

REGULATORY BASES FOR THE CALL FOR GRANTS, UNDER A COMPETITIVE SELECTION PROCEDURE, AIMED AT SEED-STAGE STARTUPS WITHIN THE FRAMEWORK OF THE VALÈNCIA INNOVATION CAPITAL STRATEGY (STARTUP SEED 2025)

1. Background

The Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation (hereinafter, the Foundation or València Innovation Capital) forms part of the local public sector, as an entity dependent on the Valencia City Council, in accordance with the provisions of the twelfth additional provision of Law 7/1985, of 2 April, Regulating the Bases of the Local Government System.

The Foundation, endowed with its own legal personality and full legal capacity to act, is governed by its Articles of Association, the rules issued by its Board of Trustees, and the legislation in force on foundations, in particular Law 8/1998, of 9 December, on Foundations of the Valencian Community. Among its main purposes is the promotion of innovation, strategic development and urban transformation within the city of València.

Pursuant to the provisions of Article 6 of its Articles of Association, the Foundation may carry out all activities necessary for the fulfilment of its founding purposes, including the promotion of initiatives aimed at fostering innovation, technology transfer and strategic development. Within this framework, and in accordance with the legislation in force on grants, the Foundation is empowered to launch public aid calls intended to promote urban and technological innovation in the municipality of València.

For the fulfilment of its founding purposes, the Foundation annually develops an Action Plan, approved by its Board of Trustees and aligned with the strategic guidelines of the Valencia City Council. The 2025 Action Plan expressly reflects the commitment to urban and technological innovation as a driver of social and economic transformation, articulated through the València Innovation Capital strategy.

VIC is the initiative of the Innovation Department of the Valencia City Council aimed at fostering a dynamic, diverse and creative city. Technology is the means, and people are the purpose. This strategy seeks to address the real challenges of the city through close, effective innovation with a direct impact on people's lives. It brings together all stakeholders of the Valencian innovation and technological entrepreneurship ecosystem to work towards political and economic transformation for a sustainable and technologically advanced future.

In this context, the 2025 Action Plan envisages the development of the “Seed Startup Program”, a strategic line of support for early-stage startups, which includes public grants, specialised mentoring in key areas such as finance, legal matters and growth, and an incubation and acceleration programme based in València. This programme falls under the “València Innovation Ecosystem” line of action and aims to strengthen the local entrepreneurial fabric, attract talent and consolidate València as a leading technological hub.

The current support structure and the “Seed Startup Program” are the result of an evolution initiated in previous financial years, specifically following the agreement of the Local Government Board dated 24 November 2023, which approved the granting of a nominative

subsidy to the Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation (Las Naves), amounting to €1,000,000.00 (one million euros), intended for the development of a Public–Private Investment Fund in startups oriented towards the Climate Mission. This instrument was conceived as a tool to support the city’s transformations, capable of mobilising private and public capital, defining medium- and long-term investment strategies, and addressing major urban challenges, especially within the framework of València’s Climate Mission as a leading European city in climate neutrality.

The Foundation, as an entity dependent on the City Council and attached to the Innovation Service, would be responsible for implementing the innovation actions of the Public–Private Fund, with a particular focus on seed-stage startups and on sectors linked to climate change: mobility, transport, energy, industry, renaturalisation, biodiversity, housing, buildings, urban planning and habitat.

However, by agreement of the Local Government Board dated 25 July 2025, the modification of the nature of the financial contribution allocated to the València Innovation Capital Foundation was approved, evolving the initial model of a public–private investment vehicle towards a model based on the granting of subsidies. This change responds to the need to simplify management, reduce operational and legal risks for the Foundation and the City Council, and maintain the essential objective of strengthening the city’s innovative and technological ecosystem.

The new support structure, based on an initially granted amount of €1,000,000 (one million euros), is organised into two main lines:

- **First modality:** €600,000 (six hundred thousand euros) in a grant programme for seed-stage startups, considered key due to their need to move from the theoretical development of the business to the creation of the first prototypes and Minimum Viable Products. These grants are those set out in this call.
- **Second modality:** €400,000 (four hundred thousand euros) in a grant programme aimed exclusively at startups that have already received early-stage investment from recognised agents, in accordance with the provisions set out in section 8.1 of these bases.

With this change, the VIC Foundation reinforces its commitment to promoting innovation and generating quality employment, adapting its support instruments to the real needs of the Valencian entrepreneurial ecosystem and aligning itself with best practices observed at national and European level.

2. Purpose

2.1. The purpose of this call is to support, encourage and promote the development of startups at their initial stage (Seed stage), facilitating their evolution from the conception of the idea to the consolidation of their business project. These grants are aimed at promoting solutions, products, services and initiatives aligned with the different strategic verticals of València Innovation Capital (detailed in section 10 of these rules), contributing to the innovative and technological dynamism of the city of València as a leading technological hub in Europe.

2.2. The awarding of the grants regulated under this call is conditional upon the mandatory participation of the beneficiary entities in the public incubation and acceleration

programme for Seed-stage startups, which will be carried out at the facilities of the “La Harinera” building (headquarters of the Foundation). Compliance with the participation requirements established in said programme shall be an indispensable condition for the full receipt of the grant.

2.3. The purpose of these grants is to cover certain operating expenses arising from the activity of the startups, in accordance with the provisions set out in section 7 of these rules. Their awarding is linked to the participation of the beneficiary entities in the public incubation and acceleration programme for Seed-stage startups, which will take place at the “La Harinera” building, the municipal epicentre of the city’s technological and innovative entrepreneurship ecosystem.

2.4. Participation in the incubation and acceleration programme is mandatory for all beneficiary entities. This programme, structured in two phases (incubation and acceleration), includes practical workshops, personalised mentoring, masterclasses, networking and investment opportunities, as well as access to workspaces at “La Harinera”. Participation in and compliance with the requirements of the incubation and acceleration programme shall be an indispensable condition for the full receipt of the grant.

