

KORIL-RDF HANDBOOK

11th edition

updated by June 2025



**KOREA·ISRAEL
INDUSTRIAL R&D FOUNDATION**

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1. KORIL-FUND GENERAL

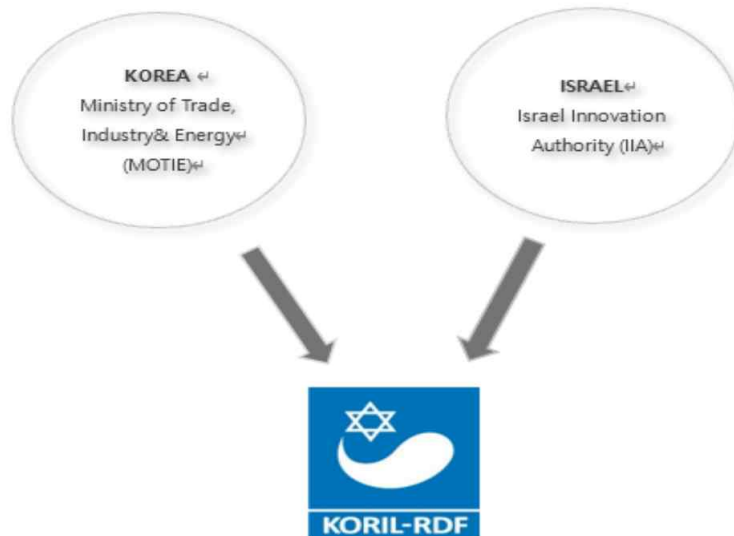
1.1. About the Funding & Implementing Organization

The Agreement on Bilateral Cooperation in Private Sector Industrial Research and Development Between the Government of the Republic of Korea and the Government of the State of Israel, which was signed on 17 January 2005, and amended on 20 December 2012.

The Republic of Korea and the State of Israel desire to continue and broaden the cooperation between them by developing and strengthening bilateral cooperation in research, development, and technological innovation.

Therefore, the Agreement on Bilateral Cooperation on Research, Development and Technological Innovation between the Government of the Republic of Korea and the Government of the State of Israel was revised in May 2021.

The Ministry of Trade, Industry & Energy (MOTIE) of Korea and the National Technological Innovation Authority of the State of Israel [hereinafter referred to as the "Israel Innovation Authority (IIA)"] are the two Cooperating Authorities for implementing this Agreement.



The objectives of the Agreement are to:

- Share experiences regarding national research, development or technological innovation (hereinafter referred to as "R&D") policies and programs of each country.
- Promote the activities of each country's private sector to strengthen bilateral R&D cooperation.
- Facilitate the identification of specific projects or partnerships between Korean and Israeli entities that can lead to industrial R&D cooperation.
- Coordinate and focus on suitable resources and programs to enhance commercial relations and industrial cooperation, including for a joint R&D cooperation initiative.
- Continuing, under the provisions hereunder, the operation of the KORIL-FUND, which was established under the Previous Agreement, to support mutually agreed R&D Cooperation projects between industrial corporations of the two countries, leading to commercialization in the global market and the Asia Pacific region; and
- Continue the operation of a framework for support, including financial support, for activities which directly or indirectly foster or promote cooperation in R&D between industrial corporations from the Republic of Korea and from the State of Israel.

A non-profit organization, the Korea-Israel Industrial R&D Foundation (hereinafter referred to as “KORIL-RDF”) was established in May 2001, shall manage the KORIL-FUND and the activities related to it, and shall implement the objectives of this Agreement. KORIL-RDF shall be held and managed as an equal partnership between the Cooperating Authorities and shall operate in both Korea and Israel.

In accordance with the Agreement, both countries contribute an equal sum of USD 4 million per year to the KORIL-RDF.

KORIL-RDF supports industrial R&D projects that lead to potential commercialization and contribute to the economic progress of the two countries; furthermore, to promote and encourage joint R&D collaborations between industrial corporations in Korean and Israel.

KORIL-RDF supports approved joint projects by disbursing cash grants **up to 50% of the eligible R&D cost (Maximum is limited, refer to the Program Part)**. These grants are subjected to repayment, each participant shall severally make the payments to KORIL-RDF, and will comply with its domestic royalty policy. Specifically, a Korean company will comply with the MOTIE's royalty policy, and an Israeli company will comply with the Israel Innovation Authority's royalty policy. Each Participant will be separately informed of the exact rates and duration of the repayments under the royalty policy applicable to it.

This Handbook is intended to provide prospective applicants with information regarding the KORIL-FUND. Applicants are required to review the proposal preparation guideline before developing and submitting a complete proposal.

Please note all KORIL-funded projects must be jointly proposed and implemented by a partnership between industrial corporations from Korea and Israel.

1.2. Operating Procedure

KORIL-RDF incorporated in Korea operates offices in Korea and Israel at the following locations:

- Korea Office – Principal office
4F, 81, Yeouinaru-ro, Yeongdeungpo-gu, Seoul 07327, Republic of Korea
Tel: +82-2-2166-0810
Fax: +82-2-2166-0822
- Israel Office – Branch Office
Israel Innovation Authority, Technology Park, Derech Agudat Sport Ha'poel 2, Jerusalem 9695102, Israel
Tel: +972-3-5118143

A Chief Executive (CE) based in Korea is responsible for the day-to-day administration and promotion of KORIL-RDF's activities, including the evaluation of projects submitted for KORIL-RDF funding support. The two Cooperating Authorities, MOTIE and IIA are responsible for KORIL-RDF's operations.

The day-to-day operations of KORIL-RDF are reported to the Board of Directors (BOD) which consists of eight directors, four representing the Israeli side and four representing the Korean side. BOD meetings are held twice a year to evaluate and decide on projects for KORIL-RDF funding and other businesses.

Proposals submitted for KORIL-RDF funding approval are subject to technical evaluations by both countries to obtain expert and balanced assessment on the quality of the proposal applications. The BOD is the overall deciding authority of KORIL-RDF.

The BOD approves KORIL proposals for funding; whereas the CE is responsible for the day-to-day management and operation of KORIL-RDF and has the authority to decide on Feasibility Study Projects.

KORIL-RDF actively assists industrial corporations from both countries to identify suitable candidates for partnerships. KORIL-RDF only facilitates the matchmaking process. The success of any partnership depends on the ability of the two negotiating parties to come to an agreement to work together to achieve mutually beneficial objectives.

2. KORIL-RDF Programs

2.1. Outline

Program	Feasibility Study	R&D	Pilot	Lighthouse
Total budget	Up to USD 100,000	Unlimited		
Grant % of total qualified budget	50%	30-50%		
Maximum Grant	USD 50,000	USD 2,000,000	USD 1,000,000	USD 3,000,000
Submission	All year	1 CFP per year		
Project duration	Up to 6 months	Up to 2 years	Up to 1 year	Up to 3 years
Eligibility	1+1 Korean and Israeli industrial companies			Industry-academia consortium (2 or 3) + (2 or 3) *No more than 6 entities in total
Academia participation	Up to 20% of total budget as a sub-contractor (optional)			Up to 30% of total budget as a sub-contractor (mandatory)
Sector	All sectors except defense			Selected sector by BOD
Royalty repayment	none	(For Israeli companies) According to the Israel Innovation Authority policy* (https://innovationisrael.org.il/tmura) <ul style="list-style-type: none"> Manufacturing in South Korea will be considered as manufacturing in Israel. (For Korean companies) According to the MOTIE's policy and the Common operational Regulations for Industrial Technology Innovation Program.		
Approval authority	Chief Executive	BOD		
TRL	Pre-R&D	4~6	6~8	3/4~7/8

Note: Consortium Composition Requirements for Lighthouse Program Projects:

Applicants are required to form a consortium that includes at least one Korean company, one Israeli company, one academic institution from Korea, and one from Israel.

"The actual funding ratio and amount may be adjusted depending on the budget size, operational needs, and the decision of the Board of Directors."

For more detailed explanation on each program, please refer to the section. 2.2. Program types.

