



Statement of Principles

Prepared by: VMS Board of Advisors



STATEMENT OF PRINCIPLES

VISION STATEMENT

Our vision is to develop, inspire and empower University of Alberta entrepreneurs.

MISSION STATEMENT

The primary mission of the UA VMS is to create and sustain world-class mentorship experiences for entrepreneurs.

The UA VMS will recruit volunteer mentors, selected for their ability to provide excellent mentorship as defined within VMS for their experience in areas relevant to the needs of new entrepreneurs, and for their enthusiasm for the program. Entrepreneurs with aspirations to develop high impact ventures in social, technological, product/service, digital, cultural, artistic, and/or environmental arenas, with for-profit or non-for-profit goals, are encouraged to participate as mentees. The mentorship philosophy of VMS, outlined below, is based on the principles and models of the Roy Group, and will evolve in consultation with the VMS participants.

The UA VMS will serve as a conduit for strong and sustainable relationships across many University of Alberta stakeholders, including alumni, students, staff, faculty and the community.

CORE VALUES

The UA VMS is built upon a foundation of core values that are enduring and will be expected to be upheld by VMS Management, the Board of Advisors, Mentors, and Entrepreneurs. These are:

- Mentorship is a combination of teaching, advising and coaching
 - An attitude of humility and the pursuit of lifelong learning
 - Embracing diversity of experience and opinion
 - Trust, respect, and confidentiality

MENTORSHIP PHILOSOPHY

The UA VMS's vision and mission clearly state that the goals of the program are aligned with developing future *entrepreneurs*. In accordance with this goal, we define Mentorship as a combination of the practices of advising, teaching, and coaching. In particular, the practice of coaching will work to develop the entrepreneur's critical thinking skills and self-leadership. The VMS Mentors will be given opportunities to receive training in the practice of coaching, with the specific goals, strategies, and tactics for this described in the "VMS Mentor Training Plan".

GUIDING PRINCIPLES

- (a) The University of Alberta (UA) Venture Mentoring Service (VMS) is an organization formed to support entrepreneurial activity within the UA community. The UA VMS believes that engaging alumni in the support of entrepreneurial activities improves the experience of UA students, inspires alumni, strengthens UA's role as a world leader in innovation, and broadens UA's base of potential support, thereby furthering UA in its mission to "uplift the whole people".
- (b) The UA VMS recognizes that promotion of its goals requires careful adherence to principles that, at their heart, put the interests of UA and of the entrepreneurs ahead of the volunteers and staff serving the UA VMS.
- (c) The VMS Board of Advisors (VBA) and mentors of the UA VMS shall be responsible, foremost, for acting consistent with law and UA policies, and for promoting the best interests of entrepreneurs who have formed a relationship with the UA VMS.
- (d) The services and resources of the UA VMS shall be offered without charge to all members of the community, including students, faculty, staff, and alumni who are actively connected to a venture as a Founder/Principal or Executive/Officer. The UA VMS experiences multiple demands on its resources and volunteers, meaning that the UA VMS may, on occasion, defer or decline requests for assistance. The specifics of the intake process for entrepreneurs are communicated on the VMS website.
- (e) The services and resources of the UA VMS shall be offered initially to mentors and entrepreneurs operating in the greater Edmonton area, with possible expansion to other relevant markets as appropriate.
- (f) The VBA, mentors and entrepreneurs of the UA VMS shall adhere to UA policies, including those regarding the use of UA resources and intellectual property. Participation in the UA VMS will not by itself create any additional UA intellectual property. The UA VMS shall not be considered a resource for the purposes of UA policies on intellectual property. That is, intellectual property of the VMS entrepreneurs, both that which exists at the time of acceptance and any developed during the period of participation in VMS, will remain entirely with the VMS entrepreneurs.
- (g) The VBA shall oversee the formation of each relationship between mentors and entrepreneurs. However, to ensure mentor engagement and interest, the formation of mentorship teams will involve mentors "self-selecting" from the available pool of entrepreneurs/ventures, as described in (j).
- (h) The pairing of mentors with entrepreneurs will be based on the needs of the venture as well as the interest and expertise of the mentors. Mentors will be responsible for self-selecting from the ventures seeking mentorship, with some oversight and guidance from the VMS Manager and Chair, who will be most familiar with the mentor and entrepreneur pools.
- (i) The VBA and mentors shall maintain strict confidentiality over any proprietary information entrusted to them by UA VMS entrepreneurs. The entrepreneur alone determines whether to make a disclosure of proprietary information, except where such disclosure is mandated by law.
- (j) All information and advice generated or received in connection with mentoring activities is presumed to be confidential and should be treated as such. Notwithstanding the previous statement, information shall not be considered confidential where: 1) the information was publicly known at the time of disclosure; 2) the information becomes lawfully known by the receiving party by means other than from

the disclosure by the disclosing party; or 3) the disclosing party provides express consent that the information may lawfully be disclosed.

(k) No VBA member, mentor, or entrepreneur shall use his or her status or position with UA to influence any decision regarding the disposition, licensing, or sale of UA intellectual property in order to benefit a UA VMS venture or entrepreneur.

