CRCF Commercialization Program award recipients certify that the requirements and conditions set forth below will be met. CIT reserves the right to rescind the award if any requirements or conditions are not met.

Qualified Award Recipients

Award recipients under the Commercialization Program are to be for-profit companies that have been incorporated or otherwise legally formed by November 6, 2019, headquartered in and with an express desire to grow the business in Virginia, and Virginia must be the primary place of business for the company’s senior executives. Additionally, at the time of application submission the company may have received no more than:

- Eight federal SBIR or STTR awards, combined
- $5 million in combined outside private investment (not including funds from family, friends, and/or founders) and cumulative sales revenue since January 1, 2015
- Two prior CRCF awards

Award Conditions

Conditions Specific to the Commercialization Program

a. Projects must be for proof-of-concept, prototype, or minimum viable product (MVP) development work
b. Recipients must provide funds that, at a minimum, are one-to-one to the total funds awarded from CRCF
c. Up to 49% of the total CRCF award may be used to support Consultant/Subcontractor efforts
d. Up to 10% of the total CRCF award may be used to support market validation activities
e. Up to 10% of the total direct costs awarded from CRCF may be requested for indirect costs

Conditions Common to All CRCF Programs

a. Award decisions are final and not subject to further review or appeal.
b. The recipient’s ability, including the ability of any of its proposed or actual partners, to perform the research and commercialization as set forth in its application and to further the goals set forth in the Commonwealth Research and Technology Strategic Roadmap, is critically important in the granting of an award.
c. Awards will be made subject to the availability of funds.
d. A performance agreement memorializing the terms and conditions of the award must be executed by the Authority and the recipient of the award before funds are disbursed. The performance agreement is comprised of the recipient’s CRCF award letter and reporting schedule, program guidelines, and award Terms and Conditions.
e. CIT may terminate awards in the event of non-compliance with CRCF award terms and conditions, including those conditions set forth herein, or other extenuating conditions. Repayment may be required in the event award monies have been expended for purposes other than those outlined in the recipient’s submission or, for whatever reason, cannot be expended for those purposes outlined in the recipient’s submission.
f. Award recipients whose CRCF-related activity leaves the Commonwealth during or within 24 months following the period of performance end date will be required to repay, in full, funds awarded. Partial repayment will not be accepted. As contemplated by this paragraph, CRCF-related activity may “leave” the Commonwealth as a result of a variety of factors, including, for example, the relocation of all or part of the award recipient or the sale of the award recipient or the CRCF-supported technology. Repayment is not required if the CRCF-supported technology is licensed to an out-of-state company, as this is an acceptable outcome.

g. Projects may start, at the earliest, on June 15, 2020, and begin no later than 60 days after the award announcement date, unless the federal SBIR or STTR award (for SBIR and STTR Matching Funds Programs) is received after this time or other special consideration is granted. In cases where other special consideration is granted, the award recipient must provide all award acceptance materials by December 31, 2020 or the award may be rescinded. While organizations awarded CRCF funding may begin charging for work as of June 15, 2020, award monies may be received, at the earliest, in mid-July.

h. Where applicable, given the nature of the work in dual- or multi-party projects, an executed intellectual property agreement(s) must be provided prior to the disbursement of funds and within 60 days of the award announcement. Intellectual property agreements must be durable enough to satisfy the requirements of commercialization and production as envisioned for the end product. CIT does not take ownership of intellectual property nor provide a template intellectual property agreement.

i. The recipient organization and Principal Investigator must be located in and perform the CRCF project in Virginia.

j. If the award recipient is no longer eligible for CRCF for any reason or a meaningful change in the proposed activity or timeline is desired, CIT must be notified.

k. Projects must be conducted as proposed and approved, including the plan of work and budget, unless prior approval is received from CIT. Award recipients require prior approval from CIT for a no cost extension; plus or minus 20% deviation for any budget category, unless the change to the category is $2,000 or less; and/or other deviations from the project as defined in the performance agreement. Budget modifications may adjust the indirect cost ratio if the change reduces the percent of the award spent on indirect costs.