2.1.1. Eligible Companies' condition

KORIL-RDF only funds joint development projects undertaken by **private sector companies from Korea and Israel**.

Companies eligible for KORIL-RDF funding are Korean and Israeli firms, which are registered and operate in Korea and Israel, respectively. Either company must not have more than 20% shareholding in the partnering company (unrelated companies).

Subsidiaries of firms headquartered and owned outside Korea and Israel may be eligible for KORIL-RDF support, when KORIL-RDF is satisfied that the subsidiary is registered in either Korea or Israel; that the proposed innovation has a global product mandate; and that the project or technology will be substantially produced in and exported from either or both Korea and Israel.

Public & Private sector organizations, such as universities and institutions, and companies are eligible to participate as subcontractors and/or consultants.

Double funding restrictions:

Governmental companies:

- *Korean governmental companies shall follow governmental companies' definition under the "Common operational Regulations for Industrial Technology Innovation Programs".*
- *Israeli governmental companies can apply for KORIL's programs only if they can commit that their budget to the program is not coming from the government such as companies that obtain revenues from sales. Companies that receive their budget from the Israeli government are not eligible for applying to KORIL's programs as it may count as double-funding.*

Submission while participating in other government funded projects:

- Israeli companies: Double funding is prohibited.
If a company wishes to apply for KORIL Programs, they must meet the following criteria:
 - o 1) The project proposed should be distinct from any ongoing governmental project(s).
 - o 2) The company needs to complete a specific form and verify that there is no duplication in funding for human resources, materials, etc. (טופס ריכוז משאבים)
 - o The company must get an approval from the projects manager who confirms that the company eligibility to participate in other programs, following the guidelines/terms of the program.
- Korean companies: Multiple funding is prohibited.
Please refer to the "Common operational Regulations for Industrial Technology Innovation Programs" for eligibility.

2.1.2. Project cost

Salaries for direct R&D manpower, consumable materials, equipment, consulting services, subcontractors, project associated travels, outlays to meet regulatory requirements, other expenses and Joint Commercialization costs that are directly related to the joint R&D project.

It is possible to recognize depreciation or leasing costs of capital equipment required for the specific R&D project; however, the cost of outright capital equipment is not eligible.

Direct labor costs only apply to individuals receiving social benefits in South Korea or Israel. A subsidiary can be recognized as a direct labor only when the employees are receiving their salary and social benefits directly from the HQ of the submitting company (must be provided/approved by the CPA of the company).

Please note that **subcontractors** refer to 3rd parties that engage (long term) by the applicant companies to perform a specific task or provide a specific service as part of the project. Both private and public companies are eligible to participate as subcontractors and can be engaged from any country, including South Korea and Israel.

Consultant refers to those engaged (short term) by the applicant company to provide expert advice, guidance, and recommendations for a specific matter or need within the project.

Subcontractors or consultants affiliated with the headquarters or branches of the applicant company will not be recognized.

KORIL-RDF funding is intended to support the companies' development costs up to the point of product commercial readiness. **Manufacturing, sales and marketing costs are not eligible for KORIL-RDF funding.**

At least 30% of the actual R&D cost of any individual joint project must be spent in Korea and in Israel. Thus, the ratio limitation will be either 3:7 or 7:3.

2.1.3. Others

The companies applying for KORIL-RDF funding are required to demonstrate that they themselves have, or have ready access to the resources, infrastructure, and match-funding required to complete the development project and to realize commercialization.

"KORIL-RDF support is primarily granted to projects that involve the development of innovative and commercially applicable technologies or the provision of technological support."

These joint R&D projects must be innovative. Technology and knowledge applications, product customization, Clinical trials (only early stages: 1-2nd stage), prototype beta-site testing, systems integration, etc., are examples of types of projects which can be considered.

KORIL acquires no equity in the companies supported and no intellectual property rights in their products. Our foundation does not interfere in formulating or managing the relationship between the partnering companies.

All proposals should be jointly written in English by Korean and Israeli companies.

2.1.4 Application Process

Step	Action	Executor		
		Feasibility Study	R&D	Pilot
1	Receipt of Project Proposal (Each side should submit the proposal, please refer to the restrictions below*)	Principal Office and Israel Office		
2	Preliminary Evaluation (Evaluation of the company's financial status, capabilities, etc.)	Principal Office and Israel Offices, Experts		
3	Evaluation Interview (Online or on-site)	Principal Office and Israel Office, Experts		
4	Project Proposal Verdict	KORIL's Board of Directors (R&D, Pilot & Lighthouse) For Feasibility Study , Chief Executive of KORIL		

Step	Action	Executor
		Lighthouse Program
1	Receipt of Project Proposal (two-step application process) 1) Expression of Interest (EOI) The submission of EOI is mandatory to be eligible to submit a full proposal. In EOI, both companies must present the basic information on innovation content, market potential, expertise of involved partners and their impact expectations benefit of the bi-national cooperation and costs of the planned joint work. 2) Full Proposal Companies whose EOI's are approved will be invited to submit a full proposal. The request for improvements from the EOI assessments and other feedback must be specifically addressed. All deadlines and necessary documents for submitting the proposals are described in Call for Proposals (CFP).	Principal Office and Israel Office
	Project Proposal Evaluation 1) Expression of Interest (EOI) Only the ones with approval of their EOIs can submit the final proposal to KORIL.	Principal Office and Israel Offices, Experts
3	Final Proposal Evaluation (On-site or online Interview)	
4	Project Proposal Verdict	KORIL's Board of Directors

Korean companies are required to submit their full proposal application documents via the online proposal submission system on KORIL's website (See the link: [Proposal Submission](#))

Israeli companies are required to submit their documents via the IIA portal (refer to the IIA's guidelines uploaded on KORIL's website)

Note that submission on both platforms and punctuality is mandatory for the application to be considered complete.

Note: If a company's efforts in Feasibility Study project results in getting funds from KORIL's other R&D programs, the disbursed grant for the Feasibility Study project will be incorporated into the conditional grant. This addition aims to facilitate repayments owed to KORIL, as outlined in the CPFA format for the Feasibility Study. In the absence of such a grant, no repayment is required for the Feasibility Study.

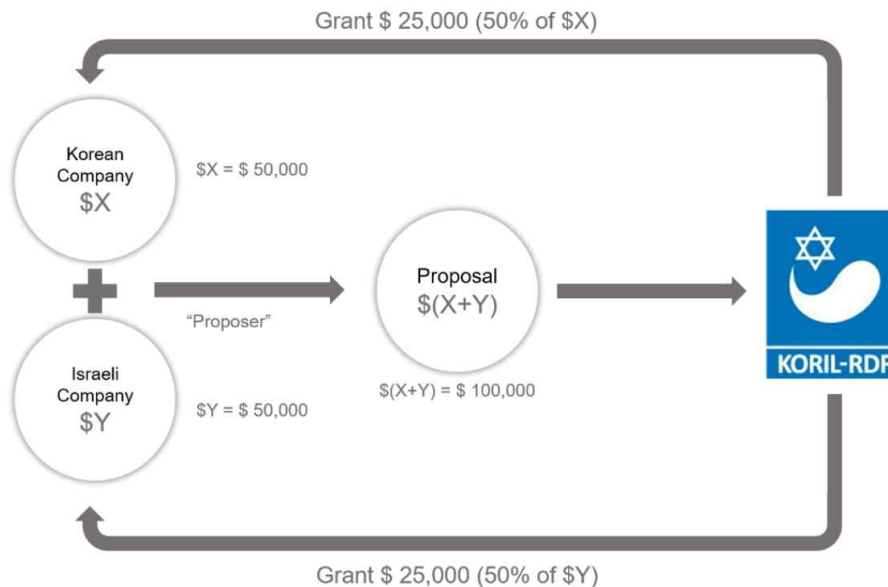
2.2. Program Types

2.2.1. Feasibility Study Project

Two companies (one from Korea and one from Israel) considering a R&D partnership may decide to perform preliminary investigations to determine the technical feasibility or market acceptability of a new product, technology concept, etc., before committing to a R&D/Pilot project of much higher cost and longer duration.