2.5. In this way, the Foundation reaffirms its commitment to the success of startups and the potential of each technology-based entrepreneur, conceiving this accelerator not merely as a programme, but as a community, a support network and a platform to propel the most promising startups to the next level.

2.6. The grants regulated under this call shall be awarded under a competitive selection procedure, in accordance with the provisions of Law 38/2003, of 17 November, on General Grants, its implementing regulations, the General Grants Ordinance of the Valencia City Council, the rules governing the execution of the municipal budget for the 2025 financial year, and other regulations applicable to the entity.

2.7. The management of the grants shall comply with the principles of publicity, competition, transparency, objectivity, equality and non-discrimination, as well as those of effectiveness and efficiency in the achievement of objectives and in the use of public resources, in accordance with the provisions of Article 8.3 of the General Grants Law and the applicable municipal regulations.

3. Regulatory Framework and Applicable Legislation

3.1. The aid regulated under these rules is included in the Foundation’s 2025 Action Plan (VIC), within the section corresponding to the support programme for seed-stage technology startups, under the strategic line “València Innovation Ecosystem”.

3.2. The call is structured in accordance with the legal framework applicable to the entity, under the following provisions:

- Law 50/2002, of 26 December, on Foundations.
- Law 8/1998, of 9 December, on Foundations of the Valencian Community.
- Decree 68/2011, of 27 May, approving the Regulation on Foundations of the Valencian Community.

- Law 38/2003, of 17 November, on General Grants (LGS), and its implementing regulation approved by Royal Decree 887/2006, of 21 July (RGS).
- General Grants Ordinance of the Valencia City Council and its Public Bodies, approved by plenary agreement of 28 July 2016 (Official Gazette of the Province of 2 November 2016).
- Rules governing the execution of the municipal budget of the Valencia City Council for the 2025 financial year.
- Where applicable, Law 39/2015 and Law 40/2015, of 1 October, on the Common Administrative Procedure and the Legal Regime of the Public Sector, respectively.
- Commission Regulation (EU) No 1407/2013, of 18 December, on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24 December 2013).

3.3. The management of the grants shall comply with the principles of publicity, competition, transparency, objectivity, equality and non-discrimination, as well as effectiveness in achieving objectives and efficiency in the allocation and use of public resources, in accordance with the provisions of Article 8.3 of the General Grants Law and the applicable municipal regulations.

4. Incubation and Acceleration Programme

4.1. The incubation and acceleration programme, participation in which is mandatory as established in the purpose of these rules, shall be carried out throughout 2026 and shall consist of two distinct phases: incubation and acceleration. The contents, duration and requirements of each phase are detailed below:

- **Phase 1: Incubation** (approximate duration of 3 months).

This phase is aimed at the startups benefiting from this call that are at earlier stages, as well as individuals developing a technology-based solo entrepreneurial project.

During this phase, in-person practical workshops will be delivered at the “La Harinera” building (once a week), addressing key areas for the development of innovative projects: finance, marketing, product development, team management, among others.

All sessions will be led by experts in each subject area, fostering applied learning oriented towards achieving tangible results.

Phase 2: Acceleration (approximate duration of 6 months)

This phase is mandatory for all startups benefiting from this call and will take place once Phase 1 (incubation) has been completed.

Its main objective is to boost the traction and growth of the participating startups through a set of activities designed to maximise their development and visibility. These activities include:

- **Masterclasses** delivered by leading professionals from the entrepreneurial ecosystem.

- **Personalised mentoring** in different areas such as Legal, Finance, Marketing, Growth, Business Development, People and Product, provided by a network of mentors with proven experience, who will offer strategic guidance and individualised support.
- **Networking** through exclusive events that facilitate connections with other entrepreneurs, investors and key figures within the ecosystem.
- **Investment opportunities** through a project pitching platform during the i-Day or Demo Day, generating visibility and paving the way for future collaborations and funding opportunities.

4.2. In addition, participating startups may apply for the use of workspaces in the “La Harinera” building during the execution of the programme, the start of which is scheduled for early 2026. Each beneficiary entity may request up to four fixed workstations as a resident startup from the Foundation. Applications must be submitted to the Subdirectorate of Entrepreneurship, which will assess the request and, if favourable, submit the proposal for final authorisation to the competent collegiate body of the entity. The allocation of workstations shall in all cases be subject to their availability within the facilities.

4.3. Resident startups shall commit to a minimum on-site presence of 15 hours per week, from Monday to Friday, within the opening hours of the La Harinera building, which shall be from 9:00 a.m. to 8:00 p.m.

4.4. In the event that, following the final resolution of this call, the total allocated budget is not fully exhausted, the Foundation may allocate the remaining available funds to the launch of a new call for grants, in accordance with the provisions of Article 23 of Law 38/2003, of 17 November, on General Grants, and the General Grants Ordinance of the Valencia City Council and its Public Bodies. The new call shall comply with the principles of publicity, competition and transparency, and shall respect the purpose and requirements established in the applicable regulations.

5. Budgetary Allocation

5.1. The maximum amount allocated to this grant is €600,000.00 (six hundred thousand euros), charged to the budgetary appropriation corresponding to the Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation’s 2025 Action Plan (hereinafter, the Foundation), within the strategic line “València Innovation Ecosystem” and, specifically, under the action “Seed Startup Program”.

5.2. The awarding of the grants is conditional upon the existence of adequate and sufficient budgetary credit in the aforementioned appropriation at the time the award decision is issued. For this purpose, it shall be essential, prior to the award decision, to have a financial availability report issued by the Foundation’s administration department, certifying the existence of sufficient funds to meet the commitments arising from this call.

6. Amount and Conditions of the Grant

6.1. Up to 100% of the total duly justified eligible expenses shall be subsidised, with a maximum limit of €25,000 per beneficiary entity or individual, excluding ...

recoverable taxes, in accordance with the applicable regulations.

6.2. Only expenses corresponding to invoices issued and paid between 1 January 2025 and the date of submission of the application shall be eligible, provided that they are directly related to the activity that is the subject of the grant.