l. Award recipients requesting a no cost extension must notify CIT at least 30 days prior to the project’s end date.

m. After initial disbursement, payments will be contingent upon successful performance against key milestones and other performance standards outlined in the proposal and performance agreement.

n. Awardees are required to submit a progress report(s) and final report as a condition of their award, and report on commercialization and/or other outcomes for five years after the period of performance. Report guidelines and due dates will be provided by CIT. Contents may include, but are not limited to: performance against milestones, proposed budget vs. actual expenditures, intellectual property created, commercialization, job creation and retention, and follow-on funding. Notwithstanding the foregoing, award recipients shall notify CIT immediately if their ability to perform pursuant to the terms and conditions of the award, including those conditions set forth herein, is compromised for any reason or may be reasonably expected to become so compromised. CIT will use such notice exclusively for the purpose of determining the status of the CRCF award, including any applicable repayment requirements.

o. Inclusion of propriety information in reports or other communications is discouraged unless necessary for a full understanding of project performance. **Proprietary information must be marked clearly.** Information not marked as proprietary may be disclosed.

p. No classified information will be accepted.
q. A project’s matching funds may not be monies from prior CRCF awards, other Commonwealth of Virginia funding programs, such as the GAP Funds, the Virginia Catalyst (Virginia Biosciences Health Research Corporation / VBHRC), the Commonwealth Health Research Board (CHRB), the Virginia Research Investment Fund (VRIF), or other state contracts or grants. The salary of a university researcher and associated indirect costs, even if considered state monies, may be used as matching funds. Matching funds must be unspent and available during the CRCF project’s period of performance.

r. Award monies not expended by the end of the period of performance must be returned to CIT.

s. Award recipients retain the title of approved equipment purchased with CRCF monies.

T. Should the recipient organization be sold or otherwise acquired during the period of performance or following the conclusion of the project, the award recipient will coordinate with CIT to determine if reporting responsibilities will be transferred to the new organization.

u. CIT has the prerogative to audit financial and/or other records associated with the CRCF award for three years following the project end date.

v. Award recipients and their partners who are delinquent in any CRCF obligation are not eligible to apply for or receive future CRCF funding until obligations are resolved to CIT’s satisfaction.

w. The indebtedness or breach of any material obligation to the Commonwealth of Virginia, its political subdivisions, and/or its agents by an applicant and/or an applicant’s proposed or actual partners results in ineligibility for CRCF funding.

x. Award recipients must comply with federal and state laws, regulations, and policies. Violations or allegations of violations must be reported to CIT within 30 days.

y. Pursuant to Chapter 853 of the 2009 Acts of Assembly Enactment Clause 3, no award from the CRCF may be provided if the otherwise qualified business performs research in Virginia on human cells or tissue derived from induced abortions or from stem cells obtained from human embryo, nor shall any award from the Fund be used for such research. The foregoing provision shall not apply to research conducted using stem cells other than embryonic stem cells.

z. Organizations included on the U.S. Department of Labor debarment list are not eligible to apply for or receive CRCF funding.

aa. For purposes of determining whether property was developed “wholly or predominantly” through the use of state funds, per the third enactment of Chapter 816 of the Acts of Assembly of 2011, awards made from the CRCF shall not be considered state or general funds.

bb. If an organization applies for financial support under a program managed by CIT, such as CRCF, the information provided may be reviewed by/for other programs managed by CIT, such as the GAP Funds. Award recipients were to indicate in their application’s Letter from the Authorized Representative if they preferred their information not be available to or for other programs.
The recipient’s CRCF award letter and reporting schedule, Commercialization Program Guidelines, and the preceding Terms and Conditions comprise the performance agreement, memorializing the terms and conditions of this award.

The CRCF award performance agreement is hereby acknowledged and agreed to:

CRCF Reference Number:

Organization Name:

Printed Name of Authorized Representative:

Printed Title of Authorized Representative:

Signature of Authorized Representative
(electronic signature permitted)  Date