In such cases, KORIL-RDF may grant up to USD 50,000 as its 50% share of the cost of conducting the feasibility study. (See the figure below, the \$X and \$Y can be differed) The maximum duration of such a project is six months.

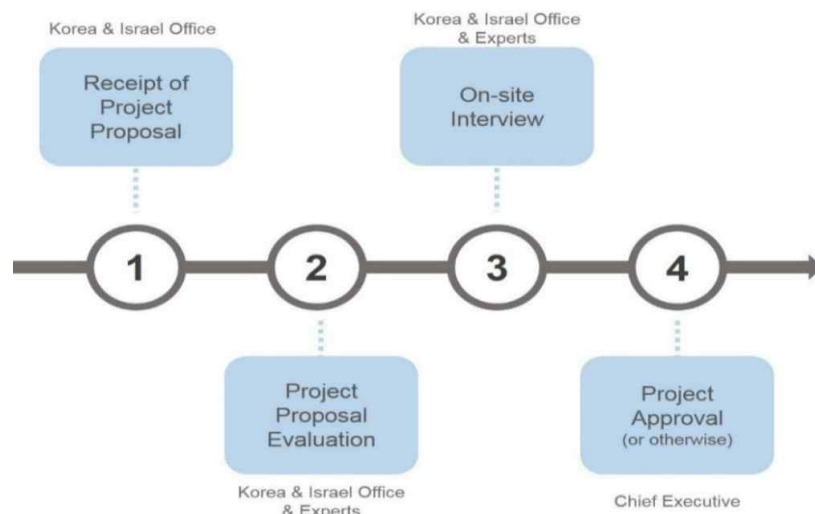
Such awards are made with the understanding that a follow-up KORIL-R&D or KORIL-Pilot Program proposal will be submitted by the companies, should the feasibility results prove positive.



The Chief Executive of KORIL-RDF has the authority to approve the Feasibility Study Project. In this context, the decision may take into consideration third party expert advice from technical experts in both countries. Contingent on appropriate evaluation and assessment, the approval process will be completed in a timely manner commencing from the proposal date. Once approved, a Feasibility Study Project is implemented under a Cooperation Project Funding Agreement (CPFA).

A draft of CPFA will be sent to both partners for review. Following signature of the CPFA by both partners and KORIL, the first grant will be disbursed accordingly.

Project Selection Procedure (Feasibility Study Project)



The receipt of the Feasibility Study Project proposal is year-round, without a deadline.

2.2.2 R&D & Pilot Program

R&D Program is defined as one in which the minimum recognized cost is over USD 100,000. The minimum duration is one year, and maximum duration of such project is two years. KORIL-RDF grants contribute to a maximum of USD 2,000,000 or 30% to 50% of actual project cost, whichever is lower.

The purpose of Pilot Program is to meet post-R&D gap by supporting scale-up, pilot testing and commercialization of near-market technologies (e.g., TRL 6-8) by 2 or more companies through joint piloting or testing of the product with specific customers or global market. The maximum duration of such project is one year. KORIL-RDF grants contribute to a maximum of USD 1,000,000 or 30% to 50% of actual project cost, whichever is lower.

The grant size will vary as determined by the BOD according to the final evaluation results of the project proposal. (See section 4.3. Evaluation and Approval).

Both programs follow the same evaluation guidelines.

The BOD of KORIL-RDF is mandated to make decisions regarding the approval or rejection of funding for KORIL-R&D Program proposals. The BOD meets twice a year to evaluate and decide Project Funding and to perform other necessary businesses.

The Board’s review and decisions regarding proposals are based primarily on confidential technological evaluations and due diligence performed by the IIA of Israel, MOTIE of Korea and the BOD of KORIL-RDF. **Strict adherence to the Proposal Preparation Guidelines as detailed in Section 3 is crucial for proper evaluation in this process.**

Following approval, it is implemented under the Cooperation and Project Funding Agreement (CPFA).

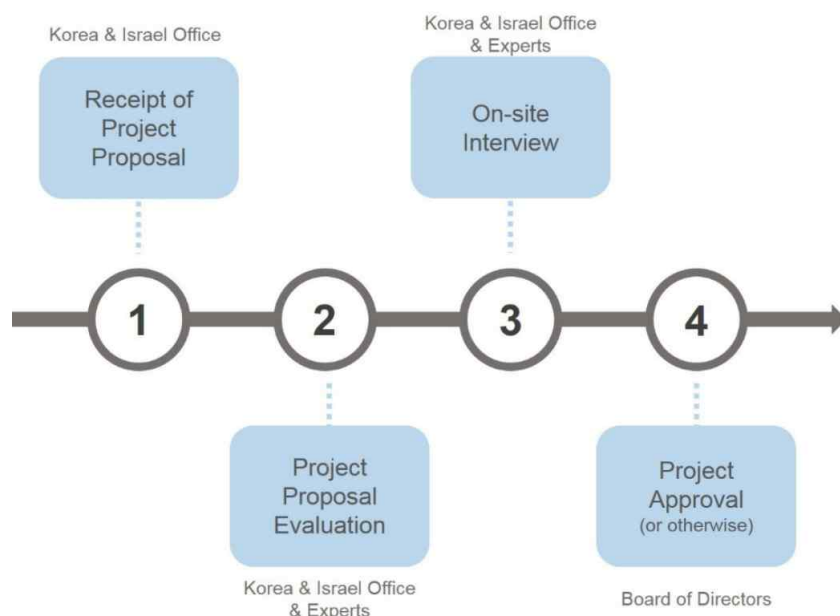
A CPFA is signed by the two partners and the KORIL foundation.

The companies are requested to submit a copy of IP and Commercialization Agreement(s) regarding the product to be jointly developed. A signed copy of this (these) agreement(s) must be submitted to KORIL-RDF prior to the signing of the CPFA (refer to Section 4.4.B, the “Agreement between partner companies”).

Companies must submit all agreements (CPFA, IP and Commercialization) within 6 months of the date they receive an official Notice Letter from KORIL.

KORIL-RDF has the right to withdraw the funding approval after 6 months.

Proposal Selection Procedure



The receipt of R&D & Pilot Program proposal is once a year, the exact dates will be published on the [KORIL website](#).

2.2.3 Lighthouse Program

The Lighthouse Program aims to achieve a technological breakthrough and promote intensive financial support for strategic sector of Korea and Israel. KORIL annually publishes CFP for Lighthouse Program with a specific industry/technology field, decided by the BOD. The project should be undertaken by private companies in Korea and Israel, together with academia/research institutes. The maximum duration of such a project is three years. KORIL-RDF grants contribute to a maximum of USD 3,000,000 or 30% to 50% of actual project cost, whichever is lower. The grant size will vary as determined by the BOD according to the final evaluation results of the project proposal. (See section 4.3. Evaluation and Approval).

The BOD of KORIL-RDF is mandated to make decisions regarding the approval or rejection of funding for Lighthouse Program proposals.

