

Rules and Regulations for MAOF Business Support Services

Applicable as of January 1, 2010

1. General

- 1.1. The services offered by MAOF centers that are operated by the Small and Medium-Sized Business Agency (SMBA) in the Ministry of Economy and Industry (hereinafter: "the **MAOF Services**", "the **SMBA**" and "the **Ministry of Economy and Industry**", respectively) are among the range of services offered to entrepreneurs and enterprises to encourage and promote the small and medium-sized business sector in Israel.
- 1.2. The MAOF Services will provide entrepreneurs and enterprises with assistance by various means in areas related to their needs.
- 1.3. The purpose of the MAOF Services is to help enterprises and entrepreneurs get through the stages of establishing a business, grow in terms of volume of sales and the number of employees and improve performance and efficiency, while increasing profitability.

2. Definitions

- 2.1. **Feasibility study** – a study in which the funding consultant examines whether the enterprise /entrepreneur meets the threshold conditions of various foundations and which foundations are relevant to apply to for funding (*Go / No Go* test). For the avoidance of doubt, this is a preliminary stage of preparing a business plan and does not guarantee obtaining approval for a loan.
- 2.2. **Professional body** – the applicant chosen to professionally manage and run an accelerator.
- 2.3. **International e-commerce platform** – an existing platform (existing website) in a foreign language offering a large variety of products. An e-commerce arena is a kind of shopping mall that allow traders to set up a product store or product pages at a cost (or for free) within the platform, and (in most cases) allows browsers / buyers to makes purchases and then rate store owners and grade their products / services, as well as other parameters.
- 2.4. **Consultant** – an expert in his field, who has been approved by MAOF to provide consulting services in accordance with SMBA requirements.
- 2.5. **Entrepreneur** - an individual interested in establishing sustainable future business activity.
- 2.6. **Tangible product** – a product that has undergone a production process and can be transported from point A to point B.
- 2.7. **Startup project** – a number of entrepreneurs who join forces to establish a startup.
- 2.8. **Funding consultant** – a consultant who accompanies the enterprise / entrepreneur through the process of referring to designated foundations; examines the feasibility of obtaining

- funding and chooses suitable foundations based on the enterprise's data; prepares a business plan and submits the relevant documents.
- 2.9. **Business Support Manager** – a MAOF staff member who conducts a process mapping session, instructs the enterprise to obtain services that will optimally benefit it, and oversees the entire process until the termination of the MAOF Services.
- 2.10. **E-commerce** – commercial transactions carried out electronically on the Internet.
- 2.11. **MAOF** – The body that provides Business Support Services directly to entrepreneurs and SMEs through the operators and on behalf of the SMBA.
- 2.12. **Operator** – a person chosen in a bid by the SMBA to provide the MAOF Services and who has a responsibility towards the SMBA for handling and accompanying the enterprises and entrepreneurs that receive these services.
- 2.13. **Lecturer** – an expert in his field, who has been authorized by MAOF to provide training services in accordance with the requirements of the SMBA.
- 2.14. **Full-time position** – a minimum of 182 hours a month.
- 2.15. **Co-working space (hub)** – a shared work space that creates a unique work environment and encourages cross-fertilization and collaboration by way of acquaintance, sharing and support among members of the hub and the community.
- 2.16. **Enterprise** – a licensed or exempt business, or a financial institution as defined in the Value Added Tax Law, 1975, or a cooperative or partnership or a public benefit company that carries out business activity provided it employs no more than 100 employees or whose annual turnover does not exceed NIS 100,000,000 (one hundred million shekels). Assistance will be provided for the economic business activity of a nonprofit corporation, and this shall not be considered support for a public institution under section 3A of the Budget Foundations Law, 1985.
- 2.16.1. **Microbusiness** – a business that employs up to 4 persons.
- 2.16.2. **Small business** – a business that employs between 5 to 10 persons.
- 2.16.3. **Medium-sized business** – a business that employs between 11 to 100 persons.
- 2.16.4. For the purposes of this Section, the "number of employees" shall be deemed the number of salaried employees in the enterprise **during the month preceding the date of the business process mapping**, or alternatively the average number of salaried employees working in the enterprise during the three months preceding the **date of the business process mapping**, as well as the total number of full-time freelancers who have been working with the enterprise for at least six months. For

the purpose of this Section, only freelance positions of at least half-time (50%) can be aggregated into a full-time position.

- 2.16.5. To prove its number of employees, the enterprise must present Form 102 or Form 126 which includes details at the monthly level. To prove the scope of freelance positions, a business statement specifying the scope of employment must be attached to the application (Appendix XIV).
- 2.16.6. To prove its number of foreign or nonresident salaried employees, the enterprise must either present Form 102, which includes the foreign employees, or a report to the Population and Immigration Authority with details of the employees.
- 2.16.7. To prove the annual turnover of transactions, the enterprise must present an audit report or a review report or a VAT report for the tax year just ended, or confirmation from the enterprise's accountant.
- 2.16.8. With regards a non-profit corporation, Proper Management Certification from the Registrar of Amutot must be presented. Nonprofits that have been operating for less than 24 months must present confirmation of submission of documents from the Registrar of Amutot as a substitute for Proper Management Certification, for the purpose of receiving consulting services only.
- 2.17. **E-commerce platform** – an Internet infrastructure that is also adapted to mobile browsing, enabling the display of products and their prices, as well as online purchases through clearing and forwarding.
- 2.18. **MAOF Business Community** - an online community of entrepreneurs or enterprises that operates on a digital platform (Facebook group, WhatsApp group, Google group) and also carries out offline activities. The purpose of the community is to promote the business activity of its members.
- 2.19. **Change of status** – the transition of an enterprise from one status to another due to changes in turnover and the number of employees, as detailed in Section 2.16.
- 2.20. **Knowledge-intensive industry** – High tech industry or medium-high tech industry or computer services, as defined by the Central Bureau of Statistics.

3. The MAOF Business Support Services are as follows:

Consulting services in a variety of areas, as outlined in Section 6.

Assistance with receiving funding from foundations, as outlined in Section 7.

Assistance with receiving a recommendation for the allocation of land, as outlined in Section 8.

Training, as outlined in Section 9.

Intra-organizational training, as outlined in Section 10.

Conferences, as outlined in Section 11.

“Starting a Business” tracks, as outlined in Section 12.

E-Commerce track, as outlined in Section 13.

“Office Space” track, as outlined in Section 14.

Business Center track, as outlined in Section 15.

Tech Accelerator track, as outlined in Section 16.

Funding Training track – Data-Driven Innovation (DDI), as outlined in Section 17.

Pension Consulting track, as outlined in Section 18.

Public Procurement track, as outlined in Section 19.

Emergency Preparedness (in hazardous areas) track, as outlined in Section 20.

MAOF Business Community, as outlined in Section 21.

4. Threshold conditions for receiving Business Support Services (cumulatively):

Entrepreneur or enterprise. An enterprise if it meets the following conditions cumulatively:

- 4.1. An enterprise with two or more employees must comply with Directive 4.0 of the Director General of the Ministry of Economy and Industry related to "assistance being contingent on the implementation of corporate social responsibility" (the "Corporate Social Responsibility Directive"), in accordance with this directive (Appendix I).
- 4.2. The enterprise is not in receivership, liquidation, etc. and has no unregulated debts to the Ministry of Economy and Industry.
- 4.3. The enterprise is both located and run in Israel.
- 4.4. The enterprise does not receive assistance from the government in respect of activities for which assistance is provided within the framework of MAOF.
- 4.5. The enterprise is not a supported or budgeted entity on the list of supported and budgeted entities. (Below is a [link to list of supported and budgeted entities](#)).
- 4.6. Conditions of entitlement to all Business Support Services, if any, are set out in Sections 6-22.
- 4.7. In order to receive Business Support Services, the Application Form for MAOF Business Support Services (Appendix I) must be signed.

