

INFORMATION GUIDE

VRQ CALL FOR INVESTMENT

PREAMBLE

The purpose of this call for investments is to support the development of companies born out of public research undertaken at institutions formerly affiliated with Univalor. With the funds available through Valorisation Recherche Québec (VRQ), Axelys wishes to enable the funded companies to reach an inflection point in their development. A maximum amount of \$150,000 per company can be invested in the form of a convertible debt.

APPLYING

This application must be sent no later than **October 31st, 2025**, to investissements@axelys.ca. Please copy a representative of your research institution when submitting your application to Axelys. Here is the list of representatives for each establishment:

Organization	Contact	Email
CCSMTL DEUR	Hafsa Deddi Anne-Marie Larose	hafsa.deddi.ccsmtl@ssss.gouv.qc.ca anne-marie.larose.ccsmtl@ssss.gouv.qc.ca
CHUM	Corinne Benquet Paul Lemire	corinne.benquet.chum@ssss.gouv.qc.ca paul.lemire.chum@ssss.gouv.qc.ca
CIUSS EMTL	Dominique J. Favreau Samir Taga	dominique.favreau.cemtl@ssss.gouv.qc.ca samir.taga.cemtl@ssss.gouv.qc.ca
CIUSS NIM	Stéphane Timothée	stephane.timothee.cnmtl@ssss.gouv.qc.ca
HEC	Thomas Gulian	thomas.gulian@hec.ca
HSJ	Anne-Marie Alarco Julia Rouchet	anne-marie.alarco.hsj@ssss.gouv.qc.ca julia.rouchet.hsj@ssss.gouv.qc.ca
IRCM	Peiman Shooshtarizadeh	peiman.shooshtarizadeh@ircm.qc.ca
Polytechnique	Éric Proietti Roger Miller	eric.proietti@polymtl.ca roger-2.miller@polymtl.ca
Université de Montréal	Cliff Pavlovic Lynda Adam	cliff.pavlovic@umontreal.ca lynda.adam@umontreal.ca

Please note that you can reply to the call for investment in either French or English. Please respect the space allocated to each section for your answers. You can attach documents as appendices if needed. If a question doesn't apply to your situation, simply leave it blank. Communications will be sent to all applicants by **January 23rd, 2026**.

ELIGIBILITY

To validate your eligibility for this funding, you need to answer yes or no to the following questions. To be eligible for VRQ funding, you must answer yes to each question.

Are you a spin-off from Univalor's affiliated institutions? To be eligible, your company must be incorporated and have an option to license or a license on the intellectual property from one of the institutions listed in the "Applying" section above.	Yes / No
Is the control of the company (i.e. more than 50% of the company) held by one or more of the following: a university or affiliated center, the principal investigator, or the founding team? A company is not eligible if more than 50% of the shares are owned by an established company or an external investor who is not part of the project.	Yes / No
Are you in the pre-seed phase? The pre-seed phase implies that you have not closed any significant sales and that you have raised less than \$500,000 in dilutive cash from outside your family and friends.	Yes / No
Are you incorporated and headquartered in Quebec?	Yes / No

CONVERTIBLE DEBT TERMS

A maximum of \$150,000 may be invested in a spin-off company. Investments will be made in the form of a convertible debenture, or a similar form of investment if required by another investor.

The terms of the convertible debenture will be aligned with those of the lead investors in the financing round in which Axelys participates. If Axelys is the only entity in the financing round, the terms of the debenture will be as follows:

- ✓ **Discount:** 25%
- ✓ **Annual interest:** 8%
- ✓ **Maturity date:** 36 months
- ✓ **Conversion:** On the maturity date or following a cumulative qualified equity or quasi-equity financing of CA\$1,000,000 or more.
- ✓ **Exit clause:** Axelys can ask for its shares to be bought back 7 years after the date of their obtention if the company becomes profitable and no longer raises venture capital. The price of the shares will be determined at fair market value at the time the shares are sold.
- ✓ **Co-sale rights:** Right to sell our equity on a pro-rata basis if another shareholder sells its shares.
- ✓ **Pro rata rights:** Right to participate in future rounds pro rata to the amount invested.
- ✓ **Information rights:** Right to access the company's information as soon as the debenture is signed.
- ✓ **Most favored nation clause (MFN):** Applicable until the raising of CA\$1,000,000 or more, or for a maximum of 18 months.

EVALUATION CRITERIA

Candidacy submitted will be evaluated according to the following criteria:

CRITERIA	EVALUATION
1. Innovation	/25
The innovation solves a pressing problem for a customer. The innovation is not just an incremental improvement, it is disruptive. The company demonstrates traction or external validation. The technological challenges associated with the project are well-identified and addressed. The company demonstrates its ability to successfully develop and scale the solution. The company has a solid intellectual property strategy.	
2. Team	/25
The founding team is dedicated and they have the right people to get to the next inflection point (e.g., the next significant financing or technological milestone). The team demonstrates strong entrepreneurial potential. They demonstrate an ability to overcome obstacles in their path, attract top talent, communicate effectively, or raise capital. The team is supported by external resources that will help it go further (advisory committee, scientific committee, business coaches, incubator, accelerator, etc.).	
3. Market	/25
The company stands out significantly from the competition. The total value of the addressable market is high. The team understands its market and the dynamics of making sales. Barriers to entry are identified and addressed.	
4. Execution	/25
The business model and commercialization plan demonstrate attractive economic and commercial potential. The money invested will be used to reach an inflection point that will enable subsequent financing. The plan for subsequent financing is established and realistic. The financing package is realistic. The use of funds is clear and satisfactory.	
TOTAL	/100

NON-ELIGIBLE EXPENSES

The investment is considered to be an equity investment and may be used for any expenditure except the following two:

- ✗ The investment may not be used to finance the salaries of researchers still employed by one of Univalor's member establishments;
- ✗ The investment may not be used to pay company debts.

RECURRENCE OF THE CALLS FOR INVESTMENT

The call for investment will take place twice a year until 2027. There is an application period in March of each year and another in October. If you are not selected, you can reapply for the next call for investment.

FAQ

Eligibility

- ✓ Is my company eligible even if the company's principal team member is not the researcher behind the declaration of invention?
 - Yes, the company may be eligible in this case if it has been created around intellectual property originating from one of the establishments formerly affiliated with Univalor (see the complete list in the "Applying" section).
- ✓ Is my company eligible if the principal investigator has issued a declaration of invention, but we haven't yet signed a licensing option or a license?
 - If you are in the process of negotiating the terms of your option or license, you can apply to this call for investment. However, the negotiations will need to be completed to select you as a recipient company.
 - If you haven't started the process of negotiating your option or license, you're probably better off waiting until the next call for investment, since we will need this element to proceed with the funding.
- ✓ At what threshold do you consider sales to be significant?
 - Apart from certain exceptions, all sales within a pilot project are not considered significant sales. If you start making sales outside a pilot project, we consider significant sales to be approximately \$500,000 per year. If you're not sure whether you qualify, please contact us at investissements@axelys.ca.

If you have any additional questions, please contact us at: investissements@axelys.ca