The Board’s review and decisions regarding proposals are based primarily on confidential technological evaluations and due diligence performed by the IIA of Israel, MOTIE of Korea and the BOD of KORIL-RDF. **Strict adherence to the Proposal Preparation Guidelines as detailed in Section 3 is crucial for proper evaluation in this process.**

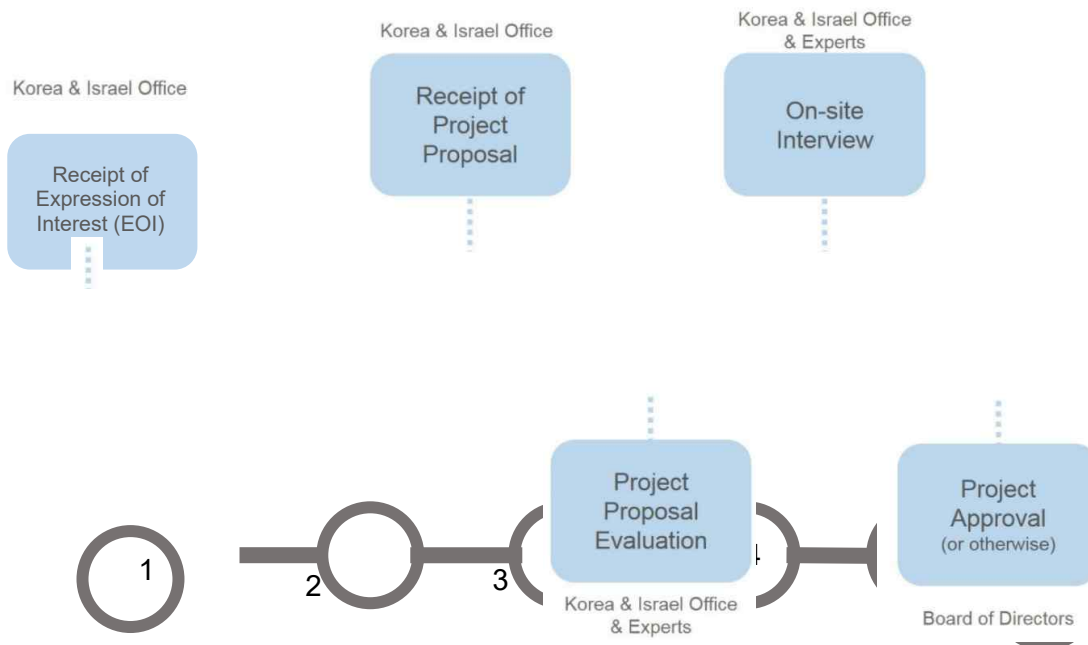
Following approval, it is implemented under the Cooperation and Project Funding Agreement.

The companies are requested to submit a copy of IP and Commercialization Agreement(s) regarding the product to be jointly developed. A signed copy of this (these) agreement(s) must be submitted to KORIL-RDF prior to the signing of the CPFA. (Refer to Section 4.4.B the “Agreement between partner companies”)

Companies must submit all agreements (CPFA, IP and Commercialization) within 6 months of the date they receive an official Notice Letter from KORIL.

KORIL-RDF has the right to withdraw the funding approval after 6 months.

Proposal Selection Procedure



The receipt of Lighthouse Program proposal is once a year, the exact dates and sector will be announced on the [KORIL website](#).

* The Project budget guideline and budget form in excel can be downloaded from KORIL’s website.

3. PROPOSAL PREPARATION GUIDELINES

3.1. Proposal Contents

3.1.1. Feasibility Study Project

A proposal for Feasibility Study Project must be prepared and submitted jointly by both companies to KORIL-RDF offices, **simultaneously via to KORIL's website [proposal submission online system](#) and to the Israel Innovation Authority [online system](#)**. Proposals should be written in conformance with, but not limited to, the outline shown below and should be supported by any relevant official company documentation.

***A proposal should be written in English.**

a) COVER PAGE

a) Refer to Proposal Cover Page Format

※ Signatures of both companies' officials are needed for actual submission. Without signatures, it will not be considered as a valid report.

b) EXECUTIVE SUMMARY

- a) Clear and concise statement of specific objectives of the feasibility study
- b) The capabilities and performance records of the companies in related areas

c) KOREAN & ISRAEL COMPANY INFORMATION

- a) Detailed company profiles: Use "Company Information Format"
- b) Company roles: Active roles related to the project
- c) Company capabilities: Human resources, facilities, experiences, etc.
- d) Resumes: Key personnel to the project (should include everyone's role in the project)

d) PROJECT PLAN & PROCESS

- a) The nature and target of the feasibility project
- b) Detailed plan of how the Companies will investigate the technological feasibility of proposed product or process
- c) Detailed plan or schedule for the feasibility study process

e) STUDY FOR MARKET & COMMERCIALIZATION

- a) The needs that are served by the proposed product or processes
- b) How to examine the potential for market penetration

f) BUDGET

- a) Separate budget for each company's activities for the duration of the project

The Project budget guideline and budget form in excel can be downloaded from KORIL's website.

Note: Should the result of the feasibility Study lead to a KORIL-RDF R&D Program, the grant amount awarded for the feasibility study will be added to the following R&D grant for the purpose of repayments owed to KORIL-RDF (See CPFA format for Feasibility Study). Otherwise, no repayment is required.

3.1.2. R&D Program

Proposals for **R&D** should be prepared and submitted jointly by both companies to KORIL-RDF offices, simultaneously via **KORIL's [proposal submission online system](#) and to the Israel Innovation Authority [online system](#) no later than the final submission deadline (date and time)**. Proposals should be written in conformance with, but not limited to, the outline shown below and should be supported by any relevant official company documentation.

KORIL-RDF will be able to accept proposals that were submitted simultaneously, during the call for proposal timeline only.

KORIL-RDF won't be able to accept proposals that:

- Submitted later than the date & time of the call for proposal
- Submitted only in one side (only KORIL Korea office or only Israel Innovation Authority)

***A proposal should be written in English.**

a) COVER PAGE & Check list

- a) Refer to Proposal Cover Page Format & Proposal submission Checklist Format

※ Signatures of both companies' officials are needed for actual submission. Without signatures, it will not be considered as a valid report.

b) OBJECTIVES OF PROJECT – Executive Summary

- a) A clear and concise statement of specific objectives of the product, solution or process

c) KOREAN & ISRAEL COMPANY INFORMATION

- a) Detailed company profiles: Use "Company Information Format"
- b) Market position
- c) R&D background
 - General
 - International cooperation
 - Similar R&D projects (Government funded and/or others)
- d) Financial information (Include cash flow status, etc.)
- e) Major shareholders, Total paid-in-capital
- f) Company capabilities (Human resources, facilities, experiences, IP for project)
- g) Resumes – key personnel to the project (should include everyone's role in the project)
- h) Others (pertinent company/product brochures)

d) INNOVATION

- a) R&D goal (Quantitative index, etc.)
- b) Idea/concept behind the innovation (utilize sketches, diagrams, tables to illustrate)
- c) Current solutions vs. innovation
- d) Technical requirements & definitions (Spec sheet)

- e) Commercial value in market (related standards/ emerging standards)
- f) Patent information (past, current and future patents)
- g) Others, if necessary

e) R&D PROJECT ANALYSIS & PLAN

- a) Analysis of the problem
 - Specific issues or difficulties, which need to be resolved/overcome to achieve the project's objectives
 - Address general technical or economic constraints which must be overcome
 - Scope of analysis must be consistent with the project budget and timetable
 - Confirm that critical technologies required for the project are firmly in hand
- b) General project plan
 - A chronological schedule of all activities presented in a graphical form (GANTT chart) for the duration of entire project, complete up to market-ready product/technology
 - The plan should clearly indicate the estimated time required for completion of each task/activity in addition to milestones
- c) Details of project activities
 - Identification and detailed description of each task or activity (according to the chronological schedule provided under b) General project plan)
 - Specify each company's roles and assignments according to each activity
 - Describe problem-solving strategies – resolving issues and the basis for selecting the preferred solution (supply sufficient support material to justify approach)
 - **Testing details should show what is being tested, how many tests are needed, test objectives, methodology, expected results, etc.**
 - Compliance with industry standards: the product/processes' ability or inability to meet applicable standards
- d) Others, if necessary

f) MARKET & COMMERCIALIZATION

- a) Current market size/situation
 - Expected growth of market over effective sales window (provide support material)
- b) Companies' market position
 - Past sales record in the same or similar product line
- c) Existing marketing/sales channel
- d) Target customers
 - Specific industries to be affected (provide support material)
 - How are customer/market needs served by product / process
- e) Business model/commercialization strategy (How to make money)
- f) Sales forecast (estimated market share) by each company
- g) Sales & cost comparisons
 - Manufacturing costs vs. selling price
 - Alternative or similar product / processes' pricing
- h) Plan of Joint Commercialization Activities (With reference to activities, if any, indicated in category I. of General Budget Guidelines)
- i) Others, if necessary

g) COOPERATION & BENEFITS

- a) Previous relationship between partners, if any (otherwise, describe motivation for this joint project)
- b) R&D & commercial role share of each company
 - Development, production and marketing roles
 - External resources for commercialization
- c) Commercial agreements summary

- Profit share, marketing regions, IP ownership, etc.
 - Completed or in progress
 - Binding or non-binding
- d) Benefits from joint R&D for each company
- Technical mode and extent of cooperative activity between companies
 - Commercial aspects rendering mutual benefits
- e) Others, if necessary

h) BUDGET

- a) Separate budget for each company's activities for the duration of the project
- b) The Project budget guideline and budget form in excel can be downloaded from KORIL's website.