5. Process for receiving Business Support Services

The process for receiving Business Support Services includes a business process mapping session and the provision of assistance and support to the enterprise as follows:

5.1. Business process mapping session

- 5.1.1. An enterprise / entrepreneur is required to undergo a business process mapping session prior to receiving Business Support Services, with the exception of trainings, DDI track, and financial consulting services.
- 5.1.2. A corporate group must undergo a process mapping session prior to participating in the "Office Space Consultation" track and / or the "Office Space and Marketing Grant" track.
- 5.1.3. An enterprise / entrepreneur is required to undergo a business process mapping session prior to receiving Business Support Services, with the exception of training services, the DDI track, financial consulting services and pre-startup services.
- 5.1.3.1. Entrepreneur / Enterprise / Group of enterprises.
- 5.1.3.2. In the event that the enterprise / entrepreneur had a process mapping session through MAOF in the past, and two years have elapsed since then, or in the event of a change in status at least half a year after the process mapping session (with the exception of a transition from Consultation Track D to Consultation Track E (which is not considered a change in status for the purpose of obtaining an additional process mapping session)).
- 5.1.4. Procedure for a business process mapping session:
- At the business process mapping session, a business support manager will map out the needs and problems of the entrepreneur / enterprise, after which he will define a specific Business Assistance Program for the enterprise (hereinafter: the "Business Assistance Program") that includes the goals and Business Support Services the enterprise requires.
 - After examining the entitlement of the enterprise / entrepreneur, the business support manager shall issue a process mapping summary, specifying the entitlement of the entrepreneur / enterprise. For business support tracks that fall into the category of grants, the business support manager will issue a letter of approval, specifying the conditions of entitlement.
 - The letter of approval for the business support tracks that fall into the category of grants, and which will be signed by the business support manager, is valid for 30 business days. This validity period may be extended for up to an additional 3 months with the sole approval of the business support manager, unless the SMBA announces a shorter time due to budget and other considerations. The letter of

approval shall then be cancelled, and the enterprise's entitlement shall be reexamined.

- At the end of the process mapping, the enterprise is entitled to receive a summary of the process mapping and the Business Assistance Program.
- The business support manager may update the Business Assistance Program at any time.
- The process mapping shall be completed no later than 10 business days from the date of the process mapping session.

5.2. Assisting the enterprise

5.2.1. The business support manager who conducts the business process mapping will assist the enterprise during the period it receives Business Support Services, unless otherwise authorized by his superiors.

5.2.2. At the end of the provision of Business Support Services, and no later than 14 working days from the end of the provision of all the services, the business support manager shall provide the enterprise / entrepreneur with a summary of the assistance services rendered.

6. Consultation

6.1. Goal of consulting services:

6.1.1. To impart knowledge and tools in a range of topics aimed at streamlining the enterprise and strengthening its ability to survive and grow.

6.1.2. To provide the enterprise with professional assistance as part of the business building process.

6.2. Conditions of entitlement to receive consulting services

6.2.1. An enterprise / entrepreneur is entitled to an allotment of consulting hours, in accordance with the maximum allotment of hours specified in Section 6.3.1. below – once every two years from the date of the last business process mapping session, or in the event that the enterprise / entrepreneur has changed status. (For purposes of this section, an increase in the number of employees is considered a change in status; a reduction in the number of employees is not considered a change in status).

6.2.2. For consultation in the area of business licensing – an enterprise that requires a business license and has not completed the process of obtaining one.

6.2.3. For consultation in the area of standardization - entitlement to receive consultation hours in the field of standardization does not apply to the essential business and business licensing standards that are mandatory by law, or to procedures of government ministries.

6.3. Scope of assistance

- 6.3.1. Consultation Track A: for entrepreneurs in the pre-startup stage - up to 15 consulting hours.
- 6.3.2. Consultation Track B: for microbusinesses with up to 4 employees (inclusive) - up to 20 consulting hours.
- 6.3.3. Consultation Track C: for enterprises with 5-10 employees (inclusive) - up to 60 consulting hours.
- 6.3.4. Consultation Track D: for enterprises with 11-50 employees (inclusive) - up to 100 consulting hours.
- 6.3.5. Consultation Track E: for enterprises with 51-100 employees (inclusive) or enterprises that had a revenue of up to NIS 100 million in the previous calendar year - up to 150 consulting hours.

Emphases:

- 6.3.6. Consulting services in tracks B-E can be provided in one area of expertise or in several areas of expertise concurrently, according to distribution for the consulting package.
- 6.3.7. Consulting hours for tracks C-E will be given according to the distribution for assistance packages only, as defined below.
- 6.3.8. A "consultation package" is defined as consulting services provided in a single area or sub-area of expertise by a single consultant.
- 6.3.9. In tracks C-E, the minimum number of consulting hours per assistance package is 10 hours, except for the last package that will be rendered.
- 6.3.10. The consultation track will be utilized according to the required distribution of the consultation packages (according the maximum size of a package of 20/30/40/50 hours) and according to the pace at which the enterprise is required to utilize the track, which will be decided upon by the business support manager.
- 6.3.11. The package expires within 6 months from the date the package order is approved, as stated in Section 6.13.4 below (hereinafter: "**Package Expiry Date**").
- 6.3.12. The business support manager may extend the Package Expiry Date by three months at the most, however, an additional three-month extension may be given with the

approval of the operator, provided that the Package Expiry Date does not exceed a year in total.

6.3.13. By the Package Expiry Date, the consulting hours shall have been provided and a report of the consulting hours shall have been sent to the SMBA, signed by the consultant, the enterprise / entrepreneur and the business support manager.

6.3.14. In addition to the above-mentioned tracks, the SMBA may add an additional framework of consulting hours for an enterprise, which will be published from time to time on the SMBA website, as specified in Appendix V.

6.3.15. The total scope of consulting hours and the types of assistance packages to which the enterprise is entitled, will be determined within the framework of the Assistance Program, which will be defined by the business support manager during the business process mapping.

6.4. The consultation process:

6.4.1. After completing the process mapping, the enterprise may turn to at least two consultants for each field of consultation.

6.4.2. The enterprise may speak with the consultants, at no charge, before choosing the consultant from whom it wishes to receive consulting services. This choice shall be at the sole discretion of the enterprise.

6.4.3. The enterprise will relay to a MAOF staff member the name of the consultant it has chosen within 10 working days of the date of referral, as specified above.

6.4.4. Once the enterprise has chosen a consultant, MAOF shall send a work order to the consultant. The consulting process shall begin no later than 10 business days from the date of issuing the said work order

6.4.5. Prior to the commencement of consultation, the enterprise and the consultant shall sign a Communications Agreement (see Appendix VI).

6.4.6. For packages of over 5 consulting hours: After the process mapping stage and before the commencement of consultation, the consultant shall present the enterprise / entrepreneur with a work plan for their one-to-one consultation package, specifying the work method and the distribution of consulting hours, in accordance with the enterprise's needs.