6.3. Expenses shall be justified by submitting a simplified statement of expenses, using a standardised template provided by the Foundation, in accordance with the provisions of the General Grants Ordinance of the Valencia City Council, given that the maximum amount of the grant is less than €60,000. The statement of expenses shall include: (i) a detailed list of the expenses incurred, and (ii) a responsible declaration regarding the accuracy of the data and the allocation of the expenses to the subsidised activity. The template shall be made available to beneficiaries by the Foundation.

6.4. Notwithstanding the above, the Foundation may at any time require the submission of the corresponding invoices and bank payment receipts, as well as carry out any checks it deems appropriate. Cash payments shall not be accepted. The Foundation shall issue such requests from the email address convocatorias@vlcinnovation.com, addressing the email account designated by the beneficiary as the contact address for notification purposes in the participation application form.

6.5. Under no circumstances may the cost of eligible expenses exceed market value, in accordance with the provisions of Law 38/2003, of 17 November, on General Grants.

7. Eligible Expenses

7.1. Eligible expenses shall be those operating expenses which, without any doubt, correspond to the nature and purpose of the subsidised activity, are expressly set out in this call, and comply with the requirements established in the General Grants Ordinance of the Valencia City Council, Law 38/2003, of 17 November, on General Grants, and its implementing regulations.

7.2. Only the following cost items shall be eligible, subject to the limits and conditions indicated:

7.2.1. Company personnel expenses, up to a maximum of 30% of the grant awarded.

7.2.2. Subcontracting (third-party services for carrying out activities that add value to the company's operations), up to a maximum of 50% of the subsidised amount, in accordance with Article 68 of the Regulation of the General Grants Law.

7.2.3. Actions aimed at implementing marketing and commercialisation programmes to improve market positioning.

7.2.4. Market Analysis and Research: the process of collecting, analysing and interpreting information about a given market. This includes geographic, demographic and psychological data on past, current and potential customers, as well as competitive analysis to assess a product proposal.

7.2.5. Actions aimed at the development of new products and/or services, as well as the improvement of existing ones.

7.2.6. Implementation of quality systems, including:

- Improvement of business management tools based on ERP (Enterprise Resource Planning) software.
- Development of prototypes or the carrying out of usability tests or field trials thereof.
- Official certifications: ISO, EMAS, etc.
- Registration of patents and utility models.

7.2.7. Development of commercial communication tools, including adaptation to international markets, such as:

- Preparation of strategic plans, marketing plans, production plans, human resources plans and financial plans, as well as strategic business consultancy services.

Here is the **English translation**, maintaining legal accuracy and a consistent EU-grant style:

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- **Consultancy and advisory services** for the preparation of marketing or communication plans or similar initiatives.
 - **Establishment or enhancement of corporate identity.**
 - **Implementation of technological solutions and services** that facilitate the dissemination and commercialisation of products and services via the Internet.
 - **Promotion of the creation of business networks or new management entities**, as well as measures to strengthen membership in existing ones.
 - **Lease of premises and equipment** used exclusively for the pursuit of the activity, provided that this expense does not exceed **20% of the grant awarded.**
 - **Advertising** in radio, television, press, mobile and smartphone applications, internet, blogs and social media, or other media.
 - **Internationalisation activities:** trade fairs, trade missions, translation of materials, and trademark registration abroad.

7.3. Other expenses related to the incorporation and start-up of the company: incorporation costs, notary fees, registration fees, advisory services and business creation plans.

Financial expenses, interest, surcharges, administrative or criminal penalties, legal proceedings costs, recoverable indirect taxes, and any other expenses that do not clearly correspond to the nature and purpose of the subsidised activity shall not be eligible.

8. Beneficiary Entities and Requirements

8.1. Startups that meet the definition established in **Law 28/2022, of 21 December, on the promotion of the startup ecosystem**, may be beneficiaries of these grants. For the purposes of this call, submission of the certificate issued by ENISA shall not be required; instead, submission of a **responsible declaration**, included in the application form, in which the applicant entity states that it operates as a startup in accordance with the

provisions of said Law, shall be sufficient. In case of doubt, the Evaluation Committee may request an opinion from an independent entity of recognised prestige in order to determine effective compliance with this criterion.

8.2. Self-employed individuals carrying out innovative and/or technology-based activities may also apply, provided that they prove their status as a startup through the existence of an active website containing content evidencing the development of an innovative product or service, or through other equivalent documentation.

8.3. In addition, beneficiary entities or individuals must meet the following requirements at the time of application and throughout the entire period of execution and justification of the grant:

- Having commenced their business activity between **1 January 2021** and **six months prior to the end of the application submission period**. The commencement of business activity shall be understood as the earliest registration date with the Tax on Economic Activities (IAE) shown in the tax census status certificate.
- Legally constituted entities may apply even if they are not headquartered in València, provided that the project involves carrying out its activity within the municipality of València or its metropolitan area, and that such activity directly or indirectly benefits the municipal interest of València. This circumstance must be sufficiently evidenced and justified in the description of the innovative project.
- **Active participation** in the incubation and acceleration programme described in these rules. Startups that, upon completion of the programme, have not reached a **minimum participation rate of 80%** in the mandatory in-person sessions, as well as in the Demo Day and/or Investors Day, shall be required to **repay 50% of the grant amount received**.

Startups that, upon completion of the programme, have not reached a **minimum participation rate of 50%** in the mandatory in-person sessions, as well as in the Demo Day and/or Investors Day, shall be required to **repay 100% of the grant amount received**.

- Being in a position to duly substantiate the eligible operating expenses set out in section 6 of this call.
- Not being subject to any of the circumstances provided for in Articles 13.2 and 13.3 of Law 38/2003, of 17 November, on General Grants, and, in particular, being up to date with tax obligations with the State Tax Administration Agency (AEAT), payment obligations with the General Treasury of the Social Security (TGSS), tax obligations with the Regional Treasury of the Generalitat Valenciana (ATV), and with the Valencia City Council.
- With regard to the certificate issued by the Valencia City Council, the provisional submission of proof of application shall be accepted, in accordance with the provisions of sections 11.1.3 and 17 of these rules.
- Not having made false statements when providing the information required to participate in the call.