3.1.3. Pilot Program

Proposals for Pilot Program should be prepared and submitted jointly by both companies to KORIL-RDF offices, simultaneously via **KORIL's website [proposal submission online system](#) and to the Israel Innovation Authority [online system](#) no later than the final submission deadline (date and time)**. Proposals should be written in conformance with, but not limited to, the outline shown below and should be supported by any relevant official company documentation.

KORIL-RDF will be able to accept proposals that were submitted simultaneously, during the call for proposal timeline only.

KORIL-RDF won't be able to accept proposals that:

- Submitted later than the date & time of the call for proposal
- Submitted only in one side (only KORIL Korea office or only Israel Innovation Authority)

***A proposal should be written in English.**

a) COVER PAGE & Check list

- a) Refer to Proposal Cover Page Format & Proposal submission check list Format

※ Signatures of both companies' officials are needed for actual submission. Without signatures, it will not be considered as a valid report.

b) OBJECTIVES OF PROJECT – Executive Summary

- a) A clear and concise statement of specific objectives of the product, solution or process

c) KOREAN & ISRAEL COMPANY INFORMATION

- a) Detailed company profiles: Use "Company Information Format"
- b) Market position
- c) R&D background
 - General
 - International cooperation
 - Similar R&D projects (Government funded and/or others)
- d) Financial information (Include cash flow status, etc.)
- e) Major shareholders, Total paid-in-capital
- f) Company capabilities (Human resources, facilities, experiences, IP for project)
- g) Resumes – key personnel to the project (should include everyone's role in the project)
- h) Others (pertinent company/product brochures)

d) INNOVATION

- a) Pilot/R&D goal (Quantitative index, etc.)
- b) Innovation of existing intellectual properties for the pilot (including new IP if needed)
- c) Commercial value in the market of existing intellectual properties (related standards/ emerging standards)
- d) Idea/concept behind the innovation (utilize sketches, diagrams, tables to illustrate)
- e) Current solutions vs. innovation
- f) Need of pilot (how the pilot will advance the product/technology towards commercialization and large-scale deployment)
- g) Technical requirements & definitions for the pilot (Spec sheet)
- h) Others, if necessary

e) Pilot PROJECT ANALYSIS & PLAN

- a) Analysis of the problem
 - Specific issues or difficulties, which need to be resolved/overcome to achieve the project's objectives
 - Address general technical or economic constraints which must be overcome
 - Scope of analysis must be consistent with the project budget and timetable
 - Confirm that critical technologies required for the project are firmly in hand
- b) General project plan
 - A chronological schedule of all activities presented in a graphical form (GANTT chart) for the duration of entire project, complete up to market-ready product/technology
 - The plan should clearly indicate the estimated time required for completion of each task/activity in addition to milestones
- c) Details of project activities
 - Identification and detailed description of each task or activity (according to the chronological schedule provided under b) General project plan)
 - Specify each company's roles and assignments according to each activity
 - Describe problem-solving strategies – resolving issues and the basis for selecting the preferred solution (supply sufficient support material to justify approach)
 - **Testing details should show what is being tested, where it will be tested (beta-site), how many tests are needed, test objectives, methodology, expected results, etc.**
 - Compliance with industry standards: the product/processes' ability or inability to meet applicable standards
- d) Others, if necessary

f) MARKET & COMMERCIALIZATION

- a) Current market size/situation
 - Expected growth of market over effective sales window (provide support material)
- b) Companies' market position
 - Past sales record in the same or similar product line
- c) Existing marketing/sales channel
- d) Target customers
 - Specific industries to be affected (provide support material)
 - How are customer/market needs served by product / process
- e) Business model/commercialization strategy (How to make money)
- f) Sales forecast (estimated market share) by each company
- g) Sales & cost comparisons
 - Manufacturing costs vs. selling price
 - Alternative or similar product / processes' pricing
- h) Plan of Joint Commercialization Activities (With reference to activities, if any, indicated in category I. of General Budget Guidelines)
- i) Others, if necessary

g) COOPERATION & BENEFITS

- a) Previous relationship between partners, if any (otherwise, describe motivation for this joint project)
- b) R&D & commercial role share of each company
 - Development, production and marketing roles
 - External resources for commercialization
- c) Commercial agreements summary
 - Profit share, marketing regions, IP ownership, etc.
 - Completed or in progress
 - Binding or non-binding

- d) Benefits from joint R&D for each company
 - Technical mode and extent of cooperative activity between companies
 - Commercial aspects rendering mutual benefits
- e) Others, if necessary

h) BUDGET

- a) Separate budget for each company’s activities for the duration of the project
- b) The Project budget guideline and budget form in excel can be downloaded from the KORIL’s website.

3.1.4. Lighthouse Program

Proposals for Lighthouse Program should be prepared and submitted jointly by both companies to KORIL-RDF offices, simultaneously via **KORIL’s website [proposal submission online system](#) and to the Israel Innovation Authority [online system](#) no later than the final submission deadline (date & time), mentioned in each call for proposal** Proposals should be written in conformance with, but not limited to, the outline shown below and should be supported by any relevant official company documentation.

Process	Steps	Remarks for applicants	
Application Process¹	Step 1: Submit Expression of interest (project outline)	<ul style="list-style-type: none"> • Relevant Documents: Expression of Interest, LOI/Draft MOU • The Expression of Interest (EOI) form must be jointly written and signed by both Korean and Israeli partners. • The EOI from Korea-Israel consortium must include executive summary, company/academia info, brief description of R&D roles, project size, etc 	<p>Preliminary Evaluation:</p> <ul style="list-style-type: none"> • Submitted EOI will be screened by Korean & Israeli Evaluators. • After evaluation from both countries, the Chief Executive of KORIL will approve/reject the EOIs, based on the evaluation reports. the consortium will receive a notice letter of approval or rejection of the EOI. • In case of approval, the consortium will continue to prepare and submit the Full proposal.
	Step 2: Submit Final proposal (only for consortiums whose EOIs are approved)	<ul style="list-style-type: none"> • The final proposal should include a detailed R&D plan, task schedule, R&D roles of each participating organization, full budget plan, commercialization strategy, etc. • Relevant Documents: final proposal, a draft agreement on the Intellectual Property Right (IPR), Letter of Intent (LOI), signed by global companies regarding the technical development request or purchase intention 	<p>Final proposal evaluation</p> <ul style="list-style-type: none"> • On site interview on both Korean and Israeli companies • Professional technical and financial review by local evaluators • Exchange evaluation opinions between Korean & Israeli evaluators - formulation of a joint recommendation (by both local evaluators) • Report to the Board of KORIL-RDF (final decision) • Board resolution

KORIL will not be able to accept proposals that:

- Submitted later than the date & time of the call for proposal.
- Submitted only in one side (only KORIL Korea office or only Israel Innovation Authority)

¹ Proposals should be written in English.

Lighthouse Program- Expression of Interest (EOI)

The EOI should not exceed 12 pages in length.

As this EOI is for a single project within a consortium, all partners who are applying for the program should collaborate on completing the form and submit it in one document. The submission should be made via KORIL's [online EOI Submission system](#) and the Israel Innovation Authority website for Israeli companies.

Note: Ensure that a Letter of Intent (LOI) is attached to the EOI and signed by all partners involved. This letter should address the Intellectual Property Rights (IPR) and Commercialization of the project.