6.4.7. During consultation, the business support manager shall assist the enterprise by providing it with answers to questions and issues that arise, and will coordinate the

consulting process until its conclusion, which will be summed up in a meeting of the business support manager, the enterprise and the consultant.

6.5. General provisions:

- 6.5.1. The enterprise is prohibited from receiving consulting services from a consultant directly or indirectly employed by the enterprise four months prior to the process mapping.
- 6.5.2. Neither MAOF nor any of its representatives is obligated to assign an enterprise a particular consultant.
- 6.5.3. The consultant is obligated to visit the enterprise as part of the process of preparing its roadmap, unless otherwise agreed by the enterprise owner.
- 6.5.4. In a consultation package of 40 hours and above, the consultant and the business support manager will hold a follow-up meeting with the enterprise at the enterprise's offices.
- 6.5.5. An enterprise / entrepreneur may receive up to 20% of its consulting hours via video calls, subject to the discretion and approval of the business support manager and the consent of the entrepreneur / enterprise.
- 6.5.6. An entrepreneur / enterprise living in one of the outlying communities defined as the periphery, may receive up to 40% of its consulting hours by way of video calls, subject to the approval of the business support manager and the consent of the entrepreneur / enterprise.
- 6.5.7. At the end of the consultation, the enterprise is required to fill out a feedback questionnaire on the consultation it received.
- 6.5.8. The enterprise may request from the business support manager to replace its consultant, as part of exercising its entitlement.
- 6.5.9. The enterprise may submit a complaint to a MAOF representative related to the activity of the consultant and the enterprise may terminate the consulting services at any stage. In the event that the enterprise stops receiving consulting services, it must notify the business support manager of this.
- 6.5.10. The fee in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

7. Guidance in obtaining funding from foundations

7.1. Goal of the service:

To assist the enterprise / entrepreneur in obtaining funds from designated foundations for the purpose of investment or working capital, and to assist the enterprise / entrepreneur in realizing its most suitable financing options in order to set in motion the planned operation.

7.2. **Service process:**

After completion of the business process mapping, the entrepreneur / enterprise will be referred to a funding consultant who will assist him as follows:

- 7.2.1. Conduct a feasibility study as specified in Section 2.1., which will be valid for 6 months.
After receiving the results of the study, the entrepreneur / enterprise must decide whether to continue the process.
- 7.2.2. Analyze the business data and examine the enterprise's ability to meet the threshold conditions of the various foundations.
- 7.2.3. Send the necessary information for choosing the most suitable foundation for the entrepreneur / enterprise.
- 7.2.4. Recommend a course of action for raising funds.
- 7.2.5. Analyze the business data and write the business plan in accordance with MAOF guidelines, adapting it to the requirements of the foundations. For the avoidance of doubt, the business plan according to MAOF guidelines shall also serve as an application form to the various foundations. The funding consultant may collect advance payment from the client for the preparation of the business plan.
- 7.2.6. Submit the application forms to the selected foundation(s) and track the response.
- 7.2.7. Prepare the enterprise owner for the meeting with representatives of the foundation and assist during the meeting, as necessary.
- 7.2.8. Assist the enterprise throughout the process; answer questions asked by the foundation; help in filling out documents and filing an appeal, etc., as necessary.

7.3. **Guidance in obtaining funding for microfinance loans.**

- 7.3.1. **The goal of this service** is to assist entrepreneurs and enterprises in applying for low-volume funding at reduced cost and in a short process.
- 7.3.2. **Scope of assistance**
 - 7.3.2.1. In this track, funding applications of up to NIS 60,000 will be submitted.
 - 7.3.2.2. The product obtained in this track is intended for entrepreneurs and enterprises whose business activity is not complex. The product can be used mainly for foundations earmarked for microfinance loans.

7.4. Consultation services for assistance with obtaining funding from foundations

7.4.1. Goals of the service:

- 7.4.1.1. To enable the entrepreneur / enterprise owner to actually use the funding he obtains and to set in motion the planned operations.
- 7.4.1.2. To assist the entrepreneur / enterprise owner with the process of applying for a bank loan as an alternative to obtaining funding from foundations.
- 7.4.1.3. Update a business plan prepared by the funding consultant during the past year and submit it to the foundation.

7.4.2. Scope of the assistance services

- 7.4.2.1. An entrepreneur / enterprise receiving assistance services to obtain funding may receive up to 10 consulting hours from the funding consultant should there be a need for one of the goals specified above. These consulting hours will be part of the consulting hours the entrepreneur / enterprise is entitled to, as specified in Section 6.2, and will be allocated as part of the funding assistance.
- 7.4.2.2. The participation fee for enterprises / entrepreneurs in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

8. Assistance with receiving a recommendation for the allocation of land

8.1. Goal of the service:

The purpose of this service is to assist in filling out an application to receive a recommendation for the allocation of land from the Regional Development Administration ("the Administration") in the Ministry of Economy and Industry or from other government ministries, such as the Ministry of Tourism.

8.2. Service process:

- 8.2.1. The consultant will assist the enterprise as follows:
 - 8.2.1.1. Provide assistance in filling out the required forms in the said process.
 - 8.2.1.2. Provide assistance during the application process, including answering questions, filling out documents and forms, if necessary, and filing an appeal, etc.
- 8.2.2. The participation fee for enterprises / entrepreneurs in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

8.2.3. The consultant is entitled to remuneration for submitting the forms, providing they have been filled out as required.

9. Training

9.1. Goal of service

Group training sessions aimed at imparting entrepreneurs and SME owners with knowledge, skills and tools pertaining to the establishment and management of their enterprise.

9.2. General provisions

9.2.1. Up to 30% of group training participants can be from the same enterprise.

9.2.2. All training related activity and content is posted on the [SMBA website](#).

9.2.3. Attendance will be taken at each training session, and participants are required to fill out a MAOF feedback form relating to the training in which they participated.

9.2.4. The enterprise shall be eligible for a certificate upon the completion of a training program of over 16 academic hours, provided that it attended at least 80% of the sessions.

9.2.5. The participation fee for enterprises / entrepreneurs in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

9.2.6. Additional terms for training registrants are outlined in Appendix X.

10. Intra-organizational training

10.1. Goal of the service

To develop human resources and business managerial skills. The training will deal with streamlining, innovation and productivity in accordance with the client's needs.

10.2. **Conditions of entitlement to receive the service:** medium-sized business as outlined in Section 2.16.3.

10.3. General provisions

10.3.1. All participants in the intra-organizational training group will be from the same enterprise.

10.3.2. The participation fee for an enterprise in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

11. Conferences

11.1. Goal of service:

Conferences will be held for the business community with the aim of bringing entrepreneurs and enterprises together and encouraging their collaboration. The conference will include

professional content as well as information relating to the SMBA's Business Support Services.

11.2. Information about the conferences and their content is published on the **SMBA website**.

12. "Starting a Business" tracks

12.1. Goals of the tracks:

12.1.1. **Primary goal** - Establish new enterprises and create independent sources of employment.

12.1.2. Secondary goals:

12.1.2.1. To nurture and promote self-employment capability.

12.1.2.2. Survivability – to establish enterprises that will continue to operate over time with a high survival rate.

12.1.2.3. Development – to establish growing enterprises, whose revenues and number of employees increase over the years.

