

Erasmus for Young Entrepreneurs

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**[Draft] Agreement for financial support to the New Entrepreneur
between the New Entrepreneur and the Intermediary Organisation**

Agreement for financial support number: [RLT195508]

The New Entrepreneur's Intermediary Organisation

Name: Creative Industry Košice, n.o.

Address: Kukučínova 2, 04001 Košice, Slovakia

Tel.: +421 55 696 4279

Fax: -

E-mail: office@cike.sk

Name of the authorized representative: Ing. arch Michal Hladký, director

Hereafter referred as the "NIO"

of the one part,

and

the New Entrepreneur

Name: Jakub Sýkora

Address

Tel.: +

E-mail

Hereafter referred as the "NE"

of the other part,

considering that the NE has been successfully selected by both the NIO and the Host Entrepreneur's Intermediary Organisation (HIO), after agreement of the host entrepreneur [Ulane Vilumets, Traveller Tours OU], to take part in the European Commission's programme "Erasmus for Young Entrepreneurs",

HAVE AGREED

the following special conditions and annexes below

- **Annex 1:** "General Conditions applicable to the financial support to the New Entrepreneur selected for a stay abroad with a Host Entrepreneur"
- **Annex 2:** "Erasmus for Young Entrepreneurs Commitment" concerning the relationship number RLT195508.

which form an integral part of this agreement for financial support.

The terms of the special conditions shall take precedence over those in the annexes.

SPECIAL CONDITIONS

Article 1 - Aim and purpose of the financial support

Erasmus for Young Entrepreneurs aims to facilitate the exchange of experiences, learning and networking for new entrepreneurs in the participating countries through periods spent at companies of experienced entrepreneurs in other participating countries.

The purpose of this agreement is to offer financial support to the NE. The support has the function of covering some of the expenses (travel, accommodation and subsistence costs) which the NE incurs while staying with the Host Entrepreneur (HE) in the HE's country within the framework of this mobility programme.

The NE accepts to take part in the European Commission's programme Erasmus for Young Entrepreneurs and to comply with all the conditions related to the implementation of this project.

Article 2 – Duration and place

- 2.1. This agreement shall enter into force on the date when the last of the two parties signs it.¹
- 2.2. The duration of the stay abroad with the HE is from 4 March 2019 to 31 May 2019. The stay has a total duration of 2 months and 28 days.
- 2.3. The stay abroad will take place in city Tallinn, Estonia.
- 2.4. The stay abroad must be completed within the eligibility period of the NIO's grant agreement that the latter has concluded with the Executive Agency for Small and Medium-sized Enterprises (EASME) in the framework of the programme Erasmus for Young Entrepreneurs.
- 2.5. The minimum duration of the stay abroad of the NE shall be one month and the maximum duration shall be six months.
- 2.6. The NE and the HE may agree that the stay abroad should be completed in one or more periods of one week. **NE is paid only for the stay abroad.**
- 2.7. The NE is obliged to inform without any delay his/her NIO in case of events or developments that might have any impact on his/her stay or his/her relationship with the HE.

Article 3 - Financial support

- 3.1. The NIO undertakes to pay to the NE a monthly lump sum of 670€ per month, in total € 1978€.

¹ The recommended practice is for the NIO to sign last.

- 3.2. This monthly amount is deemed to cover necessary expenses, such as travel, accommodation and subsistence.
- 3.3. The NIO is entitled to ask the NE for evidence to ensure that the exchange takes place (boarding passes, rental agreement, etc.).
- 3.4. In case of early termination of the exchange, the financial support will be modified according to the provision of Article 1 of Annex 1.

Article 4 – Payment arrangements

- 4.1. Prior to the start of the stay, the NIO shall do an advance payment to the NE being equivalent to one month of the financial assistance foreseen. Further advance payments should be made at least on a monthly basis, allowing NEs to cover their expenses during the stay.
- 4.2. The request for final payment shall be accompanied by the NE's final activity report (feedback questionnaire) that needs to be submitted by the NE within 15 working days after the end of the stay. The balance of maximum one-month equivalent should be paid within 30 days of submission of the corresponding feedback questionnaires by both entrepreneurs, as well as any support documents required by the NIO.

Article 5 – Contact person

Any communication in connection with this agreement shall be done by the NE in writing to the contact person mentioned below. The NE is obliged to communicate his/her contact details to the contact person as soon as he/she has arrived in the city/country mentioned in Article 2.3.