8.4. Startups that were beneficiaries under the **“Startups Seed 2024”** grant call shall not be eligible to apply under this call.

8.5. The following shall also be excluded:

- Legal entities whose shareholders include natural or legal persons, or which share shareholders with a majority holding, with another legal entity that has already applied for this grant or has been a beneficiary under the “Startups Seed 2024” call.
- Natural persons holding a majority stake in other legal entities that have already applied for this grant or have been beneficiaries under the “Startups Seed 2024” call.

Failure to comply with these requirements shall result in exclusion from the call or, where applicable, in the repayment of the grant awarded.

9. Subrogation and Succession of Beneficiary Status

9.1. In the event of a merger, absorption, spin-off, global transfer of assets and liabilities, universal succession or any other structural modification of the beneficiary entity during the execution or justification period of the grant, the resulting entity may be subrogated to the rights and obligations arising from this call, subject to the express authorisation of the Foundation and provided that it proves compliance with the requirements set out in these rules and in the applicable regulations.

9.2. The request for subrogation shall be submitted within a maximum period of **30 calendar days** from the registration of the transaction in the corresponding public register, together with the supporting documentation. The Foundation shall issue a reasoned decision on the appropriateness of the subrogation and may deny it if a risk to the purpose of the grant or non-compliance with requirements is identified.

10. Eligible Strategic Areas

10.1. Only startups whose products or services are aligned with one or more of the following strategic areas defined by València Innovation Capital may be beneficiaries. These areas reflect the city’s challenges and priorities in terms of innovation, sustainability and technological development:

10.1.1. Strategic Areas of the Call

- **GovTech:** Positioning València as a European laboratory for digital public innovation.
- **AgroTech:** Connecting with agro-digital and sustainable ecosystems.
- **Digital Health and Wellbeing:** Internationalising HealthTech startups and attracting clinical trials and talent.
- **Semiconductors:** Supporting and strengthening the local ecosystem; attracting investment in microelectronics and design centres.
- **Emergency, Security and Defence:** Positioning València in dual-use civil and security technologies.

- **Immersive Technologies & Video Games:** Showcasing the Valencian XR & Gaming hub and fostering co-productions.
- **Urban Tech:** Exporting the Urban Sandbox model and attracting smart city projects.
- **Sustainable Tourism:** Strengthening a benchmark sustainable destination through practices that minimise environmental impact and maximise social and economic benefits for the local community.

10.1.2. Cross-cutting Areas of the Call

- **Sustainability:** Companies that, while impacting the strategic areas, focus on solutions for the circular economy, energy efficiency, sustainable mobility, green spaces and biodiversity, and other solutions aimed at improving sustainability at a global level.
- **Artificial Intelligence:** Companies that, while impacting the strategic areas, focus on promoting enabling technologies such as AI for inclusive economic and social development, with an emphasis on improving citizens' quality of life and developing ethical AI.
- **Diversity:** Companies that, while impacting the strategic areas, do so through social inclusion, fostering the participation of all stakeholders in society, and enriching the construction of a more plural, equitable and prosperous city through diverse perspectives, experiences and backgrounds.

11. Documentation to Be Submitted with the Application: Accreditation of Requirements and Justification of Eligible Expenses

11.1. Interested startups must complete the application form available at the following link: <https://valenciainnovationcapital.typeform.com/seed-2025> and submit the following documentation:

For legal entities or commercial companies:

- Tax census status certificate of the startup, issued within the application period, indicating the economic activity, date of commencement, tax domicile and, where applicable, the premises where the activity is carried out.
- Deed of incorporation, powers of attorney and articles of association of the company, evidencing registration in the corresponding Registry.

For self-employed individuals:

- Form 036 or 037 (as applicable) for registration in the Census of Business Owners, Professionals and Withholding Agents of the Spanish Tax Agency, duly completed and submitted; Form 130 or 131 (as applicable) corresponding to the proof of submission for the last quarter of activity filed with the Spanish Tax Agency; a tax census status certificate issued by the Spanish Tax Agency indicating the date of registration, the economic activity carried out and the tax domicile; as well as any other official document that reliably proves registration under the self-employed regime and the performance of the economic activity within the scope of this call.

11.1.1. Executive summary of the Business Plan, using the standardised template provided, detailing the basic aspects of the business idea, marketing plan, internal organisation and economic and financial viability, with particular emphasis on funding lines.

11.1.2. Annexed simplified statement of expenses in a standardised Excel format, in which the expenses to be justified shall be listed in numerical order (01, 02, 03...), indicating for each item: description, amount, date of issue and payment, supplier, and link to the subsidised activity, in accordance with the standardised template provided.

11.1.3. Certificate attesting that the applicant is up to date with its obligations with the Spanish Tax Agency, the Social Security, the Valencian Tax Agency, and the Valencia City Council.

In the case of the certificate issued by the Valencia City Council, submission of proof of application shall initially be accepted, provided that such application was submitted before the end of the application submission period.

Payment of the grant shall be conditional upon the effective submission of the certificate, which must be sent to the email address indicated in these rules (convocatorias@vlcinnovation.com).

11.1.4. It shall not be necessary to initially submit invoices or bank payment receipts together with the application. However, the beneficiary entity must retain all supporting documentation (invoices, bank receipts, payrolls, social security contributions, etc.) for the legally established period and make it available to the Foundation or to the supervisory bodies that may request it for verification purposes.

11.1.5. Applicant entities must submit an additional responsible declaration stating that they have not applied for or received other incompatible aid for the same purpose, in accordance with the applicable regulations. The beneficiary entity must retain the documentation substantiating the use of the funds received, including electronic documents, for at least **four years** from the end of the period for justifying the grant, and make it available to the competent supervisory bodies upon request.