General Information (1 page)

Date of Submission: DD/MM/YYYY

Title of the Project:

Technology Segment:

Duration of the Project: DD/MM/YYYY~DD/MM/YYYY(00 Months), **Up to 3 years**

Participants (Korea)	
Name of the company	
Name of the Research Institute/Academy	
Proposed budget for the Korean company	
Proposed budget for the Korean Research Institute/Academy	
Participants (Israel)	
Name of the company	
Name of the Research Institute/Academy	
Proposed budget for the Israeli company	
Proposed budget for the Israeli Research Institute/Academy	

Summary of the Project:

Project Outline (up to 6 pages)

- **Challenges that the technology/product/service aims to solve**

It should include an overview of the technology/product/service and its novelty. Additionally, address any regulatory requirements and the main challenges faced in the project, along with your plans for addressing these challenges.

- **Roles of each Participant**

It should include ;

- Discussion of the complementarity between the partners, as well as the main contribution of each participant to the project. Additionally, address any prior relationships between the partners that may be relevant to the project.

- General project plan chart with the responsibilities of each participant.

- R&D and marketing roles of each participant.

- **Market potential**

It should include the current market size, main competitors, target market, general business plan for penetration.

- **Business Model**

It should include current customers and revenues

- **List of completed work/studies/clinical trials**

It should include studies and clinical trials that are directly/indirectly relevant to the project.

Participant Information (1 page per participant)

Participant Profile (Korea)

Name of the company	
Website	
Year Established	
Current Stage of the company	<i>Seed, R&D, Initial Revenues, Revenue Growth</i>
Capital rasied to date	USD
Net income (latest)	USD
Number of employees	
Number of Executive Team members	
Number of R&D Personnel	
Main sources for Capital	<i>Equity Financing, Debt Financing, Retained Earnings, Crowdfunding, Grants(private/government), Angel investors and venture capitalists, IPO (Initial Public Offering) - List all that apply</i>
Prior experiences with governmental grants	
Main Technology of the company	
Current products/services	
Main reasons for taking part in the project	

Primary Contact Information

Name/Title	
Credentials	
Phone Number	
Email	

※ Research institutes and academies follow the same format outlined above. Utilize the format to suit your needs.

Participant Profile (Israel)

Name of the company	
Webiste	
Year Established	
Current Stage of the company	<i>Seed, R&D, Initial Revenues, Revenue Growth</i>
Capital rasied to date	USD
Net income (latest)	USD
Number of employees	
Number of Executive Team members	
Number of R&D Personnel	
Main sources for Capital	<i>Equity Financing, Debt Financing, Retained Earnings, Crowdfunding, Grants(private/government), Angel investors and venture capitalists, IPO (Initial Public Offering) - List all that apply</i>
Prior experiences with governmental grants	
Main Technology of the company	
Current products/services	
Main reasons for taking part in the project	

Primary Contact Information

Name/Title	
Credentials	
Phone Number	
Email	

※ **Research institutes and academies follow the same format outlined above. Utilize the format to suit your needs.**

a) COVER PAGE & Check list

- a) Refer to Proposal Cover Page Format & Proposal submission check list Format²

b) OBJECTIVES OF PROJECT – Executive Summary

- a) A clear and concise statement of specific objectives of the product, solution or process

c) KOREAN & ISRAEL COMPANY INFORMATION

- a) Detailed company profiles: Use “Company Information Format”
- b) Market position
- c) R&D background
 - General
 - International cooperation
 - Similar R&D projects (Government funded and/or others)
- d) Financial information (Include cash flow status, etc.)
- e) Major shareholders, Total paid-in-capital
- f) Company capabilities (Human resources, facilities, experiences, IP for project)
- g) Resumes – key personnel to the project (should include everyone’s role in the project)
- h) Others (pertinent company/product brochures)

d) KOREAN & ISRAEL ACADEMY or RESEARCH INSTITUTE INFORMATION

- a) Detailed company profiles: Use “Company Information Format”
- b) Market position
- c) R&D background
 - General
 - International cooperation
 - Similar R&D projects (Government funded and/or others)
- d) Financial information (Include cash flow status, etc.)
- e) Major shareholders, Total paid-in-capital
- f) Company capabilities (Human resources, facilities, experiences, IP for project)
- g) Resumes – key personnel to the project (should include everyone’s role in the project)
- h) Others (pertinent company/product brochures)

e) INNOVATION

² Signatures of both companies’ officials are needed for actual submission. Without signatures, it will not be considered as a valid report.

- a) R&D goal (Quantitative index, etc.)
- b) Explanation of the innovative Idea/Concept (utilize sketches, diagrams, tables to illustrate)
- c) Current Solutions and Innovation
- d) Technical Requirements & Definitions (Spec Sheet)
- e) Commercial Value in Market (related standards/ emerging standards / Competitors etc.)
- f) Patent Information (current, and future patents)
- g) Others, if necessary

f) R&D PROJECT ANALYSIS & PLAN

- a) Analysis of the problem
 - Specific issues or difficulties, which need to be resolved/overcome in order to achieve the project's objectives
 - Address general technical or economic constraints which must be overcome
 - Scope of analysis must be consistent with the project budget and timetable
 - Confirm that critical technologies required for the project are firmly in hand
- b) General project plan
 - A chronological schedule of all activities presented in a graphical form (GANTT chart) for the duration of entire project, complete up to market-ready product/technology
 - The plan should clearly indicate the estimated time required for completion of each task/activity in addition to milestones
- c) Details of project activities
 - Identification and detailed description of each task or activity (according to the chronological schedule provided under b) General project plan)
 - Specify each company's roles and assignments according to each activity
 - Describe problem-solving strategies – resolving issues and the basis for selecting the preferred solution (supply sufficient support material to justify approach)
 - **Testing details should show what is being tested, where it will be tested (beta-site), how many tests are needed, test objectives, methodology, expected results, etc.**
 - Compliance with industry standards: the product/processes' ability or inability to meet applicable standards
- d) Others, if necessary

g) MARKET & COMMERCIALIZATION

- a) Current market size/situation
 - Expected growth of market over effective sales window (provide support material)
- b) Companies' market position
 - Past sales record in the same or similar product line
- c) Existing marketing/sales channel
- d) Optional customers
 - Specific industries to be affected (provide support material)
 - How are customer/market needs served by product / process
 - Demands of global companies (including LOI)³
- e) Sales forecast (estimated market share) by each company
- f) Sales & cost comparisons
 - Manufacturing costs vs. selling price
 - Alternative or similar product / processes' pricing
- g) Plan of Joint Commercialization Activities (With reference to activities, if any, indicated in category I. of General Budget Guidelines)

³ Preferences will be given to consortium which submits a Letter of Intent (LOI) signed by global companies regarding the technical development request or purchase intention.

- h) Others, if necessary

h) COOPERATION & BENEFITS

- a) Previous relationship between partners, if any (otherwise, describe motivation for this joint project)
- b) R&D & commercial role share of each consortium
 - Development, production and marketing roles
 - External resources for commercialization
- c) Commercial agreements summary
 - Profit share, marketing regions, IP ownership, etc.
 - planned, Completed or in progress
 - Binding or non-binding
- d) Benefits from joint R&D for each participant
 - Technical mode and extent of cooperative activity between companies
 - Commercial aspects rendering mutual benefits
- e) Others, if necessary

i) BUDGET

- a) Separate budget for each company's activities for the duration of the project
- b) The Project budget guideline and budget form in excel can be downloaded from the KORIL's website.

4. AFTER SUBMISSION – EVALUATION and Results

After a proposal submitted jointly by both companies to KORIL-RDF offices, **simultaneously via KORIL's proposal submission online system and the Israel Innovation Authority online system on time, a formal notice letter will be sent and the evaluation process for both sides will start.**

4.1. Preliminary Evaluation

All proposals will be reviewed by an expert from both sides (Korea and Israel). During the review, the experts will examine the proposal following KORIL's criteria as follow:

Company background, the contents of the proposal (Innovation, Commercialization, Cooperation & Benefit, Budget).