Name and surname of the contact person in the NIO: Denisa Draganovská
Function: Project manager
Address: Kukučínova 2, 04001 Košice, Slovakia
Tel.: 00421 902 296 378
Fax: -
Email: denisa.draganovska@cike.sk

Article 6 – Bank account

Payment of the financial support will be made to the following bank account according to the conditions mentioned in Annex 2 of this agreement:

Name of the bank account holder (NE's bank account): Jakub Sykora
Name of the Bank:
Address:
Full account number (including bank codes):
BIC:
IBAN:

Article 7 – Applicable law and competent jurisdiction

- 7.1. The grant is governed by the terms of this agreement, the Community rules applicable and, on a subsidiary basis, by the law of the NIO's country relating to grants.
- 7.2. The courts having jurisdiction for matters relating to the grant agreement shall be those of the country of NIO.

Article 8 - Amendment

- 8.1. Any amendment to this agreement must be the subject of a written supplementary agreement. No oral agreement may bind the parties to this effect.
- 8.2. Extension of a relationship is allowed, with or without an increase in the initial financial contribution agreed, only if the relationship is still ongoing and if all actors (NE, HE, NIO, HIO, and their corresponding consortia) remain the same. A written approval for such an extension must be obtained before the end of the exchange and a written amendment to this agreement must be signed accordingly.

Done in two copies, one for each party

Done at Košice, Date: 20/2/2019

Done at Košice, Date: 20.2.2019

Signature of NIO's
authorised representative

Signature of NE

Annex 1

General conditions applicable to the financial support to the New Entrepreneur selected for a stay abroad with a Host Entrepreneur

In the framework of the programme “Erasmus for Young Entrepreneurs” the NIO shall provide financial support to the New Entrepreneur (NE) selected for his/her stay abroad with the Host Entrepreneur (HE). This financial support is subject to the following conditions.

1. Early termination of the stay abroad

- 1.1. If the entrepreneurs agree to finish the relation within a shorter period than initially agreed on and ask for **early completion** of the stay, both NE and HE must explain the reasons for early termination of the exchange and conclude that the stay abroad nevertheless reached the goals the parties committed to. In this case, the NE is entitled to receive financial assistance for the time he/she actually stayed abroad.
- 1.2. Provided the NE and the HE did not fulfil the commitments agreed to by the HE, NE and the IOs, involved in the Erasmus for Young Entrepreneurs Commitment, the relation will be considered **failed**². Based on the NIO evaluation of the reasons given by the NE for early termination, either of the following actions are to be implemented:
 - 1.2.1 The NE will have to reimburse any amounts received if the relationship failed because the NE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment. The NE will have to reimburse all the advanced payments within 15 working days of receiving a request to do so.
 - 1.2.2. No reimbursement will be claimed from the NE and final payment will be made if the relationship failed because the HE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment.
 - 1.2.3. When responsibility for the unsuccessful relationship cannot be attributed to either the NE or HE, then the decision to reimburse the new entrepreneur will be taken by the European Commission and EASME.

2. Liability

- 2.1 The NIO cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained to the property of the NE or the HE while the stay abroad is being carried out or as a consequence of the stay abroad.

² A relationship is not considered as failed when: the NE stays for the full time of the contract/ the NE and HE mutually agree that the relationship can be shorter than initially agreed and are both satisfied with the exchange/ the relationship breaks due to force majeure.

- 2.2 The NE shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them as a result of an infringement by the NE, or as a result of violation of a third party's rights by the NE while the stay abroad is being carried out, or as a consequence of the stay abroad. The NE shall discharge the NIO of all liability arising from any claim or action brought as a result of an infringement by the NE, or as a result of violation of a third party's rights.

3. Conflict of interests

- 3.1 The NE undertakes to take all the necessary measures to prevent any risk of conflict of interests which could affect the impartial and objective execution of the agreement. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional reasons, or any other shared interest.
- 3.2 Any situation constituting or likely to lead to a conflict of interests during the execution of the agreement must be brought to the attention of the NIO, in writing, without delay. The NE shall undertake to take whatever steps are necessary to rectify this situation at once.
- 3.3 The NIO reserves the right to check that the measures taken are appropriate and may demand that the NE take additional measures, if necessary, within a certain time.

4. Confidentiality

The NIO and the HE undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the agreement that is duly categorised as confidential, if disclosure could cause prejudice to the other party. The parties shall remain bound by this obligation beyond the closing date of the action.

5. Checks and audits

- 5.1 The NE agrees that the NIO may carry out an audit of the use made of this financial support, either directly by its own staff or by any other outside body authorised to do so on its behalf. Such audits may be carried out throughout the period of implementation of the agreement until the balance is paid and for a period of five years from the date of payment of the balance. Where appropriate, the audit findings may lead to reimbursement from the NE to the NIO.
- 5.2 The NE undertakes to allow the NIO staff the appropriate right of access to sites and premises where the programme is or has been carried out and to all the information, including information in electronic format, needed in order to conduct such audits.