11.2. In the event of a request by the Foundation or by the supervisory bodies, the beneficiary entity shall submit the invoices corresponding to the justified expenses (for a maximum net amount of up to €25,000, excluding non-eligible taxes, issued between 1 January 2025 and the date of submission of the application), together with the corresponding bank payment receipts.

11.3. Supporting documentation shall be kept in an orderly and sequential manner so that, in the event of a request, each invoice can be submitted together with its corresponding proof of payment, following the order set out in the statement of expenses.

11.4. For personnel expenses, the statement of expenses must detail the concept, period, amount and employee concerned. The beneficiary entity must retain the supporting documentation (pay slips, bank payment receipts, social security contribution certificates, RNT and RLC forms) for possible submission upon request.

11.5. Certificate of ownership of the bank account indicated in the application form, in the name of the applicant entity and issued no more than **six months** prior to the date of submission of the application.

11.6. Responsible Declarations (included in the application form), in which the entity expressly states:

- That it is not subject to any of the prohibitions preventing it from acquiring beneficiary status or from receiving payment, in accordance with the provisions of Law 38/2003, of 17 November, on General Grants, and in particular paragraphs 2 and 3 of Article 13.
- That it meets the definition of a startup pursuant to Law 28/2022, of 21 December, on the promotion of the startup ecosystem, and that it fulfils all the requirements set out in this call.

12. Technical Requirements for Invoices and Proof of Payment

12.1. In the event of a request by the Foundation or by the supervisory bodies, the beneficiary entity shall submit the corresponding invoices or documents of equivalent evidentiary value, valid in commercial transactions or with administrative effectiveness, together with the bank payment receipts for the expenses included in the statement of expenses. These documents must comply with the requirements established in **Royal Decree 1619/2012, of 30 November, regulating invoicing obligations**. In particular, invoices must include the following information:

- Name of the entity applying for the grant.
- Full name or corporate name, tax identification number and address of the supplier.
- Invoice number and date of issue.
- Description of the expense and its amount, including the unit price excluding tax, as well as any discounts or rebates.
- The applicable tax rate(s), where relevant, applied to the transaction.

12.2. Receipts, pro forma invoices, delivery notes and delivery slips shall not be accepted as proof of expenditure, as they do not meet the requirements set out in Royal Decree 1619/2012, of 30 November, regulating invoicing obligations.

In the event of a request by the Foundation, the final invoice that complies with the legal requirements must be submitted, together with the corresponding bank payment receipt, in accordance with the provisions of sections 11.2 and 12.1 of these rules.

In the case of invoices or payment receipts issued in a foreign currency, the applicable exchange rate must be indicated. This shall correspond to the official exchange rate in force on the invoice issue date, based on the reference value published by the European Central Bank or, failing that, by the Bank of Spain.

12.3. Only expenses that have been effectively incurred and paid between **1 January 2025** and the date of submission of the application shall be eligible.

12.4. Payments made in the name of a person other than the entity applying for the grant shall not be accepted.

12.5. Where payment receipts correspond to a joint holder of the bank account, a certificate of ownership of said account must be available showing the name of the entity applying for the grant.

12.6. The beneficiary entity must retain supporting documentation for the payments made (bank statements, debit notifications, copies of cheques, card charge slips, etc.) and make it available to the Foundation or to the supervisory bodies upon request.

12.7. Depending on the method of payment, documentary justification, if required, must be provided as follows:

- **Bank transfer:** bank statement showing the expense recorded, identifying the recipient of the payment and confirming its match with the issuer of the invoice or supporting expense document.
- **Direct debit:** bank debit notification or copy of the bank statement showing the expense.
- **Cheque:** copy of the cheque issued in the name of the supplier issuing the invoice, together with a copy of the bank statement showing the expense.
- **Card payments:** card charge document showing the debit to the bank account, identifying the recipient of the payment and confirming its match with the issuer of the invoice or supporting expense document.
- Payments made using cards not registered in the name of the applicant entity shall not be accepted.

13. Cumulation with Other Grants

13.1. These grants are subject to the **de minimis** regime, in accordance with **Commission Regulation (EU) 2023/2831 of 13 December 2023**, on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid. Consequently, they may not be granted to undertakings operating in the following sectors:

- **Fisheries and aquaculture**, as provided for in Regulation (EU) No 1379/2013 establishing the common organisation of the markets in fishery and aquaculture products.
- **Primary production of agricultural products** listed in Annex I to the Treaty.
- **Undertakings operating in the processing and marketing of agricultural products**, in the following cases:
 - Where the amount of the aid is determined on the basis of the price or quantity of such products purchased from primary producers or marketed by the undertakings concerned.
 - Where the aid is conditional upon part or all of it being passed on to primary producers.
- **Activities related to exports to third countries or Member States**, where the aid is linked to the establishment and operation of a distribution network or to other operating expenses related to export activities.
- **Aid contingent upon the use of domestic products instead of imported products.**

13.2. Under no circumstances may the total amount of de minimis aid granted to a single undertaking exceed **EUR 300,000** over any period of **three fiscal years**, whether granted individually or as a result of accumulation with other de minimis aid granted to the same undertaking, in accordance with Commission Regulation (EU) 2023/2831 or with other types of aid subject to EU State aid rules.

13.3. For the purposes of the preceding paragraph, an “undertaking” shall mean any entity engaged in an economic activity, regardless of its legal form or the way in which it is financed.

14. Deadline and Method for Submission of Applications

14.1. Applications shall be submitted exclusively via the link to the Application Form referred to in section 11.1 of these rules.

14.2. The deadline for the submission of applications shall be **20 calendar days**, starting from the day following the publication of the extract of the call in the Official Gazette of the Province of Valencia (BOP).

14.3. Applications submitted after the deadline or those not using the standardised and mandatory forms established in these rules shall not be accepted and shall constitute grounds for inadmissibility.

14.4. Each entity may submit a maximum of **one application**. In the event that the same entity submits more than one application, only the **last application submitted**, based on the date and time of registration in the application form referred to in section 11.1, shall be taken into account.