12.2. "Pre-Entrepreneurship" workshop track:

12.2.1. Goal of track:

To empower entrepreneurs and assist them in formulating their business idea. In addition, the workshop will provide tools for helping the entrepreneurs make an informed decision as to whether it is right for them to start a business at this stage.

12.2.2. **Condition of entitlement to the track** – an entrepreneur who has not previously participated in this track.

12.2.3. **Scope of assistance:** A workshop of 15 academic hours at a reduced cost.

12.3. "Starting a Business" track

12.3.1. **Conditions of entitlement to the track:** Anyone who has not previously participated in this track.

12.3.2. Scope of assistance:

12.3.2.1. **Starting a Business" course** - a designated course consisting of 70 academic hours with the following goals:

12.3.2.1.1. To prepare a roadmap and define the steps for establishing a business based on the business model canvas and using Gantt charts.

12.3.2.1.2. To become familiar with the business environment in which SMEs operate in Israel.

12.3.2.1.3. To acquire professional administrative tools for setting up a business.

12.3.2.1.4. To change outlook during the transition from a salaried employee to becoming self-employed and the professional, economic and personal implications.

12.3.2.1.5. To develop a sense of personal competence in implementing the plan.

12.3.2.2. The course is a mandatory component of the track, during which the entrepreneur / entrepreneur will be entitled to receive the following components:

12.3.2.3. Business consultation – Personalized consultation with regards to establishing the business; up to 15 consulting hours at a reduced cost as part of the entitlement specified in Section 6. During the consultation, the business idea will be examined in depth, the entrepreneur will be given assistance in planning the establishment of the business and in understanding everything required of him.

12.3.2.4. Assistance in obtaining funding from foundations - If the entrepreneur is found to be ready to establish and develop his enterprise, and the business concept is viable and feasible, the entrepreneur / enterprise shall be entitled to assistance in obtaining funding from foundations at a one-time reduced cost, providing the business support manager decides that funding is necessary.

12.3.2.5. Business assistance process – The business support manager who carried out the business process mapping for the participating enterprise / entrepreneur, shall assist and monitor the participant throughout the entire process.

12.4. **"Launching a Startup" track**

12.4.1. **Goal of track:** To assist in establishing new startup companies.

12.4.2. **Conditions of entitlement to the track:**

12.4.2.1. Anyone who has not previously participated in this track.

12.4.2.2. The local authority's request for the course and a commitment to cooperate with MAOF, and the SMBA's approval.

12.4.3. **Scope of assistance:**

- 12.4.3.1. "Launching a Startup" course – a designated course consisting of 60 academic hours, whose goal is to familiarize participants with the startup world, and provide them with tools and skills for setting up a startup company.
- 12.4.3.2. The course is a mandatory component of the track, during which the entrepreneur / enterprise will be entitled to receive the following components:
 - 12.4.3.2.1. Business consultation – up to 15 hours of personalized consulting at a reduced cost for the entrepreneur and enterprise as part of the entitlement detailed in Section 6.
 - 12.4.3.2.2. Assistance in obtaining funding from foundations – the entrepreneur / enterprise is entitled to receive assistance with obtaining funding from foundations at a one-time reduced cost.
- 12.4.3.3. The participation fee for the entrepreneur / enterprise in respect of these tracks appear in the Table of Rates in Appendix IX to these Rules and Regulations.

13. E-commerce Track

- 13.1. **Goal of the track** – to increase online marketing and commerce as a means of fueling business sales and growth, by acquiring knowledge, improving capabilities and building the necessary infrastructure to this end.
- 13.2. **Conditions of entitlement to the track:**
 - 13.2.1. An enterprise that has not previously participated in the E-commerce track.
 - 13.2.2. An enterprise interested in setting up a new online store for e-commerce (in a new domain) or to upgrade an online store that cannot be used for e-commerce.
 - 13.2.3. An enterprise that wishes to set up an online store in order to widen its clientele and its existing sales territory by way of e-commerce.
 - 13.2.4. In municipalities in the Gaza envelope – an enterprise that sells tangible consumer products and / or services suitable for e-commerce. In the remaining municipalities – an enterprise that sells tangible consumer products and / or services suitable for e-commerce.
 - 13.2.5. After examining the entitlement according to the rules of the track, the business support manager will issue a participation approval letter, specifying the conditions of entitlement.

13.2.6. Enterprises can enter the track (process mapping and designated questionnaire) until December 31, 2019 only.

13.2.7. The grant must be submitted and the track completed by November 1, 2020 only.

13.3. Scope of assistance:

13.3.1. A designated workshop / e-learning course – a workshop consisting of 5 academic hours on e-commerce or an e-learning course - mandatory component. If the enterprise has already had MAOF e-commerce training, it is exempt from this component.

13.3.2. Consultation services – up to 20 consulting hours in accordance with the consulting process as outlined in Section 6.1.8.1 above – mandatory component.

13.3.3. Funding assistance to help establish an online sales system on a new or existing platform that enables commerce, marketing, and online sales promotion, as follows:

13.3.3.1. The SMBA will participate in 50% of the actual cost, up to a ceiling of NIS 5,000, including VAT, for setting up an online store or converting an existing store for e-commerce. The SMBA will participate in 50% of the actual cost, up to a ceiling of NIS 5,000, including VAT, for online advertising and sales promotion. For enterprises in the Gaza envelope - up to a ceiling of NIS 7,500, including VAT. The list of areas is detailed in Appendix XVII.

13.3.3.2. The balance of the funding option for setting up the sales system shall be provided for advertising and sales promotion.

13.3.4. The enterprise is obligated to participate in all the components specified above.

13.3.5. An enterprise participating in the above-mentioned e-commerce track will be entitled to receive additional consulting hours as specified in Appendix V, Section 5.1. The consulting services will include the following: writing a roadmap; assistance in selecting suppliers to assist in setting up a new or existing sales platform for e-commerce and the promotion of online sales; assistance in decision making; consultation and assistance to implement the work plan vis-à-vis suppliers. At the end of the process, the marketing consultant will present the enterprise with a marketing plan and guidelines for continuing to promote commerce, independently.

13.3.6. An enterprise that has completed the above-mentioned e-commerce track (has submitted a final payment request for the grant) will be entitled to receive additional consulting hours as specified in Appendix V, Section 5.2, with the aim of

helping to promote the enterprise's e-commerce and quantifying the contribution of the project for its activity.

13.3.7. The track and the grant will be utilized no later than November 1, 2020.

13.4. **General provisions:**

13.4.1. The SMBA's participation in the cost of setting up an e-commerce platform, as stated above, shall include all or part of the following costs:

13.4.1.1. The set up of a mobile compatible store and sales system on a new or existing platform – mandatory component.

13.4.1.2. A link to the clearing system – mandatory component. (If an enterprise has set up a store in an e-commerce arena designed for wholesale e-commerce (B2B), then it is not mandatory for the store to include an electronic clearing button.)

13.4.1.3. Setting up a product delivery system / a field to load the recipient address for the purpose of shipping the product – mandatory component.

13.4.1.4. Graphic design services.

13.4.1.5. The preparation of a sales page.

13.4.1.6. Editing services and entering product and content.

13.4.1.7. Photography service for products or services (stills or video).

13.4.1.8. A client management and control system.

13.4.2. Obtaining a grant for the specified components is contingent upon participation in the one-day e-commerce workshop or a e-learning course up to one year prior to submitting an application and on completing the consulting hours, as above-mentioned. If the enterprise has had MAOF training in e-commerce in the last year, it is exempt from this component.