- 5.3 The European Court of Auditors and the European Commission shall have the same rights as the NIO, notably right of access, as regards checks and audits

Annex 2

**‘Erasmus for Young Entrepreneurs Commitment’
concerning the relationship number RLT195508**

Annex: Erasmus for Young Entrepreneurs Commitment

RLT195508

I. DETAILS ABOUT THE NEW ENTREPRENEUR

Name of the participant: Mr Jakub Sykora

Contact details:

Intermediary organisation (home country) and contact person (name, e-mail, tel.):

Creative Industry Košice, no [Slovakia]

Ms Denisa Draganovska , denisa.draganovska@cike.sk

II. DETAILS ABOUT THE HOST ENTREPRENEUR

Host entrepreneur: Ms Ülane Vilumets

Sector of activity: Hotel, restaurant, tourism, travel services and wellness

Name of the enterprise: Traveller Tours OÜ

Total employees: 12

Contact details: Viru 6 - 10140 Tallinn - Estonia

ylane@traveller.ee - +372 55542111

Intermediary organisation (home country) and contact person (name, e-mail, tel.):

OÜ TURUNDUSPROFF - Marketingi Instituut Estonia [Estonia]

Ms Merit Parnpuu , merit.parnpuu@mi.ee , (+372) 5079441

III. SUMMARY OF THE PROPOSED STAY ABROAD

Months of stay abroad :

Planned start date of the stay: 04 March 2019

Planned end date of the stay: 31 May 2019

Objectives of the stay: HE employs young people and believe in developing their skills for the future. People working in the team as guides receive a great deal of training in public speaking, communication, story-telling – so giving back to the world by helping a bright young person trying to start their own business is something that resonates well with HEs team and mentality. HE personally is also engaged in higher education studies, by teaching a course "basic of entrepreneurship" in the Estonian Entrepreneurship University of Applied Sciences where they aim to motivate people to either become entrepreneurs, or at least be able to think in terms of market, business strategy and providing a value to the customer in their future workplaces. HE is also a mentor in a business model innovation program for tourism companies. HEs company is currently working on opening one-way guided transfer service in Central Europe, which involves a lot of preparation work, creating partnerships etc – which is where HE could actually make use of a bright mind- NE. For a beginner entrepreneur, sales skills and online marketing are crucial and going out of your comfort zone to learn together with a team that has previously



successfully done it in other countries. NE would like to enrich his knowledge about the travel business and is expecting to have a chance to work with the professionals, who already have the experience within this field. HE as explained above has fully entrepreneurial mindset so this is a chance to try to get the most of this experience. NE's ambition is to run a travel business, which is going to be oriented toward the foreign travelers. NE would like to show them his country around and deliver the authentic Slovak experience. There are not that many companies which offer this kind of a service in my country. Objective of this stay is to learn as much as possible from the future host and for exchange share his already gained experience with customers, organizing and marketing.

Description of the work/learning project: On all the activities during this exchange NE will be closely cooperating with HE, based on mutual beneficial learning experience, sharing the ideas. The following tasks during the exchange will be targeted at: See and learn from the whole process - how HE from doing bike tours has grown and now is being a tour operator (having 30.000 customers per year) and is running a successful online travel platform as well. NE can be part of their tours and actively help - see how the tours are planned and guided. See how the HE is building the relationship with local hotels/motels, for the future cooperation on their projects. Important part is to work to understand the local market. This will be the huge challenge for NE during whole exchange, to understand it thanks to this experience and apply it to his own business idea. Thinking about the business as "how to put the idea in the empty place." - understanding this also thanks to HE's way of working. Another task will be to understand the behaviour of the tourists (NE will be in a direct contact with the target groups). Cooperating with person responsible for HE's strategic plan, daily management as well and also copy writers. HE is going to build the new relationships also in Central Europe - NE can see how to communicate, HR processes in the company, hiring, building the relationship.

