
- 5) **Expulsion.** The Griffiss Institute may expel the Company from the HUSTLE Defense Accelerator in the event that the Company, after ten (10) days' notice and failure to cure:
- a. A failure to meet any of the conditions or other failure to perform any of its obligations set

forth in these terms and conditions or the HUSTLE Defense Accelerator Terms & Conditions;  
or

- b. Any act that that adversely affects the reputation of the Griffiss Institute, Griffiss Institute Business Incubator, and any respective subsidiaries or affiliates thereof, or is convicted of, or pleads no contest to, a crime or misdemeanor involving acts of moral turpitude.
- c. In the event of expulsion:
  - i. The Griffiss Institute will no longer be obligated to provide the full stipend for the HUSTLE Defense Accelerator;
  - ii. all other obligations of the Company and the Griffiss Institute hereunder shall terminate.

**6) Indemnification.** Subject to the other terms and conditions of paragraph 6, the Company shall indemnify and defend the Griffiss Institute and its affiliates and their respective representatives (collectively, the "**Griffiss Institute Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all losses incurred or sustained by, or imposed upon, the Griffiss Institute Indemnitees based upon, arising out of, with respect to or by reason of:

- a. any inaccuracy in or breach of any of the representations or warranties of the Company contained in these terms and conditions, the HUSTLE Defense Accelerator application, or in any certificate or instrument delivered by or on behalf of the Company pursuant hereto; or
- b. any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by the Company pursuant to these terms and conditions.

**7) Expenses.** Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with these terms and conditions, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Company remains in the HUSTLE Program.

**8) Notices.** All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: a) when delivered by hand (with written confirmation of receipt); b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); c) on the date an e-mail of a PDF document if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses specified in the HUSTLE Defense Accelerator application, or such other address as may be communicated in writing to the Griffiss Institute.

**9) Headings.** The headings in these terms and conditions are for reference only and shall not affect the interpretation of these terms and conditions.

**10) Entire Agreement.** These terms and conditions and together with the documents incorporated herein by reference, constitute the sole and entire agreement of the parties with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

- 11) Successors and Assigns.** These terms and conditions shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors (including any entity formed by the Company hereafter) and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.
- 12) Amendment and Modification: Waiver.** These terms and conditions may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from these terms and conditions shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- 13) Governing Law: Submission of Jurisdiction.**
- a. These terms and conditions shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction).
  - b. Any legal suit, action or proceeding arising out of or based upon these terms and conditions, the transaction documents or the transactions contemplated hereby or thereby may be instituted in the federal courts of the United States of America or the courts of the State of New York in each case located in the County of Oneida, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.
- 14) Success benchmarks.** HUSTLE Defense Accelerator is funded in part by New York State's Empire State Development. As such, it will be evaluated on several criteria. Companies that participate in the HUSTLE Defense Accelerator will be evaluated in part on how they will enable the HUSTLE Defense Accelerator to meet its metrics of success. The following is the criteria the HUSTLE Defense Accelerator will be evaluated on:
- a. the number of new tech start-ups within the Mohawk Valley.
  - b. the number of participating companies that remain in business after three years.
  - c. the number of investable companies that have graduated from the HUSTLE Defense Accelerator.
  - d. the number of companies that are generating revenue within one year of graduating from the HUSTLE Defense Accelerator.
  - e. the number of dollars spent by the HUSTLE Defense Accelerator companies within the Mohawk Valley and within New York State.

(Attestation page follows, then signature page.)

**ATTESTATIONS PAGE:**

\_\_\_\_\_ *I verify my team's eligibility to the HUSTLE Defense Accelerator*

HUSTLE Defense Accelerator is aimed at helping emerging pre-seed early companies attempting to tackle nationally relevant defense technology commercialization.

- Teams can be pre-formation but will be required to legally form if selected for prize money.
- Teams are not required to have a minimum viable product or sales.
- Total revenue from customers preferred to be below \$500,000.
- Total investment from equity/diluted funding preferred to be less than \$500,000.

\_\_\_\_\_ *I verify that, if accepted, the HUSTLE Defense Accelerator the following apply:*

- \$7,500 per founder, for one or two founders (minimum team presence), with at least one being a C-level executive, in residence at the Innovare Advancement Center in Rome, NY for the duration of the cohort.
- \$24,500 value of support programming during the HUSTLE Defense Accelerator
- A competitively selected Demo Day prize investment from a total pool of \$600,000.

\_\_\_\_\_ *I verify our team will be sending, with a regular presence in the HUSTLE Defense Accelerator, the following count of team members:*

\$24,500 program value (in-kind)

+

\$7,500 per attending (up to 2) cash investment

\_\_\_\_\_ Company Count 1 = \$7,500

\_\_\_\_\_ Company Count 2 - \$15,000

I, \_\_\_\_\_, as owner and/or chief executive officer of the undersigned business, hereby agree to the above stated terms and conditions of the HUSTLE Defense Accelerator. I understand that failure to comply with the above stated terms and conditions may result in expulsion from HUSTLE Defense Accelerator.

Signature of Owner/CEO: \_\_\_\_\_

Company Name: \_\_\_\_\_

Date: \_\_\_\_\_