13.4.3. Obtaining the grant is contingent upon executing the following mandatory components: setting up a sales system on a new or existing platform, a link to a clearing system, setting up a system for product delivery / a field to load the recipient address for the purpose of shipping the product.

13.4.4. The SMBA's participation in the cost of online advertising and sales promotion as stated in Section 13.3.4 shall include all or part of the following costs:

13.4.4.1. Management of online marketing campaign and an analysis of the traffic flow to the store and adjusting the marketing plan to increase sales.

13.4.4.2. Making alliances with various online advertising platforms.

- 13.4.4.3. Search engine optimization.
- 13.4.4.4. Production of advertisements, banners, videos, etc.
- 13.4.5. The components will be approved for payment according to a work plan agreed upon with the client and that was submitted to the business support manager for approval.
- 13.4.6. The participation fee for the enterprise in respect of this track appears in the Table of Rates in Appendix IX.
- 13.4.7. At the end of the track's consulting process, the enterprise will fill out a feedback questionnaire.
- 13.4.8. In order to obtain a grant for the e-commerce track, the enterprise must submit, by the expiry date, the following documents:
- 13.4.8.1. A grant application (Appendix IV)
- 13.4.8.2. Certificate of proper booking; withholding tax deduction certificate, business certificate and bank account details of the enterprise owner / enterprise.
- 13.4.8.3. Tax invoice / receipt / breakdown of expenditures as follows:
- **Vendor in Israel** – licensed dealer: Tax invoice / receipt with the name of the enterprise or its owner the receipt of the services entitled to a return, with details of the service rendered.
 - **Vendor in Israel**: exempt dealer: receipt with name of the enterprise or its owner on the receipt of the services entitled to a return, with details of the service rendered.
 - **Vendor from overseas** - Confirmation of payment without a tax invoice is only permitted for a product / service purchased online overseas and includes details of the service / product. In these cases, one document with all expenditures received from the service supplier may be submitted and reported as one expense.
- 13.4.9. The documents will be submitted for examination and confirmation of payment.
- 13.4.10. In the event that the payment request is not confirmed or is partially confirmed, a message shall be sent specifying the reasons for the delay in payment and a request for relevant completion of payment.

14. Office Space track

- 14.1. **Goal of track:** To improve the stability and profitability of enterprises operating in a shared office space, or a number of enterprises with common characteristics or a shared interest, even if they do not physically share the same space. This is done by improving shared elements, such as upgrading the physical space, co-marketing, branding, etc.
- 14.2. **Conditions of entitlement to the track:**
- 14.2.1. **Entitlement to consultation:**
- 14.2.1.1. A group of 10 or more enterprises that have joined forces to obtain MAOF services and that meet the following two conditions:
- 14.2.1.2. The group has not previously obtained the above-mentioned services as a group.
- 14.2.1.3. All the enterprises meet the conditions of Sections 4 above.
- 14.2.2. **Entitlement to receive a marketing grant:**
- 14.2.2.1. A group of 10 or more businesses incorporated in a legal entity (company, partnership, etc.) that has not previously received the above-mentioned grant as a corporation.
- 14.2.2.2. The undertaking of the local authority and / or a corporation in the office space incorporated in a legal entity (company, non-profit organization, association, partnership, etc.) to finance 50% of the cost of operations in the office space, as will be specified in a detailed marketing plan to be submitted for SMBA approval. The marketing plan should emphasize the expected results of the plan, the local authority's considerations in choosing the chosen office space, marketing and other activity expected in the office space.
- 14.2.2.3. Up to two office spaces for each local authority.
- 14.2.2.4. An application for entitlement to a marketing grant may be submitted by December 31, 2019 only.
- 14.2.2.5. SMBA approval of entitlement to participate in the program is valid for 3 months (the beginning of the program is within three months from the date of issuance of approval of entitlement), and the entitlement may be utilized until November 30, 2020.
- 14.3. **Scope of assistance**
- 14.3.1. **Office space consultation**

- 14.3.1.1. A group of between 10-20 enterprises is entitled to up to 150 consulting hours. The entitlement must be utilized within two years from the end of the group's business process mapping.
- 14.3.1.2. A group of over 21 enterprises is entitled to up to 200 consulting hours. The entitlement shall be utilized within two years from the date of the business process mapping.
- 14.3.1.3. If necessary, and depending on the decision of the business support manager, up to 50 additional consulting hours may be allocated.
- 14.3.1.4. The entitlement under this track does not affect the entitlement of any enterprise among the group of enterprises to individually participate in the Consultation track, pursuant to Section 6 above.
- 14.3.1.5. The fee to participate in this track appears in the Table of Rates in Appendix IX to these Rules and Regulations.

14.3.2. Office space marketing grant

- 14.3.2.1. The scope of funding is up to NIS 140,400 including VAT a year for two years, and up to 50% of actual costs, according to the expense distribution of NIS 11,700 a month, including VAT. Consideration for payment of the grant will be for expenses from the date of incorporation of the legal body or the SMBA director's approval of the program providing the legal body's incorporation was after the SMBA director's approval.
- 14.3.2.2. The balance of the grant money not used may be utilized at a later stage and not later than November 30, 2020.
- 14.3.2.3. The participation of the SMBA in office space costs including branding, marketing, PR, management expenses.
- 14.3.2.4. At the end of each quarter, MAOF and the entity funding the marketing activity for the office space (the local authority and / or businesses operating in the office space) will settle accounts and the expense distribution will be examined in the aforesaid manner.

15. **Business Center track**

- 15.1. **Goal of track** - To assist in the growth and development of enterprises by leasing office space, providing administrative and office services, business support, marketing assistance, and so forth.

15.2. **Conditions of entitlement to the track:**

15.2.1. The enterprise meets one of the following conditions:

15.2.2. A year has not yet elapsed since registering for VAT.

15.2.3. More than a year has elapsed since registering for VAT, but the business owner has confirmation from a CPA or VAT reports showing that a year has not yet elapsed since the first declaration of any income subject to VAT.

15.2.4. The enterprise has no physical space to engage in business activity.

15.2.5. An enterprise with the potential to increase the number of its employees as determined by the business support manager in the framework of the business process mapping session.

15.2.6. The enterprise meets the entitlement conditions of the specific business center, as will be defined and outlined by the Ministry of Economy and Industry, including its affiliation to a population, its size, its departments, etc. The population entitled to each business center is outlined in Appendix VII.

15.3. **Scope of Assistance:**

15.3.1. The enterprise is entitled to the following basic basket of services until November 30, 2020 from the date of completing its business process mapping as outlined in Appendix VII and subject to the date of termination of the Center's activities as set out in Appendix VII and as follows: writing a business plan, leasing of office space including furniture and equipment, assistance in marketing the business, personalized business support from the Center's director, telephone, wi-fi and fax services, use of the conference room for up to three hours a month.

15.3.2. In addition to the basic basket of services, the enterprise may receive a wider basket of services for a fee, as follows: Photocopying and printing, the option to hourly lease the facilities in the Business Center – conference room, an available office and / or open space, if any.

15.3.3. Notwithstanding the foregoing, an enterprise / entrepreneur is entitled to lease office space or a conference room on an hourly basis, without having to meet the threshold conditions specified in Sections 4.

15.3.4. The participation fee for the enterprise in respect of this track appears in the Table of Rates in Appendix IX to these Rules and Regulations.