Proposed plan of activities: February, HE is running ads and getting people to apply to work with us this summer season in Estonia, Latvia, Lithuania and Prague. So NE after his arrival can see also this process that HE was doing last weeks. Also the first days/week of his arrival, will get to know the people in the company and catch up with the existing team. March, HE will be looking for more candidates for their business. HE has all candidates do a test tour in front of a small group of our senior guides. NE will be included in the process and see this tasks and be able to think as a guide himself. By observing the ways of doing the tours he can learn a lot and keep understanding this sector more and more. HE will be putting the routes for the one-way tours from Budapest in place to design the initial product, also looking for local partners among tour companies and guides. NE can be beneficial in this part as well, knowing the Central Europe and have useful tips too. Also there will be the time for NE to cooperate with person responsible for strategic planning in the company and daily management. In April there will be training of new guides in Estonia, Latvia, Lithuania and Prague. This includes going on tours with senior guides, learning the tour scripts and routes, doing a qualification tour with a senior guide. New guides should be ready to do their first independent tour during first half of April. NE will gain irreplaceable experience thanks to work with those guides and be directly involved in the process. Also the idea of tour to Prague will be on, and NE can share his knowledge of this area as well. In the end of April, the high season will start and more and more tours will be ongoing following weeks, in May. At that time NE and HE will cooperate on daily basis on the tours and their realization. NE can also consult his ideas of guiding/asking the advices and think about marketing strategies in the business. Till the end, both entrepreneurs will be sharing their ideas and skills.

Expected outcome: NE thanks to this exchange will gain the experience of running the tours and how to become a professional guide. Also thanks to HE, NE will improve his entrepreneurial skills in communication, meeting the target groups' needs, get better in storytelling (try to apply it on how to sell his idea), will have a vision more clear about his idea and know the steps that needs to be done to run a successful business. Living those months in a close cooperation with HE and his team will enrich his real experience in this kind of market. HE will be expanding their strategy with the products to more market and NE will be ready to help and be beneficial for them as much as possible.



IV. COMMITMENT BY THE FOUR PARTIES

By signing this document the new entrepreneur, host entrepreneur and intermediary organisations confirm that they will abide by the principles of the Erasmus for Young Entrepreneurs Commitment attached below.

THE NEW ENTREPRENEUR UNDERTAKES TO:

Abide	by the rules and regulations of the host entrepreneur, his or her usual working hours, code of conduct and rules of confidentiality.
Communicate	with the intermediary organisations about any problem or changes regarding the placement.
Comply	with all arrangements negotiated for his or her stay in order to achieve the stated objectives, particularly execute the planned activities and the work/learning project and to do his or her best to make the stay a success.
Submit	a report in the specified format, together with the requested supporting documentation to substantiate costs, at the end of the stay.

THE INTERMEDIARY ORGANISATIONS UNDERTAKE TO:

Select	suitable, recently established, new entrepreneurs (NE) and host entrepreneurs (HE) and ensure that they are both able to achieve the objectives of the stay.
Facilitate	the matching between a qualified and suitable NE and HE and ensure that both parties agree on a work/learning project whose contents are transparent and acceptable and whose objectives are achievable. Prepare the NE and HE for the practical, professional and cultural aspects of the stay.
Help	to manage transport, accommodation, visa/work permit arrangements, social security cover and insurance, to the extent necessary and desired.
Provide	contact details of all parties involved and ensure that final arrangements are in place before the NE leaves his or her home country.
Establish	appropriate communication channels for all parties.
Evaluate	progress on the project on an ongoing basis and take appropriate action if required.
Disburse	funding to the NE as appropriate, on the basis of agreed activities, milestones and reporting.
Evaluate	with each NE the personal and professional development achieved.



THE HOST ENTREPRENEUR UNDERTAKES TO:

Comply	with all arrangements negotiated, particularly the NE's work/learning project, and to do his or her best to achieve the objectives and make the stay a success.
Assign	to the NE tasks and responsibilities that match his or her knowledge, skills, competences and objectives and ensure that appropriate equipment and support are available and that the NE's work/learning objectives are achieved.
Foster	the NE's understanding of entrepreneurship and how to start-up a business.
Provide	practical support if required.
Submit	a report in the specified format at the end of the stay.

THE NEW ENTREPRENEUR: Mr Jakub Sykora

I agree with the above mentioned stay abroad and the principles that concern me.

Signature of the NE

Date:

Mr Jakub Sykora (Signed)

19/02/2019

THE NE's INTERMEDIARY ORGANISATION: Creative Industry Košice, no [Slovakia]

I agree with the above mentioned stay abroad and the principles that concern my IO.

Coordinator's signature

Date:

Mr Michal Hladký (Signed)

18/02/2019

THE HOST ENTREPRENEUR: Ms Ülane Vilumets

I agree with the above mentioned stay abroad and the principles that concern me.

Signature of the HE

Date:

Ms Ülane Vilumets (Signed)

18/02/2019

THE HE's INTERMEDIARY ORGANISATION: OÜ TURUNDUSPROFF - Marketingi Instituut
Estonia [Estonia]

I agree with the above mentioned stay abroad and the principles that concern my IO.

Coordinator's signature

Date:

Mr Anu-Mall Naarits (Signed)

19/02/2019

