

Competition Rules & Eligibility Requirements

2019 Liff Hoff Houston Start-Up Business Plan Competition Rules & Eligibility Requirements Effective as of June 5, 2019

The City of Houston Office of Business Opportunity (OBO) and Houston Public Library (HPL) (collectively "Administrators") administer the Liff Hoff Houston Start-up Business Plan Competition ("Liff Hoff Houston") with the generous support of Capital One Bank ("Sponsor" or "Capital One Bank"). Each competition contestant has a chance to win one of three \$10,000 cash prizes to start their business as well as benefit from business literacy education and mentorship, while contributing to the local growth and sustainability of the Houston economy.

1. DEFINITIONS

For the purposes of Liff Hoff Houston, the following definitions apply:

Chief Executive Officer (CEO) - the primary managing owner for the startup business. The CEO must have majority equity share ownership of the business idea, plan, or existing business.

Contestant – a startup business consisting of an individual or team of no more than three (3) individuals. The term is used both for applicants during the application process and for participating contestants, in good standing, during the competition.

Startup Business is either

- I. an individual or team (up to 3 individuals) with a business idea/ plan and no provable operational business or prior existence under a different name; or
- II. an original, established business entity less than one year old that has received gross revenue of less than or equal to \$10,000 in the tax year as of June 5, 2019. Age of business will be demonstrated by name filing with the county, state, and/or federal government after June 5, 2018.

2. ELIGIBILITY REQUIREMENTS

The following criteria must be met to be eligible for this competition:

- Contestant must be a startup business as defined in Section I.
- Contestants must designate and identify a CEO.,
- CEO must have a valid resident and mailing address within the City of Houston city limits. Remaining team member(s) must have a valid resident and mailing address within the following eight county areas: Harris, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery, & Waller.
- Individual team members must be 17 years of age or older as of June 5, 2019. Documentation may be required from all finalists.

- Individual team members must be legal U.S. residents or citizens. Birth certificates, U.S. passports or U.S. legal permanent resident cards are acceptable forms of documentation and must be provided to Administrators upon request. Documentation may be required from all finalists.
- Individual team members must have a valid “My Link” Houston Public Library Card that is in good standing before submitting their Liffoff Houston application.
- CEO must attend an orientation session.
- Contestant business must have a principal place of business (located and operated) within the City of Houston city limits. Existing businesses without a separate, non-home-based physical location must list the resident address of the CEO as its principal place of business.
- Contestants must notify Administrators of any felony or related conviction on the contestant’s record before submitting their Liffoff Houston application.
- An individual team member may only participate as a member of one team for the competition.

3. CHIEF EXECUTIVE OFFICER RESPONSIBILITIES

- Must be the primary point of contact for the startup business;
- Must be the person in whose name the startup business is legally registered and/or will be registered; and
- If the designated CEO is no longer a part of the competition, the startup business must designate an existing team member to serve as CEO. The replacement CEO must meet the requirements of the competition. Important: If the replacement CEO does not meet the competition requirements, then the startup business will no longer be eligible for the competition.

4. APPLICATION

Business plan competition contestants are required to complete the official Liffoff Houston application by July 15, 2019, at 2:00 PM. The application is located online at www.liffoffhouston.com. The application must be completed and submitted by the startup business’ CEO and must list all team members. All questions on the Liffoff Houston application must be answered and the entire application must be completed with accurate, truthful and current information.

5. COMMUNICATION

All communication will be conducted with the CEO primarily through the designated email provided by each contestant. Contestants must have a verifiable, working email address. It is the contestant's responsibility to alert Administrators of any changes in email addresses or technical issues. Liftoff Houston is not responsible for email accounts that are not compatible with the Liftoff Houston email system. If a contestant's email account is not compatible with the Liftoff Houston email system then it is the contestant's responsibility to report this before the application submission deadline on July 15, 2019 at 2:00 PM. Contestants can contact Administrators with any questions or concerns through the Liftoff Houston email at liftoffhouston@houstontx.gov.

6. ORIENTATION

The orientation sessions will cover the rules and requirements of the competition and the judging process. Attendance is mandatory for all contestants, and attendance will be taken and recorded.

7. WORKSHOPS

A series of workshops will be offered at designated Liftoff Houston locations. Contestants must attend all six (6) of the workshops categories offered. Workshop attendance will be taken and recorded. Each workshop will be offered three (3) times throughout the competition. Contestants are required to complete the evaluation form on the Liftoff Houston website, www.liftoffhouston.com, after attending each workshop to receive credit for attendance.

8. RSVP

Contestants are required to RSVP for workshops prior to attending. Seating is limited therefore RSVP is important to ensure sufficient seating is available. RSVPs are submitted through the Liftoff Houston website, www.liftoffhouston.com.

9. ATTENDANCE

Attendance will be required for all stages of the competition which include: Orientation, Workshops, Mentoring, Coaching and Pitch Day. Attendance will be taken and recorded. Attendance is defined as arriving to the designated Liftoff Houston event no later than fifteen (15) minutes. Contestants that arrive later than fifteen (15) minutes to a required event will not receive credit for attendance and will lose their reserved seating. Contestants that are unable to attend an event due to an emergency must

contact the Administrators. The Administrators will make a decision on a case-by-case basis regarding whether the contestant provided a justifiable excuse for non-attendance.

10. MENTORING

Contestants are required to attend three (3) mentoring sessions with a Liff Houston business mentor and one (1) session with a Liff Houston financial mentor. Contestant must make mentoring appointments in advance and at each appointment must have a completed "Liff Houston Mentor Form" signed by each mentor as proof of their attendance at each session. Liff Houston Mentor Forms are available on the Liff Houston website, www.liffhouston.com.