16. Tech Accelerator track

16.1. **Goals of the track:** To encourage, nurture and accompany entrepreneurs in the field of technology, while providing a range of professional assistance in dealing with barriers.

16.2. **Secondary goals:**

- To assist in turning the idea into a functioning start-up.
- To assist with networking in the relevant business environment.
- To provide assistance and guidance in obtaining sources of funding and / or investors and / or strategic clients.

16.3. **Conditions of entitlement to the track:**

16.3.1. **Track A – Acceleration Program**

16.3.1.1. Anyone who has not previously participated in the track.

16.3.1.2. Entrepreneurs with a high-tech business idea or project owners who have not yet raised over \$100,000 from an external investor or from another government program.

16.3.1.3. Is not connected with the professional body and / or anyone acting on its behalf.

16.3.1.4. Additional ranking criteria for the selection of participants:

- Team composition and skills.
- Maturity level of project.
- Addressing market need.
- Innovation of the project with regard to existing solutions in the market and to competitors.
- Overall impression – the overall impression of the venture's chances of success, the ability of the venture to operate without the assistance of the accelerator, the entrepreneur and the venture's investment of time and resources.

16.3.2. **Acceleration program for entrepreneurs in active reserve duty:**

- If at least one of the entrepreneurs leading the venture is an active reserve duty, priority will be given to teams that include active entrepreneurs in the venture and to teams that include more founding entrepreneurs who are also in active reserve duty.
- Participation in the acceleration program is subject to the Table of Rates in Appendix IX. The reimbursement of participation fees to the venture will be

similar to the reimbursement of participation fees in the training tracks as set out in Appendix X - Conditions for Registrants of Training Tracks.

16.4. **Scope of assistance:**

16.4.1. **Track A: Acceleration Program** – A track to accelerate the development of the venture as a start-up company. The duration of the track is 6 months from the date of approval of entitlement, and is composed of the following:

16.4.1.1. **Business Support Services and Business Assistance**

16.4.1.1.1. **Coaching and mentoring services** – Every entrepreneur will receive coaching and mentoring in accordance with the project's needs, and will include a combination of the following:

- Assistance of a professional manager.
- Assistance of a volunteer with the relevant business experience, and who will be chosen from a pool of volunteers by the accelerator manager and the entrepreneur.
- Lectures on various topics and activities to build up the entrepreneur's strength and stamina.

16.4.1.1.2. **Professional services consulting services** – Building a range of services for the entrepreneur that will include a combination of the following:

- Professional and business consulting services.
- Group training services in relevant fields.

16.4.1.2. **Business promotion:**

16.4.1.2.1. **Meetings with investors and investment funds** – at least one individual session and at least one group session with investors and / or investment funds will be held for each venture. The sessions will be held after supervising and assisting with the preparation of an appropriate pitch that includes an explanation of the venture, a roadmap, principles of the business model and a business plan.

16.4.1.2.2. **Meetings with strategic partners / clients** – at least one individual session and at least one group session will be held with strategic partners / clients.

16.4.1.2.3. **Investment conference / Demo day** – marketing evenings during which entrepreneurs in each cycle will pitch their projects to investors, reporters and stakeholders.

16.4.1.2.4. Networking and community relations – meetings and events to promote the connection between ventures in the accelerator and community relations, including the following:

- **Meetups** – content sessions open to the public, to which key members of the community will be invited and at which entrepreneurs will pitch their projects.
- **Work groups** – work groups of a number of entrepreneurs who will meet periodically (the work groups will be structured in such a way as to encourage cross-pollination among the entrepreneurs.

These components are not mandatory and will take place in accordance with the professional needs of the projects and the availability and interest of potential partners and investors, as well as the extent to which they actively participate in the program and fulfill the required tasks.

16.5. **Track B – Hub track**

16.5.1. The SMBA, via the MAOF network and in collaboration with the local authorities, will set up co-working hubs for entrepreneurs and business owners who participate in the Acceleration Program.

16.5.2. The authorities selected to operate the project are listed in Appendix XII.

16.5.3. Participation in the Accelerator track is subject to the Table of Rates in Appendix IX.

16.6. **Growth track**

16.6.1. **Goal of track** – The growth of start-up projects through professional support, consultation and guidance.

16.6.2. **Conditions of entitlement to the track:**

16.6.2.1. A venture that has not previously participated in this track.

16.6.2.2. The start-up venture of entrepreneurs from the Arab population as defined in Government Resolution 922 of December 30, 2015, which underwent acceleration as part of a business accelerator or other.

16.6.3. **Scope of assistance:**

The duration of the track is up to 12 months from the date of approval of entitlement, and consists of the following components:

16.6.3.1. Business consultation to start-ups – expert consultation in the following fields: finding a location for operations, locating co-founders, getting access to the services of supporting entities (cloud hosting package, free professional consultation, legal drafting assistance, etc.) networking, exposure and marketing, preparing marketing materials and pitches for investors, connecting to platforms designated for start-ups, round tables and organizing road shows.

16.6.3.2. Professional Business Support Services (provided by an expert).

16.6.3.3. Validation of business idea: Up to 2 hours with an expert to initially examine the feasibility of the business idea.

16.6.3.4. Promotion through setting short-term goals in 2-hour sessions with an experienced mentor.

16.6.3.5. Consulting hours with Office Hours experts, according to the needs of the project in various fields of expertise.

16.6.3.6. Preparatory Committee for the meeting with investors – a one-hour session with a committee of 3-5 experts in the field.

16.6.3.7. The participation fee in this track appears in the Table of Rates in Appendix IX of these Rules and Regulations.

17. Financing track: Data-Driven Innovation (DDI) training

17.1. **Goal of track:** Improve the level of productivity in traditional sectors by accessing and implementing data analysis tools.

17.2. **Conditions of entitlement to the track:**

17.2.1. A small or medium-sized business in the traditional sector that runs an on-going database (Hashavshevet, ERP, etc.).

17.2.2. Participation in DDI training that includes at least 100 study hours and the topics listed in Appendix XIII.

17.3. **Scope of assistance:**

17.3.1. Within the framework of the track, funding will be provided for the participation of enterprises in a training program intended for enterprises in traditional sectors that wish to create added value from databases at their disposal by analyzing them. The scope of financing is up to NIS 10,000 or 50% of the cost of training an employee (including VAT) – whichever is lower.

17.3.2. In order to receive a grant for the track, the enterprise must submit, by the expiry date, the following documents:

17.3.2.1. Certificate of proper bookkeeping, withholding tax deduction certificate and bank account details of the dealer / enterprise.

17.3.2.2. Tax invoice / receipt with the name of the enterprise or its owner for receipt of services entitled to a return, with details of the service rendered.

17.3.2.3. Application for a grant (Appendix IV).

17.4. The documents will be submitted for examination and confirmation of payment.

17.5. In the event that the payment request is not confirmed or is partially confirmed, a message shall be sent specifying the reasons for the delay in payment and a request for relevant completion of payment.

18. Pension consulting services

18.1. **Goal of track**

To enhance the knowledge among independent enterprise owners with regards the allocation of money to pension funds and the best pension options and pension plans according to the needs of the insured party, and this is achieved through access to pension consulting services.

18.2. **Conditions of entitlement to the track:** Independent enterprise owner as defined in Section 2.16.