15. Extension or Suspension of Deadlines Due to Force Majeure

15.1. The Foundation may decide, ex officio or at the request of an interested party, to extend or suspend the deadlines established in these rules for the submission of applications, execution of activities or justification of the grant, where duly substantiated force majeure circumstances or exceptional situations arise that make compliance under the originally envisaged terms impossible.

15.2. Requests for an extension must be submitted before the expiry of the relevant deadline, together with the supporting documentation. The Foundation shall issue a reasoned decision and notify the interested entity accordingly.

16. Procedure and Processing

16.1. The awarding of the grant regulated under this call shall be carried out in accordance with the provisions of Articles 22.1 and 23 to 27 of Law 38/2003, of 17 November, on General Grants.

16.2. The grants shall be awarded under a competitive selection procedure. The ranking of applications shall be determined by the final score obtained in accordance with the evaluation criteria set out in section 16.6 of these rules. Grants shall be awarded to the applications with the highest scores until the available budget is exhausted. In the event of a tie, priority shall be given to the application registered first.

16.3. The processing of the procedure shall be the responsibility of the **Directorate** of the Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation, which shall act as the instructing body and shall carry out ex officio any actions it deems necessary for the determination, knowledge and verification of the data on the basis of which the proposed decision is to be formulated.

16.4. All communications and notifications relating to this procedure shall, as a general rule, be carried out via the email address convocatorias@vlcinnovation.com, including those addressed to applicant entities for the purposes of correction or submission of documentation. Notwithstanding the above, provisional and final decisions, as well as lists of beneficiary entities, excluded entities or entities required to correct documentation, shall be published in the **“Contracting Profile”** section of the Foundation’s corporate website, in compliance with transparency regulations. Publication on said portal shall have the effects of official notification, without prejudice to any additional communications that may be made via the indicated email address.

16.5. An **Evaluation Committee** for applications shall be established, appointed by resolution of the Foundation’s Directorate, and composed of:

- The **Subdirectorate of the Foundation**, or the person to whom it delegates, who shall act as Chair and shall be responsible for chairing the sessions, ensuring the correct application of the evaluation criteria and safeguarding the impartiality of the process. In the event of a tie in the scoring, the determining criterion shall be the date and time of submission recorded by the electronic timestamp of the application form.
- A member of the Foundation’s technical staff, who shall act as Secretary, responsible for drafting the minutes of the meetings, safeguarding the documentation and assisting the Chair in administrative tasks.
- Two professionals with recognised standing in the technological entrepreneurship ecosystem, who shall act as members of the Committee.

16.6. The Evaluation Committee shall determine, by consensus, the score awarded to each application, based on the following evaluation criteria and scoring:

- Business model and scalability potential (0–5 points).
- Projects planning to develop a pilot within the framework of the City of València Sandbox (0–4 points) (<https://www.valencia.es/web/sandbox>).
- Projects focused on city resilience (0–2 points).
- Innovation, differentiation, originality and competitive advantage (0–3 points).
- Traction, real progress metrics and validation of the business model (0–2 points).
- Having 50% or more women in the founding team (0–2 points).

Applications that do not reach a **minimum score of 9 points**, equivalent to **50% of the maximum possible score**, shall be excluded.

16.7. The Evaluation Committee shall draw up a report stating that, based on the information available to it, the beneficiary entities meet all the requirements necessary to

access the grants and, in addition, exceed 50% of the evaluation criteria established, i.e. they have obtained at least **9 points**. This report shall serve as the basis for the **provisional proposal for the award of grants**, which shall be submitted to the Managing Director of the Foundation, as the competent authority to decide. Beneficiary entities shall be granted a period of **10 calendar days** to submit statements or objections before the final decision is issued.

16.8. The publication of the provisional and final decisions, as well as the lists of beneficiary entities, excluded entities or entities required to correct documentation, in the “**Contracting Profile**” section of the Foundation’s corporate website shall have the effects of official notification, in accordance with the provisions of **Law 39/2015, of 1 October, on the Common Administrative Procedure**.

16.9. Entities required to correct documentation or submit statements shall be granted a period of **10 calendar days** from the publication of the provisional or final lists, as applicable, to carry out the appropriate actions.

Provisional lists may be amended as a result of the acceptance of statements submitted by interested entities, as well as the correction of material, factual or arithmetic errors.

Likewise, final lists may be amended in the event of an administrative or judicial decision, an ex officio review by the awarding body, or the subsequent detection of material errors not corrected during the statement phase.

16.10. The maximum period for issuing and notifying the decision shall be **three months**, counted from the day following the end of the application submission period. The decision shall exhaust administrative remedies. An optional **appeal for reconsideration** may be lodged before the same body that issued the decision within a period of **one month** from notification, or the decision may be challenged directly before the contentious-administrative courts, in the manner and within the time limits established in the applicable legislation. The appeal for reconsideration may be submitted via the email address indicated in these rules: convocatorias@vlcinnovation.com.

16.11. Failure to issue a decision within the prescribed time limit shall be deemed a dismissal, without prejudice to the Foundation’s obligation to issue an express decision.

17. Obligations of Beneficiary Entities

17.1. Beneficiary entities or individuals shall comply, in addition to the specific obligations established in these rules, with the following general and specific obligations, in accordance with the provisions of **Article 14 of Law 38/2003, on General Grants, Article 11 of the General Grants Ordinance of the Valencia City Council and its Public Bodies**, and other applicable regulations:

- **Active participation** in the incubation and acceleration programmes referred to in section 4 of these rules. Startups that, upon completion of the programme, have not achieved a **minimum participation rate of 80%** in the mandatory in-person sessions, including attendance at the Demo Day / Investors Day, shall be required to **repay 50% of the grant amount received**. Startups that, upon completion of the programme, have not achieved a **minimum participation rate of 50%** in the

mandatory in-person sessions, as well as in the Demo Day and/or Investors Day, shall be required to **repay 100% of the grant amount received**.