4.2. Due Diligence (Onsite/Online Interview)

After documentary evaluation, onsite or online interviews will be held. Technical experts from the corresponding field and KORIL-RDF will carry out the interview as well as Fiscal evaluation.

Based on the result of the interview, the evaluator or/ and KORIL-RDF have the right to request the companies to modify their initial proposals or to submit additional information (optional process).

Two technical reports from each country written by evaluators will be submitted to KORIL-RDF, containing a final grade after the onsite interview.

4.3. Project Final Discussion

- a) Feasibility Study Project will be approved/ rejected by the Chief Executive of KORIL-RDF. Notice letter will be sent according to the decision.
- b) The Board of Directors, KORIL will make the final decision upon R&D, Pilot, & Lighthouse Program. A notice letter will be sent according to the decision.

*KORIL's Board of Directors convenes twice a year to act upon grant applications.

- c) **Please be reminded that KORIL does not provide an appealing process in any form. Therefore, no appealing actions will be recognized by KORIL. However, companies can re-apply in the next round without any disadvantages.**
- d) The maximum grant size will be determined within a range of 30% to 50% of the total project cost, based on the final evaluation results of the project proposal and the Board's decisions. (This does not apply to Feasibility Study Projects)

4.4. Upon Approval

a) Cooperation and Project Funding Agreement (CPFA)

Once the proposal is approved by CE or the BOD, the CPFA is signed among two partner companies and KORIL-RDF to disburse the approved grant.

The CPFA describes the work plan, project budget, reporting requirements, disbursements due to the companies and repayment obligation to KORIL-RDF from sales or other income resulting from the project.

b) Agreement Between Partner Companies (not applicable for Feasibility Study Projects)

The companies are requested to submit a copy of the IP and Commercialization Agreement(s) regarding the product to be jointly developed. A signed copy of each agreement must be submitted to KORIL-RDF prior to the signing of the CPFA.

The applicants from Korea and Israel are encouraged to present a draft agreement on the IPR together with the proposal, to reduce the negotiations time after the proposal has been approved and prior to the project starting date.

KORIL-RDF is not a party to IP or Commercialization agreement or any agreement with 3rd party regarding the program, nor is KORIL involved in formulating and negotiating this agreement, we would like to see at least the following topics covered in it:

The agreement should contain:

- As between the parties, all know-how and Intellectual Property Rights controlled by a party prior to the effective date or developed separately and apart from this agreement, shall be deemed owned by the party controlling such know-how and Intellectual Property Rights.
- The assignment of responsibilities between two companies for the various functions required in the commercialization of the developed product such as production, marketing and sales, etc.
- The basis upon which revenues and profits from commercialization of the developed product(s) will be shared between the companies.
- The ownership distribution of the Intellectual Property (IP) to be generated by the project.
- The specification and transfer price of products, components or services which will be sold by one company to the other.
- The arrangement between the two companies regarding preparation and timely submission of the periodic technical and fiscal reports to KORIL throughout the development state of the project.
- In the event of Dispute, Insolvency and Acquisition

5. REPORTS GUIDELINES

5.1. General

All technical reports must be prepared jointly by both companies and submitted to both KORIL-RDF offices in Korea and Israel, simultaneously. At the same time, the Israeli company needs to submit the reports in the IIA's online system, in their "Personal Zone".

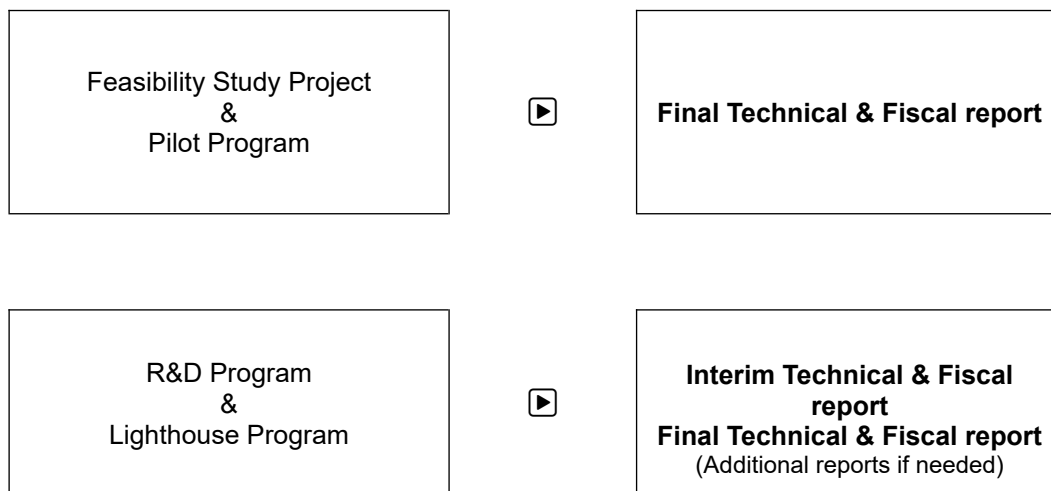
Fiscal reports are to be prepared by each partner company as per guidelines according to its official budget and submitted to the respective KORIL-RDF country office together with the joint technical report.

All such reports must be submitted to and approved by KORIL-RDF prior to the transfer of all grant payments except for the initial grant payment made on execution of the Cooperation and Project Funding Agreement (CPFA).

- a) **Feasibility Study Projects & KORIL-Pilot Program:** Due to the nature of these projects, **NO Interim Reports are required.** Only Final Technical and Fiscal Reports are to be submitted **within 60 days of the completion of the project.**
- b) **KORIL-R&D Program & KORIL-Lighthouse Program:** The Technical and Fiscal Reports for Interim and Final Evaluation are to be submitted **within 30 days following the expiration of the Interim and Final segment of the project.**

The Interim segment is the midway point of the entire project period. In the case of projects, which exceed two (2) years, **submission of the Interim Reports should be within 60 days of the end of the Interim Segment.**

Likewise, Final Technical and Fiscal Reports are **to be submitted within 60 days** following the completion date of the project or final project period for those projects with multiple periods. Please note- In some cases, KORIL-RDF will ask for an additional report, according to the BOD decision upon approval of the project. All be written in the CPFA.



5.2. Technical Report

Technical reports submitted to KORIL-RDF will be treated as confidential to the extent described in the Confidential Disclosure Agreement (CDA). Nonetheless, proprietary, or commercially sensitive information should be identified as such.

The purpose of the technical report is to enable KORIL-RDF to monitor project progress and to justify any adjustments or modifications incurred by the project to the original work plan (as detailed in Annex C of the CPFA); furthermore, to provide KORIL-RDF a viable basis for continued disbursement of the grant award.

Results of unusual interest should be highlighted.

Technical report forms can be downloaded from the KORIL-RDF website (www.koril.org).

5.2.1. Technical Report Outline



Refer to the detailed information about Part I & II below.

Part I

a) **Cover Page** – Refer to Technical Report cover page (sample)

※ Signatures of both companies' officials are needed for actual submission. Without signatures, it will not be considered as a valid report. This shall be deemed a material breach for which KORIL-RDF shall be entitled to terminate the Agreement pursuant to Clause 9.2 in CPFA (KORIL-R&D, KORIL-Pilot, & KORIL-Lighthouse Program), Clause 5.2 in CPFA (Feasibility Study project).

b) **Table of Contents**

c) **Objectives** – State overall objectives of the project and of the work performed during the segments covered by the report.

d) **Summary of Accomplishments** (including inventions) – This should discuss and update on the methods and results of the investigations/development. The summary should be self-sufficient and understandable to someone who reads nothing else in the report.

e) **Results** – Describe with reference to the Program Plan, the results obtained during the reporting segment on an activity-by-activity basis. Identify and describe results that represent significant variation from the Program Plan. Discuss any activities/tasks that may have been eliminated or added to the Program Plan and give the reasons for the changes. Indicate how much modifications will affect the nature of the product being developed in terms of features, specifications, performance, etc.

f) **Graphical Comparisons of Results versus Program Plan** – Using the Program Plan (Annex C of CPFA), show the project status graphically and explain any deviations from the plan.

g) **(For Interim Reports Only)** Outline plans for the next project segment showing any rescheduling or additions to activities on the Program Plan and indicate which, if any, of the originally planned activities/tasks are being terminated or redirected. Discuss the impact of rescheduled activities on the original plan, and whether additional time will be needed to complete the project. (Note: if additional time is needed, a separate written request should be jointly submitted by the companies).