18.3. **Consulting Service process:**

After applying for the services, the enterprise will be referred to a licensed pension consultant from MAOF's pool of consultants, who shall assist the enterprise as follows:

- 18.3.1. Mapping the existing situation in terms of pension tools (pension, senior employees' insurance, study fund, provident fund).
- 18.3.2. Analyzing the various pension tools recommended for the customer based on his personal, business and family circumstances, including an analysis of tax benefits and management fees.
- 18.3.3. A recommendation report on the composition of a pension plan for a freelancer.
- 18.3.4. In addition to signing a letter of engagement with the consultant who appears in Appendix VI, at the commencement of the consulting process the consultant and the client will sign a Pension Consulting Agreement as prescribed in the Supervision of Financial Services (pension consultancy and clearing system) Law, 5765-2005. During the consulting process, the consultant and the client will have at least one meeting.
The participation fee for enterprises / entrepreneurs in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

19. Public Procurement track

19.1. Goals of track:

- 19.1.1. To provide knowledge and tools for testing suitability and general economic feasibility for tenders.
- 19.1.2. To provide knowledge and tools for bidding for tenders of the public sector.
- 19.1.3. To provide tools for conducting business vis á vis the public sector.
- 19.1.4. To assist the enterprise in its conduct with public entities and tender exempt contracts.

19.2. Condition of entitlement to the track: an enterprise that has not previously participated in this track.

19.3. Scope of assistance:

- 19.3.1. A one-time workshop of 4 academic hours / training activity on public procurement in Israel – mandatory component.
- 19.3.2. 50 additional consulting hours as specified in Appendix V, Section 8. The consulting sessions will be in the following areas: Feasibility study for submitting a bid for a specific public tender, preparing the enterprise to meet the conditions of the public tender, assisting the enterprise in bidding for a tender.
- 19.3.3. A grant of 90% and up to NIS 1,000 (not including VAT) for purchasing from a company in the market at least one year's subscription to a database that provides

ongoing information about tenders that are relevant to the enterprise's area of activity.

19.3.4. Receipt of the grant is contingent on participation in a public procurement workshop or in a training program about public procurement in Israel in one of the MAOF centers, and on starting a consultation program of at least 10 hours.

19.3.5. The grant is also subject to presenting an invoice in respect of the purchase of an annual subscription, which must be valid for at least six months from the date of registering and paying for the Public Procurement workshop.

19.3.6. The participation fee in respect of this service appears in the Table of Rates in Appendix IX to these Rules and Regulations.

20. Emergency Preparedness (in hazardous areas) Track

20.1. **Goal of track:** To impart knowledge and tools in the field of emergency preparedness, with the aim of strengthening the current state of various aspects of the enterprise and preparing it for emergency situations.

20.2. **Conditions of entitlement to the track:**

20.2.1. An enterprise that has not previously participated in this track.

20.2.2. The location of the enterprise is not in one of the border communities and / or threatened communities, as defined in Government Resolution 3738 as of April 15, 2018, and that are listed in Appendix XV.

20.3. **Scope of assistance:**

20.3.1. A free of charge, one-time workshop consisting of 5 academic hours on emergency preparedness.

20.3.2. 10 additional consultation hours by expert consultants in the field of emergency preparedness and the development of a culture of emergency awareness in enterprises in hazardous areas, as detailed in Appendix V, Section 9. The assistance will include the preparation of emergency plans specifically for the enterprise.

21. MAOF Business Community

21.1. **Goal of service:** To help create and promote business communities, with an emphasis on women, throughout the country in online and offline activities. This is done by promoting businesses and entrepreneurs, by addressing needs, by connection through a sense of belonging and direct communication, by providing value through knowledge, tools, social interaction with and belonging to a community of entrepreneurs and enterprise owners.

21.2. **Service Process**

21.2.1. Each business community will be appointed a community manager / professional moderator by the operator.

21.2.2. Each business community will specify its rules in accordance with established membership rules. Anyone who joins the community must accept the rules upon joining the community.

22. Payment

The enterprise / entrepreneur is required to pay the participation fees in respect of the services provided by MAOF and its representatives, and in accordance with the Table of Rates in Appendix IX to these Rules and Regulations.

23. Re-discussion

An enterprise / entrepreneur that disagrees with a decision made by MAOF may submit a reasoned appeal to the SMBA (via MAOF) within 30 days from the date the decision was made.

24. Suspension and termination of activity

24.1. Failure to comply with the Rules and Regulations

24.1.1. In the event that the SMBA and / or MAOF finds that the business owner / entrepreneur is not complying with the provisions of these Rules and Regulations and / or the provisions of the Director General's directive on "Corporate Social Responsibility" and / or is not enabling MAOF to provide services and / or if the services are being used for a purpose other than that for which they were intended and / or it is indicated that there is good reason to suspend / terminate services due to a lack of cooperation on the part of the enterprise owner / entrepreneur, the SMBA shall notify the enterprise of its intention to discuss canceling or freezing the provision of services, whether in the future or retroactively, and request that the enterprise owner / entrepreneur repair the damage within 60 days of receiving notification.

24.1.2. If the entrepreneur / enterprise is notified as stated in Section 24.1.1 above, and if the damage is not repaired within the said period, the SMBA may promptly change the conditions of entitlement, as the case may be, without further notice, as follows:

24.1.2.1. Continue to provide MAOF Services on terms that shall be determined.

24.1.2.2. Freeze the provision of services, or partially /fully cancel them.

24.1.2.3. Request to be paid back for the assistance provided in the framework of the services rendered – plus interest and linkage differentials as specified

in the Adjudication of Interest and Linkage Law, 5721-1961 – from the date it was paid until the date it is paid back.

24.2. **Termination of the provision of MAOF Services in respect of false information**

24.2.1. In the event that the SMBA finds that an enterprise's / entrepreneur's approval of entitlement to MAOF Services was given on the basis of false or misleading information, it shall be canceled retroactively from the date it was given. The SMBA may also demand a refund for the assistance rendered in this framework, plus interest and linkage differentials, as specified thereof in the Adjudication of Interest and Linkage Law, 5721-1961 – from the date it was paid until the date it is refunded.

24.2.2. The final decision in respect of implementing Section 24 above shall be made by the SMBA.

24.3. **Refunding assistance**

24.3.1. Those required to refund assistance that was provided in this framework, shall do so within 90 days from the date of notice or at a later date prescribed in the notice, plus linkage differentials and interest as specified in the Adjudication of Interest and Linkage Law, 5721-1961. However, the SMBA, with the approval of the Accounting Department and the Legal Bureau for special reasons that will be recorded, may waive all or part of the interest.

24.3.2. An enterprise that received MAOF Services and was given a liquidation order or a receiving order or voluntarily decided to dissolve the enterprise prior to receiving all the MAOF services and prior to fulfilling all the provisions of the Rules and Regulations, shall be deemed obligated to refund the assistance received prior to the liquidation order or the receiving order, or the voluntary decision to dissolve the enterprise, unless the SMBA determines, with the approval of the Accounting Department and the Legal Bureau, that the assistance shall not be refunded or shall be partially refunded.

24.3.3. The provisions of this Section do not derogate from any other law.

25. General provisions

25.1. The scope of the Business Support Services is determined according to the budgetary framework at MAOF's disposal.

25.2. The provisions of the Rules and Regulations do not constitute a commitment of the Ministry of Economy and Industry to any payment.