11. INELIGIBILITY

All contestants will be screened for continued eligibility throughout the competition and will be notified of any ineligibility determinations upon discovery. The following is a non-exhaustive list of reasons a contestant (individual or team members) may be determined to be ineligible for the competition:

- Contestant or their immediate family members are current employees of the City of Houston, City of Houston's Office of Business Opportunity, Houston Public Library, and/or Capital One Bank.
- Contestant has not been separated from City of Houston employment for more than one (1) year.
- Contestant was a previous Liff Houston winner.
- Contestant CEO has residency outside the City of Houston city limits.
- Contestant business was established prior to June 5, 2018 (as determined by age of name registration from the county, state, and/or federal government).
- Contestant startup business has greater than \$10,000 in gross revenue as of June 5, 2019.
- Contestant business is a sexually-oriented, illegal, franchised, or nonprofit business.
- Contestant has a felony or related conviction on their record that is not eligible for this competition. Each situation will be looked at on a case-by-case basis.
- Contestant does not have a valid "My Link" Houston Public Library Card and/or a card that is not in good standing at the time of application submission.
- Contestant is not able to fulfill requirements of the competition including activities, tasks and event dates.

For questions regarding ineligibility, contact Administrators for more information.

12. BUSINESS PLAN DEADLINE

Contestant business plans must be submitted electronically in PDF or Microsoft Word format to the Liftoff Houston website, www.liftoffhouston.com **no later than October 11, 2019 at 2:00 PM. Business plans submitted after the deadline will not be accepted.** Paper copies will not be accepted. Submissions received will be confirmed with an email notification from the Administrators. Contestants that are selected as finalists must pitch the submitted business plan in order to compete for cash awards. Only contestants included on the application are eligible to pitch.

13. ITEMS SUBJECT TO CHANGE

Throughout the course of the competition adjustments and updates may be necessary, therefore, Administrators reserve the right to make any necessary changes. Administrators will notify contestants via email of such changes. Changes may include, but are not limited to, new locations, dates and times, extension of deadlines, or program procedures.

14. DISPUTES

In order to file a dispute related to the competition, contestants must first submit a written dispute through the Liftoff Houston email, Liftoffhouston@houstontx.gov. Administrators will respond to dispute requests promptly. Due to the strict timeline of the competition, disputes not filed in a reasonable timeframe may not be addressed or resolved by the Administrators.

15. FINALISTS

Finalists will be selected from the contestants that submit business plans. To be eligible to be considered for the cash awards, finalists must present at the Pitch Day event on Saturday, November 9, 2019. Finalists' pitch teams must consist of the individuals included in their approved application. Finalists may be asked to provide additional information to accredit their application and startup business information. The information requested can range from a driver's license to federal tax return. A background check will be conducted on all finalists.

16. DISBURSEMENT OF CASH AWARDS

Prize money will be awarded to the winning finalists to fund their businesses. In order to receive the prize money, each winning finalist must have a legally established business entity (i.e. registered as an LLC, Sole Proprietorship, Corporation, LLC Partnership, etc.) with a Federal Employer Identification Number, and have an active bank business account tied to the business with an accredited financial institution. Finalists are required to provide documentation of their business status and bank information prior to receiving funds. Prize money, which are taxable, will be directly written to the legal name of the business entity.

17. WINNER AGREEMENT

Winners are required to accept and sign the 2019 Winner Agreement which is an agreement between the City of Houston and each competition winner setting forth the terms of the disbursement of each cash prize award and the ongoing responsibilities of each winner. Terms of the 2019 Winner Agreement include, but are not limited to, the following requirements for each winner:

- Submission of their social security number and/or comparable form of legal documentation before prize money is issued.
- Document use of prize money for sole purposes of business establishment and/or operations of business.
- Submit a quarterly financial report showing the allocation and use of the prize money. Liftoff Houston staff may ask for additional documentation such as receipts, invoices, or information about purchases.
- Spend all their prize money within one year of issuance.
- Regularly meet with a Liftoff Houston's advisor/mentor at least once a month to keep the business plan moving forward and receive guidance for the business.
- Work with Administrators and Sponsor to promote Liftoff Houston by participating in interviews, providing testimonials, and to identify and communicate program success stories and achievements throughout the program year.
- Acknowledge that the cash prize awarded represent the total financial amount authorized under terms of the agreement.

18. POST-COMPETITION ACKNOWLEDGEMENT

By participating in this competition, contestants have agreed to voluntarily continue utilizing the Liff Houston website, www.liffhouston.com, for continued access to and awareness of business resources and to keep in contact with the City of Houston to provide updates and progress regarding their business plans or business operations. The information collected by the City of Houston may be used for economic research towards small business development.

19. DISQUALIFICATION

This is a legal and binding document. Your submission of a Liff Houston application indicates you have read, understand and accept the rules and eligibility requirements set forth herein. Violation of one or multiple rules may result in disqualification from the competition at any point during the competition. Administrators reserve the right to disqualify applicants from the competition, as deemed necessary, for other reasons not listed herein.

20. CONFIDENTIALITY

In an effort to preserve the confidentiality of the submitted business plans, the plans will not be photocopied for any purpose other than the competition. The short description of the business, provided by the contestant, will be considered a "public summary" of the business plan and may be used by Administrators in public materials related to the competition. While all reasonable measures will be taken by the Administrators to ensure the protection of intellectual property and preserve the confidentiality of each submission, protection of such rights is ultimately the responsibility of each contestant.

21. VIDEOTAPING/PHOTOGRAPHING AGREEMENT

All individuals in attendance at Liff Houston activities may be videotaped and/or photographed. By participating in this competition, you have agreed to be videotaped and/or photographed.