- h) **Cooperation between the Companies** – Discuss the activities conducted during the reporting segment that have enabled the companies to keep abreast of each other's progress. Has the division of tasks and responsibilities between the two companies been integrated to mutual benefit? Any problems that have developed in this regard should be noted, along with the details of corrective measures that have been taken or are planned.
- i) **Market and Commercialization Plans** – Identify any important changes that have developed during the segment covered by the report. Explain the impact on overall Program Plan and budget.
- j) **Published Reprints** – Attach a copy of any reprint that is based, in whole or in part, on the work conducted on the KORIL-RDF project. Include a report on any inventions or patents filed. Technical and user manuals do not have to be submitted.

Part II

- a) Part II should describe the outcome of the project in commercial terms, including the market acceptance of the products/processes developed, current sales and cash flow forecasts, new product opportunities and any further activities planned jointly by the project partners. Compare the current sales and cash flow forecasts with those made in the proposal, explain the differences.
- b) Must provide an accurate and concrete commercial plan to include detailed action items such as, but not limited to, the following:
 - A. List of target clients
 - B. Marketing strategy or plan
 - C. Sales forecast
 - D. Schedule for product launching
 - E. A plan to overcome any new unforeseen obstacles
- c) **Must be submitted within 60 days following the completion date of the project**

5.2.2. Informal Report

KORIL-RDF welcomes any additional informal reporting of significant project events, positive or otherwise. In the event of favorable variations or unforeseen problems, our early awareness will enable us to work with the Project Manager or team in any necessary rescheduling or program activities. As a contributor to the project, KORIL-RDF may request informal reports, without prior notice, in order to be kept informed of the project's status.

5.3. Fiscal Report

The purpose of the fiscal reports is to enable KORIL-RDF to monitor actual expenditure on the project and to assist in decisions relating to the continued funding of the project.

Fiscal report forms can be downloaded from the KORIL-RDF website (www.koril.org). All expenses incurred on a KORIL-RDF-supported project must be itemized. Expenditure in all categories should be shown along with the Approved Project Budget for the relevant segment, as per Annex A of CPFA.

KORIL-RDF recognizes expense variations from budget up to 10% within any of the major budget categories: Direct Labor, Subcontracts, Consultants, etc., with the understanding that the total amount does not change. However, during the project, should the actual expenses relating to any budget category be expected to exceed the 10% variation allowed or a need to transfer between budget line-items occur, **an official request for an amendment to the budget must be submitted by the company. Clear and complete reasons and explanations with before and after comparison of each budget item should substantiate this request.**

5.3.1. Report Outline

- a) **Cover Page** – Refer to Fiscal Report cover page (sample)⁴
- b) **Total Actual Expenditures** – Compare against the approved budget amount (taken from Annex A of the CPFA)
- c) **Direct Labor** – Report on percentage time for employees engaged in the project, whom should be clearly identified (see Budget Guidelines for details)
- d) **Equipment** – An itemized worksheet must be included in the report indicating dates of purchase and/or commencement of lease and percentage use on the project (see Budget Guidelines for details)
- e) **Travel** – Both foreign and domestic travel must be reported in detail (see Budget Guidelines for details). A brief description of the objectives of the trip and its relation to the project should be available at the company for inspection during auditing of the fiscal reports.
- f) **All Other Budget Items** – The expenses reported must be itemized in accordance with and in reference to the original budgets submitted as part of the Cooperation Project Funding Agreement. (see CPFA attachment)

5.3.2. Lighthouse Program Reporting Guidelines

During the project, the participant will report to KORIL-RDF according to the final decision of the BOD.

Minimum reporting milestones: 2, as follows:

- a) Interim Comprehensive joint technological and individual fiscal reports.
- b) Final Comprehensive joint technological and individual fiscal reports.

Maximum reporting milestones are 4.

The Grant Endowment scheme is as follows.

- a) **1st payment:** 40% of the total grant (disbursed at the beginning of the project)
- b) **2nd payment:** Up to 30% of the total grant (based on actual expenses and evaluation recommendation)
- c) **3rd payment:** Up to 30% As per CPFA (based on actual expenses and evaluation recommendation)

5.4. Ongoing Project – Change Request and Authorization

As stated in the CPFA 4.5:

*“The Participant shall not make substantial transfers of funds from one official budget item to another, change key personnel or their duties and responsibilities or re-schedule their time allocated to the proposed work hereunder **without prior written approval by KORIL-RDF, which approval shall not be unreasonably withheld.**”*

To enable the changes stated above to be authorized in accordance with KORIL-RDF regulations, the following procedures have been established. In most cases, changes request will be examined by an expert (evaluator). It is recommended to wait for a formal answer from KORIL-RDF before making any actual changes.

KORIL-RDF won't be able to accept changes that didn't get formal approval.

Change Request and Authorization Guidelines

Changes within 10% of the budget for the specified item, as stated in the CPFA or modified budget, can be made

⁴ Signature of the CEO is needed for actual submission. Without signatures, it will not be considered as a valid report. This shall be deemed a material breach for which KORIL-RDF shall be entitled to terminate the Agreement pursuant to Clause 9.2 in CPFA (R&D, Pilot, & Lighthouse Program), Clause 5.2 in CPFA (Feasibility Study project).

without requiring prior notification or approval from KORIL-RDF.

If the budget item change exceeds 10% of the original budget, the following attachments shall be submitted by the companies with their official letter (table).

Items		Attachments
Direct labor	Change of Project Manager	- Official Letter - Resume of New Project Manager
	Personnel Changes (excluding project manager)	- Official Letter - Resume of New Personnel
	% Time on Project	- Official Letter - Budget Adjustment Table
Travel	Traveling to the 3 rd Country (excluding Korea and Israel)	- Official Letter (with summary of travel plan) - Budget Adjustment Table
Extension of Project Term or Report Submission Due Date		- Official Letter with CEO's Signatures of Both Companies
Project tasks or Goal		- Official Letter with CEO's Signatures of Both Companies - New tasks table / chart
Equipment	Changes in Original List	- Official Letter - Budget Adjustment Table
Expendable Materials & Supplies		
Subcontractor		
Consultant		
Other Expense		
Budget Relocation (exceed 10% of the items concerned)		

Note:

- In cases where significant changes are anticipated, KORIL-RDF shall carry out an evaluation process. Also, KORIL-RDF might ask for additional documentation needed.
- KORIL-RDF won't approve an additional extra budget for the project. Reducing the total budget is possible when unavoidable only if KORIL-RDF approves the change.
- All the official letters should describe the details and reason for the change. The official letter should be signed by the CEO of the company (or equivalent).
- Any request for changes that occur before the submission deadline of the interim or final technical and financial reports must be submitted no later than the respective report due date. Please note that requests submitted after the deadline will not be accepted.
- All change requests should be submitted within the project duration. Otherwise, the request shall be considered as invalid.

5.4 Project Completion - Commercialization Report & Royalty repayment

After completion of the Project, the partners shall submit Commercialization reports, according to their national procedure and Royalty Repayment policy and rules.

Korean companies will comply with the MOTIE's Royalty Policy when paying royalties, and Israeli companies will comply with the IIA's royalty policy when paying royalties.

6. CONTACT INFORMATION

○ Homepage: www.koril.org

○ **Korea Office (Principal Office)**

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Tel : +82-2-2166-0810

Fax : +82-2-2166-0822

Address : 4F, 81, Yeouinaru-ro, Yeongdeungpo-gu, Seoul 06152, Korea

○ **Israel Office**

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Address: Israel Innovation Authority, Technology Park, Derech Agudat Sport Ha'poel 2, Jerusalem, 9695102
Israel