

FAQ

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1. What is Conecta?

Conecta Program is an market traction and investment program accomplished by [Confederação Nacional do Transporte \(CNT\)](#) and [BMG UpTech](#), an affiliate of BMG Group that invests in innovation. Conecta Program will select up to fifty national and international startups with innovation applied to their activity, which shall focus on solving issues of the transportation and logistics markets. It consists in providing the selected startups with traction and investments.

That includes startups in the air, waterway, rail and road transportation, as well as other business concerning this professionals' health and wellness.

2. What kind of startups is Conecta Program aiming for?

Conecta Program is a traction program, and not an acceleration one. That being said, the participating startups, national or international, should be already on the market, and its products/services already be launched. Applications must be related with the transportation market or its internal procedures.

Besides, it is not necessary that the solution concerns transportation itself. It includes solutions related to the markets aimed, such as management, sustainability, dentistry, nutrition, psychology, physiotherapy and education (areas related to SEST-SENAT and ITL; Serviço Nacional do Transporte – Serviço Nacional de Aprendizado do Transporte and Instituto de Transporte e Logística).

3. How can I apply?

Startups must apply, free of charge, obligatorily, through an electronic registration form, available at conecta.cnt.org.br , until 23:59 (twenty-three hours and fifty-nine minutes), Brasília time, May, 15th , 2018

No other means of application will be accepted.

Once selected, the startup shall confirm its participation on Conecta Program by executing, virtually, through electronic signatures, and also manually, the Agreement on Exhibit I.

4. How does Conecta Program select the candidates, and what's the final day to apply?

Startups can apply until May, 15th. After that, candidates will go through a selection, focused on identifying and interviewing, virtually. Up to 100 startups will be invited to an online interview, aiming to select up to 50 startups to take part in the program and engage in stage 1.

5. What will be considered to select startups?

The selection process is conducted by BMGUPTECH and NXTP Labs, and will be carried out by a judging committee, which should assess, in the following order, in subsequent and eliminatory stages: a) Fulfillment of all documents and information requested for analysis; b) Qualitative and quantitative evaluation of the criteria explained in this Notice; and c) Online interview.

Additional information and documents may be requested and, if not submitted, can result in the elimination of the startup.

The interview will be previously scheduled by BMGUPTECH and or NXTP Labs. The interview should be attended by all members. This procedure is supposed to corroborate with all information made available when applying and, specially, to set the expectation to the startup in connection with Conecta Program.

6. How long does Conecta Program last?

Conecta Program should last about 6 months. At stage 1, there will be held one face-to-face meeting, and at stage 2, there will be 8. Stage 3 will last one month, and the five selected startups will be tractioned at the USA.

Stage 1 and stage 2 meetings last up to three days.

Conecta Program's schedule is subject to change.

7. In terms of dedication, what do Conecta Program expects from the startups and its team?

Conecta is na traction and investmente program thought to startups that are already operating and, therefore, does not require the startup to be there full time.

In that matter, the only request is the attendance at the face-to-face meeting: at least one during stage 1, eight at stage 2 (each one lasting up to three days), and during stage 3, that consists in traction for one month, at the USA.

8. Do I have to attend the Program?

The face-to-face meeting will be held in the Metropolitan area of Belo Horizonte, MG, Brazil or other location determined by BMGUPTECH, and will be scheduled in advance.

In terms of stage 3, the five selected startups will have the opportunity to go to the USA, for the traction.

Stage 1 will probably happen during June and July, stage 2 between June and November, and stage 3 in November and December.

9. Who will carry the face-to-face meetings?

Mentors and possible partners to be nominated by BMGUPTECH.

10. How many members can my startup?

The team consists of a group of participants enrolled to enter, on behalf of the startup, and will have at least two members.

11. What does Conecta Program provide for my startup?

Besides the value of the three possible tranches, adding up to R\$460.000,00, the selected startups will have the support of high level mentoring, important connections with the transport market and international traction in the USA.

12. How much can my startup earn, and how much equity do I commit?

The total amount, for the final five startups is R\$ 460.000,00, convertible in up to 12% of its equity. There are, thought, different tranches of investment during Conecta Program, as follows:

- i. STAGE 1: will grant the right to convert two percent (2%) of *startup's equity*, with a valuation equals to one million Brazilian reais (R\$1.000.000,00);
- ii. STAGE 2: will grant the right to convert six percent (6%) of *startup's equity*, with a valuation equals to three million and five hundred thousand Brazilian reais (R\$3.500.000,00);
- iii. STAGE 3: will grant the right to convert four percent (4%) of *startup's equity* with a valuation equals to five milion, seven hundred and fifty Thousand Brazilian Reais (R\$5.750.000,00).

**If the startup proves to have received an prior investment, in the minimum amount of R\$30,000.00, and a valuation of the startup equal or greater than R\$3,000,000.00, the startup will receive the amount referred to tranche 1, being exempted from the availability of the right to convert two percent (2%) of its equity.*

13. What are the acting sectors Conecta Program is interested in

- land, rail, maritime and water transportation and logistics;
- public mobility;
- Logistics and Supply chain;
- administrative management;
- Health and wellness: nutrition, psychology, physiotherapy and education, e.g.;
- professional training and education for the workers;

If you have any further questions, please email conecta@bmguptech.com.br

- sustainability.

14. Taking part in Conecta Program, can my startup still participate in other programs?

Sure!

15. Who's the investor?

The main investor is Pool Bossa Nova Investimentos, an well-known investor in the national and international markets.

16. In what ways is my startup related to the investor?

Participating startups will execute a convertible bond according to Exhibit I

(<http://cms.cnt.org.br/Imagens%20CNT/2018/Conecta/Edital/Edital-pt-br.pdf>)

17. When do Conecta Program take off?

Conecta starts in June 2018. The opening event and any other meetings that startups should attend will be scheduled and informed in advance.

Conecta Program's schedule is subject to change.

18. How is the international stage, and who will arrange all applicable documents?

Stage 3 will take place in the USA, and the traction will be provided by Conecta Program.

Up to two of the team members can take part in stage 3, and all the startup must provide all permits and authorizations - including passport and visa requirements - as well as expenses related to internal leisure travel and other expenses.

Didn't find the answer you were looking for? Send us an email at conecta@bmguptech.com.br and we'll get back to you shortly.