- **To submit to verification, monitoring and financial control actions** carried out by the competent supervisory bodies, both at national level and at the level of the European Union, providing any information required in the course of such actions.
- **To repay the funds received** in the cases provided for in **Article 37 of the General Grants Law**.
- **To inform the awarding body** of the receipt of other grants, aid, income or resources financing the subsidised activity, originating from any public or private administration or entity, whether national or international.
- **To certify, prior to receipt of the grant**, that they are up to date with their obligations vis-à-vis the Spanish Tax Agency, the Social Security, the Valencian Tax Agency and the Valencia City Council.

With regard to the certificate issued by the Valencia City Council, the specific conditions for submission are set out in section 11.1.3 of these rules, including the provisional acceptance of proof of application and the procedure for its subsequent submission.

- **To retain the supporting documentation** evidencing the application of the funds received, including electronic documents, for at least **four years** from the end of the period for justifying the grant, and to make it available to the supervisory bodies.
- **To comply with publicity and dissemination obligations** regarding the public funding received, in accordance with the terms established in these rules and in the applicable regulations.
- **To adopt the required measures to prevent fraud, corruption and conflicts of interest**.
- **To comply with any other obligation** established in **Article 14 of the General Grants Law, Article 11 of the General Grants Ordinance of the Valencia City Council and its Public Bodies**, as well as in these rules and other applicable regulations.

18. Prevention of Fraud, Corruption and Conflicts of Interest

18.1. Beneficiary entities must adopt appropriate measures to prevent, detect and correct fraud, corruption and conflicts of interest in the management and execution of the grant, in accordance with the provisions of **Law 38/2003, of 17 November, on General Grants**, and other applicable regulations.

18.2. The Foundation may carry out additional controls and checks to ensure the integrity and legality of public funds. Beneficiary entities must actively cooperate in the prevention and reporting of any irregularities detected.

19. Payment and Justification of the Grants

19.1. Payment of the grant shall be made in a **single instalment** for the total amount awarded, by bank transfer, from the date of the award decision, without the need to provide guarantees.

19.2. Supporting documentation for eligible expenses shall be submitted **only if requested**, in accordance with the simplified statement of expenses regime set out in Articles 11 and 12 of these rules.

19.3. Compliance with the obligation to attend at least **80% of the sessions** scheduled in the incubation and acceleration programme, including attendance at the Demo Day / Investors Day, shall be verified by the programme coordination. In the event of non-compliance, the beneficiary entity shall be required to **repay 50% of the grant amount**, in accordance with the obligations clause applicable to beneficiary entities. Beneficiary entities that, upon completion of the programme, have not achieved a **minimum participation rate of 50%** in the mandatory in-person sessions, as well as in the Demo Day and/or Investors Day, shall be required to **repay 100% of the grant amount received**.

19.4. All other obligations relating to the justification, monitoring and recovery of the grant shall be governed by the provisions of section 17 (“Obligations of Beneficiary Entities”) of these rules, by **Law 38/2003, of 17 November, on General Grants**, and by the **General Grants Ordinance of the Valencia City Council and its Public Bodies**.

19.5. The beneficiary entity shall retain the supporting documentation evidencing the application of the funds received, including electronic documents, for at least **four years** from the end of the period for justifying the grant, and shall make it available to the competent supervisory bodies upon request.

20. Recovery of the Grant

20.1. The total or partial recovery of the amounts received as a grant, where applicable, shall be governed by the provisions of **Title II of Law 38/2003, of 17 November, on General Grants (LGS)**, **Title III of its Implementing Regulation**, approved by **Royal Decree 887/2006, of 21 July (RLGS)**, as well as by the **General Grants Ordinance of the Valencia City Council and its Public Bodies** and by these rules.

20.2. Recovery, together with the corresponding late-payment interest, shall be required in the cases established in **Article 37 of the LGS**, including, inter alia, the following:

- Obtaining the grant by misrepresenting the conditions required for its award or by concealing circumstances that would have prevented it.
- Total or partial non-compliance with the objective, activity, project or conduct that justified the award of the grant.
- Failure to comply with the obligation to justify the grant or insufficient justification, under the terms established in these rules and the applicable regulations.
- Resistance, obstruction, refusal or failure to cooperate with verification and financial control actions, as well as failure to comply with document retention obligations.

- Failure to comply with the obligations imposed by the Foundation on beneficiary entities, as well as with the conditions established in the grant award.
- Failure to comply with the obligation to attend at least **80%** of the sessions of the incubation and acceleration programme, including the Demo Day / Investors Day, which shall entail the recovery of **50% of the grant awarded**, as well as failure to achieve a **minimum participation rate of 50%** in the mandatory in-person sessions and in the Demo Day and/or Investors Day, which shall entail the recovery of **100% of the grant amount received**, in accordance with the provisions of section 19.

20.3. The recovery procedure shall be processed in accordance with the provisions of **Articles 41 et seq. of the LGS** and **Articles 94 et seq. of the RLGS**.

21. Incompatibilities

21.1. Applicant entities must submit an additional responsible declaration stating that they have not applied for or received other incompatible aid for the same purpose, in accordance with the applicable regulations.

21.2. This grant shall be compatible with other sources of financing (grants, aid, income or resources for the same purpose) granted by any public administration or public or private entity, whether national or international, including those awarded by the Valencia City Council or by other entities or institutions, both in the 2025 financial year and in previous years, provided that the total amount of aid received does not exceed the cost of the subsidised activity.

21.3. In any event, the compatibility and limits on the accumulation of aid shall be governed by the provisions of **Article 19.3 of Law 38/2003, of 17 November, on General Grants, Article 13 of the General Grants Ordinance of the Valencia City Council and its Public Bodies**, as well as the provisions set out in these rules and other applicable regulations.

21.4. The concurrent receipt of grants or aid for the same purpose must be communicated to the awarding body, in accordance with the obligations clause applicable to beneficiary entities and the applicable regulations.

21.5. Where the concurrent receipt of grants for the same purpose exceeds the total amount of the eligible expenses duly justified, the grant awarded shall be **reduced proportionally**.