- 25.3. Insofar as a particular track specified in the Rules and Regulations is not budgeted, notice of such shall be published on the SMBA website.
- 25.4. The provision of services shall be discontinued if a client (entrepreneur or a representative of the enterprise) displays conduct that does not enable continuing the provision of services (such as: disturbing the work process at the enterprise, or failure to attend meetings without a justified reason, etc.), all at the operator's discretion.
- 25.5. Notwithstanding the provisions of Sections 4-22 above, the SMBA director may, with the approval of the Ministry's Accounting General and Legal Bureau, prescribe procedures that differ from those prescribed in the aforesaid Sections.
- 25.6. If there is a change in the business climate resulting from new business opportunities, natural disasters or crises that significantly impact a large number of enterprises, or a material change in the enterprise's target audience, the SMBA director may, with the approval of the Ministry's Accountant General, establish procedures for raising the SMBA's participation rates.
- 25.7. An enterprise may apply for services from any MAOF branch, regardless of its business / residential address.
- 25.8. If an enterprise carried out its process mapping at a certain MAOF branch, it must refer to that same branch when applying for Business Support Services or for the completion of Business Support Services. Should the enterprise wish to transfer to a different branch, it must obtain the approval of the branch manager after getting the sole approval of the SMBA.
- 25.9. The SMBA has the authority to determine priorities in budget allocation to the Business Support Services, *inter alia*, in various sectors, areas of activity, etc. These priorities, as determined by the SMBA, shall be published on the website of the Ministry of Economy and Industry. The Business Support Services shall not fund operations that receive help from other funds or governmental aid programs.
- 25.10. The SMBA director may publish the names and ID numbers of the recipients of MAOF Services whose applications for assistance have been approved, as well as the amount of assistance approved for each enterprise. The notice of the SMBA director shall be published on the website of the Ministry of Economy and Industry.
- 25.11. The SMBA and its representatives may make use of the details of recipients of MAOF Services for the purpose of conducting research and surveys to test the effectiveness of the services provided, or for any other purpose the SMBA sees fit, and at its sole discretion.

25.12. An enterprise that has utilized its entitlement to consulting services may continue to receive consulting services under the following conditions:

25.12.1. The hourly consulting rate will be the full rate paid to the MAOF consultant.

25.12.2. The SMBA shall not subsidize consulting hours.

25.12.3. Continuing to receive consulting hours shall be subject to all MAOF procedures.

26. Publication

26.1. The Rules and Regulations and all the forms necessary for receiving MAOF Services shall be published on the website of the Ministry of Economy and Industry.

26.2. Address of the SMBA: 5 Bank of Israel St., Kiryat Hamemshala, Ministry of Economy and Industry, Jerusalem

27. List of Appendices:

Appendix I – Application for MAOF Business Support Services from the Small and Medium Business Agency (SMBA)

Appendix II – Temporary Provision – Rules with regards the update of MAOF services in the "Rules and Regulations for MAOF Business Support Services" – special assistance to SMEs operating in communities situated within 40 kilometers of the Gaza Strip

Appendix III – Special Populations, Definitions and References

Appendix IV – Grant Application Form

Appendix V – Expanded Business Support Services

Appendix VI – Communications Agreement Between the Enterprise / Entrepreneur and the Consultant

Appendix VII – Populations Entitled to Participate in MAOF Business Centers

Appendix VIII – Guiding Principles for Selecting a Community for the Establishment of a MAOF Business Center

Appendix IX – Table of Rates

Appendix X – Conditions for Registrants of Training Tracks

Appendix XI – Temporary Provision - Special Assistance to Enterprises Operating Along the Route of the Tel Aviv Light Rail

Appendix XII – Guiding Principles for Selecting Local Authorities for the Establishment of Business Hubs and Accelerators

Appendix XIII – Syllabus for Data-Driven Innovation (DDI) Training

Appendix XIV – Statement of Business Owner Regarding the Scope of Employment

Appendix XV – List of Towns (in hazardous areas) entitled to the Emergency Preparedness Track

Appendix XVI – List of Towns in the Gaza Envelope

27.1. Conditions of entitlement to training services (as defined in Section 9 below) apply to those who meet the conditions of Section 4.2. above.

27.2. Conditions of entitlement to intra-organizational training (as defined in Section 10 below) cumulatively:

27.2.1. An enterprise that meets the conditions of Section 4.2 above.

27.2.2. An enterprise that meets the conditions of Section 2.14.3.

27.3. Conditions of entitlement to participate in the "Starting a Business" track:

27.3.1. Conditions of entitlement to participate in the "Pre-Entrepreneur" workshop (as defined in Section 12.2 below) apply to those who meet the conditions of Section 4.2.1 above and have not previously participated in this track.

27.3.2. Conditions of entitlement to participate in the "Starting a Business" track (as defined in Section 12.3 below) apply to those who meet the conditions of Sections 4.1-4.2 above and have not previously participated in this track.

27.3.3. Conditions of entitlement to participate in the "Starting a Startup" track (as defined in Section 12.4 below).

27.3.3.1. Those who meet the conditions of Sections 4.1-4.2 above and have not previously participated in this track.

27.3.3.2. The request of the local authority to run the course and a commitment to cooperate with MAOF.

27.3.3.3. The approval of the SMBA.

27.4. Conditions of entitlement to participate in the "E-commerce" track (as specified in Section 13 below) cumulatively.

27.4.1. An enterprise that meets the conditions of Sections 4.1 – 4.2 and has not previously participated in the "E-commerce" track.

27.5. Conditions of entitlement to the "Office Space" track (as specified in Section 14 below), cumulatively:

27.6. Conditions of entitlement to the "Business Center" track (as outlined in Section 15 below), cumulatively:

27.6.1. Those who meet the conditions of Sections 4.2.2 – 4.2.4 above.

27.7. Conditions of entitlement to the Tech Accelerator track (as specified in Section 16 below):

27.7.1. Accelerator program

27.7.1.1. Those who meet the conditions for Sections 4.1-4.2 above and have not previously participated in this track.

27.8. Growth track (as specified in Section 17 below):

27.8.1. Those who meet the conditions of Section 4.1–4.2 above and not previously participated in this track.

27.8.2. Start-up project of entrepreneurs from the Arab population as defined in Government Resolution 922 of December 30, 2015, which has been accelerated in the framework of a business accelerator or other framework.

27.9. Conditions of entitlement to the Funding Training track – Data-Driven Innovation (DDI) training for SMEs in traditional sectors (as defined in Section 18 below), cumulatively:

27.9.1. An enterprise that meets the conditions of Section 4.2.

27.9.2. An SME in a traditional sector that manages a current database (Hashavshevet, ERP, etc.)

27.9.3. Participation in DDI training including at least 100 hours of study and the topics outlined in Appendix XIII.

27.10. Conditions of entitlement to financial consultation (as specified in Section 19 below): an independent business owner as defined in accordance with Section 2.14 above.

27.11. Conditions of entitlement to the Public Procurement track (as specified in Section 20 below):

27.11.1. An enterprise that meets the conditions of Sections 4.1-4.2 and has not previously participated in this track.

27.12. Conditions of entitlement to the Emergency Preparedness (in hazardous areas) track (as defined in Section 21 below):

27.12.1. An enterprise that meets the conditions of Sections 4.1-4.2 and has not previously participated in this track.

27.12.2. The enterprise is located in a community close to a border or in a threatened community, as defined in Government Resolution 3738 of April 15, 2018 that appears in Appendix XV to these Rules and Regulations.

28. Process for receiving Business Support Services

29. Training sessions

30. Office Space track