22. Assignment of Image Rights and Intellectual and Industrial Property

22.1. Intellectual and Industrial Property

- The intellectual and industrial property of the projects and contents submitted under this call shall belong exclusively to the participating individual or entity, in accordance with the applicable regulations.
- Participating individuals or entities declare, under their sole responsibility, that they hold sufficient ownership and legal entitlement over the contents included in their

proposals, and that such contents do not infringe intellectual property, industrial property or any other rights of third parties, either in Spain or abroad.

- Consequently, they release the Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation from any liability arising from the use, reproduction, dissemination or distribution of such contents, as well as from any claims by third parties.
- Submission of the application shall not grant, unless expressly authorised in writing, any right of use over intellectual or industrial property assets owned by the Foundation.
- Breach of the provisions of this clause may result in exclusion from the call or, where applicable, in the recovery of the grant awarded, in accordance with these rules and the applicable regulations.

22.2. Image Rights and Dissemination

- Participating individuals and entities authorise the Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation, **without entitlement to financial consideration**, to use their image, name, logo or trade name, as well as basic information about the technology-based entrepreneurial project, in advertising and communication materials related to the Foundation's activities and the **"Seed 2025"** programme, within the framework of the València Innovation Capital strategy.
- This authorisation is granted on an **indefinite basis** and for any legally permitted medium, exclusively for institutional, promotional and public dissemination purposes of the programme and the selected projects, while in all cases ensuring respect for fundamental rights and the reputation of the participating individuals or entities.
- Participating individuals or entities may revoke this authorisation at any time by written communication addressed to the Foundation, without retroactive effect on actions already carried out.

23. Personal Data Protection and Image Rights

23.1. The Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation, as **data controller**, shall process the personal data of participating natural and legal persons in accordance with **Regulation (EU) 2016/679 (GDPR)**, the **Organic Law 3/2018** and other applicable regulations, for the purpose of managing the call and the **"Seed 2025"** programme.

23.2. Interested parties may exercise their rights of access, rectification, erasure, objection, restriction and data portability by submitting a request to the Foundation's **Data Protection Officer**, together with a copy of their identity document, via the following email address: lasnaves@dpoexterno.com. Likewise, they may revoke at any time the consent granted for the processing of their image and personal data for institutional dissemination purposes, without retroactive effect on actions already carried out.

23.3. The Foundation may use the image, name, logo or basic information of the entrepreneurial project in institutional and public dissemination materials of the programme, exclusively for institutional and promotional purposes, ensuring respect for fundamental rights and the reputation of the participating individuals or entities.

23.4. In the event of disagreement, a complaint may be lodged with the **Spanish Data Protection Agency** (www.aepd.es).

23.5. Purpose of Processing

Personal data shall be processed for the purpose of managing participation in the **“Seed 2025”** programme, including:

- Management, development, compliance with and monitoring of the legal relationship arising from the call.
- Sending of related documentation and electronic or postal communications linked to the programme.
- Inclusion of the data in the València Innovation Capital contact directory, where necessary for programme operations.
- Economic, accounting, tax and administrative management arising from participation.
- Archiving and maintenance of historical records of contractual files.

23.6. Legal Basis

- Data processing is based on the performance of the legal relationship arising from the call and on compliance with the legal obligations applicable to the Foundation.

23.7. Data Retention

- Once the programme has ended, the data shall be retained only for the period necessary to comply with applicable legal obligations and for the formulation, exercise or defence of legal claims.

23.8. Data Disclosure

Personal data may be disclosed, in compliance with legal obligations, to:

- Courts and tribunals.
- Banking institutions (for payment and collection management).
- Tax authorities.
- Financial auditors.
- Public notaries.
- Competent bodies or staff of the Foundation for control, registration and inspection purposes.

23.9. Rights of Data Subjects

Data subjects may exercise their rights of access, rectification, erasure, objection, restriction of processing and data portability by submitting a request to the Foundation's Data Protection Officer, together with a copy of their identity document, via the email address lasnaves@dpoexterno.com. In the event of disagreement with the processing of their personal data, data subjects may lodge a complaint with the **Spanish Data Protection Agency** (www.aepd.es).

24. Disclaimer of Liability

24.1. The Foundation of the Valencian Community for Strategic Promotion, Urban Development and Innovation shall not be responsible for the content of the projects participating in the **"Seed 2025"** programme, nor for any potential damage or loss arising from their use, reproduction, dissemination or distribution. Responsibility for intellectual property, industrial property or image rights shall rest exclusively with the participants, in accordance with the provisions of the clause **"Assignment of Image Rights and Intellectual and Industrial Property"** and the applicable regulations.

24.2. Likewise, the Foundation shall assume no liability for the non-compliance or defective compliance by participants with the requirements and obligations established in these rules, nor for any consequences that may arise therefrom, in accordance with the provisions of the **"Right of Exclusion"** clause and the legislation in force on grants.

24.3. In the event that the call must be cancelled, amended or suspended for duly justified reasons in accordance with the regulations applicable to the public sector, the Foundation shall not be obliged to provide financial compensation to participants, without prejudice to their right to submit statements or appeals in accordance with the legislation in force.

25. Amendment of the Rules

25.1. The Foundation may amend, suspend or cancel the call and these rules for duly justified reasons, in accordance with the regulations applicable to the public sector, while in all cases ensuring the principles of transparency, publicity and competition.

25.2. Any amendment shall be published in the **"Contracting Profile"** section of the Foundation's corporate website and shall take full effect for all participants from the date of publication.

25.3. Amendments affecting the rights or obligations of beneficiary entities shall be notified individually, granting a reasonable period for acceptance or, where applicable, for withdrawal from the grant.

26. Applicable Jurisdiction

26.1. For the resolution of any dispute that may arise from the interpretation or application of these rules, the **Courts and Tribunals of the city of Valencia** shall have jurisdiction, with express waiver of any other jurisdiction that might otherwise apply to the parties.

This document is a literal translation of the official rules, provided solely to facilitate understanding for non-Spanish speakers. In the event of any discrepancy, the Spanish version of the rules shall prevail, as it constitutes the only legally binding text.