(l) No VBA member or mentor associated with the UA VMS may accept or solicit, for himself or herself, or any related party¹, a primary financial interest,² solicitation of services, personal benefit or financial relationship with a venture associated with the UA VMS without first formally recusing himself or herself from the role as a UA VMS mentor with respect to that venture. See Operating Principles (n) and (o) for more detail on financial interest restrictions.

(m) The UA VMS mentors serve on a voluntary basis as requested by those seeking help. It is possible that at some point, the UA VMS may be asked to serve a new venture which is a potential competitor of a venture already in the program. When the UA VMS becomes aware of a potential conflict, both potential competitors will be informed. If the new venture wishes to seek help, the new venture will be assigned separate mentors.

(n) No VBA member, VMS mentor, or any related party may invest in any UA VMS mentored venture, or be so invested nor may accept for himself or herself a primary financial interest, personal benefit or financial relationship with an UA VMS mentored venture, without first formally recusing himself or herself from the role as a UA VMS mentor with respect to that venture. The mentorship relationship with that particular venture must be dissolved before such investment activity is permitted, although the mentor is permitted to continue mentoring other ventures within VMS. All requests for dissolution will be reviewed and are subject to approval of the VBA. See (n) and (o) in "Operating Principles" below for more detail on financial interest restrictions.

(o) No member of the VBA, or any related party, may initiate a discussion on potential investment, or accept a primary financial interest, personal benefit or financial relationship with an UA VMS mentored venture, without first notifying the full VBA in writing (email is acceptable). If investment or other financial relationship occurs, the investor must notify the full VBA in writing (email is acceptable), and the VBA is then charged with ensuring a conflict of interest does not arise. If the VBA member in question is also a VMS Mentor, they must adhere to this policy in addition to the policies referring to VMS Mentors.

(p) Any VBA member or mentor must disclose to the Chair any potential known secondary conflict of interest where success or failure of an UA VMS venture which they assist or oversee would potentially have material impact on any entity in which that person or related party is significantly invested or is a principal or for which such a close relationship is contemplated. In such cases, separation from the venture may be the remedy chosen if the Chair of the VBA deems the conflict substantive.

(q) Mentors provide mentoring services, including the provision of inventions or opportunities for invention, without compensation, direct or indirect, from the mentored venture or UA. Any arrangement

¹A "related party" refers to any person whose interest in a UA VMS-supported venture would actually benefit, or could reasonably be perceived to benefit, a UA VMS VBA member or VMS mentor (the potentially-conflicted person). Such persons would include, unless the circumstances clearly show otherwise -- (a) Any kin (by blood or marriage) or professional representative of the potentially-conflicted person, (b) any trust, partnership, limited partnership, or other ownership vehicle providing benefit to and under the direct or indirect control of the potentially-conflicted person or his/her kin, (c) any business entity controlled either directly or indirectly by the potentially-conflicted person.

² "Primary financial interest" refers to direct equity ownership or direct compensation.

for compensation, due to excessive time investment of a mentor, is subject to the recusal provisions in (m) and (o) above.

(r) The mentorship philosophy of the VMS program is based on the MIT VMS model, consultation with the Roy Group, and feedback and ideas from VMS participants. Training on this philosophy will be made available to all Mentors and Entrepreneurs, in a variety of forms. The strategies and tactics of this training are outlined in the “VMS Mentor Training Plan”.

OPERATING PRINCIPLES

The UA Venture Mentoring Service provides this statement regarding the principles under which the service operates. The UA VMS reports to the Office of Advancement, and within that, the Office of Alumni Relations, and is subject to the governing policies of UA. In order to meet these provisions, as well as to address the issues specific to the UA VMS, the UA VMS has devised the following rules of governance and operation.

Organization

1. VMS Board of Advisors (VBA)

The roles and responsibilities of the members of the VBA include, but are not limited to:

- a. Chair (Standing Member) – provide strategic direction; champion UA VMS in the community; identify and work with the Manager and VMS staff to develop strategic partnerships within the community and with other VMS programs; act as a Mentor, help identify potential mentors and help the Manager screen new entrepreneurs for admission to the VMS program when possible
- b. Manager (Standing Member) – develop strategic and operational policies and plans for review by the VBA; execute the operational and strategic plans with guidance of the VBA; work with the Office of Alumni Relations to develop and grow UA VMS; identify and develop strategic partnerships; act as a Mentor (especially in First Meetings with entrepreneurs); screen mentors and entrepreneurs for admission to the VMS program; develop metrics for success and assess the program regularly
- c. VP Advancement, AVP Alumni Relations (ex officio Members) – provide guidance and oversight to Manager and Chair, act as liaisons to other UA Offices and personnel which may be able to assist in the development and growth of VMS
- d. Faculty Advisor(s) (may be multiple) – provide guidance to Manager and Chair; act as a resource and liaison to other UA and external resources which may be able to assist in development of VMS; assist in the development of curriculum which supports entrepreneurship at the UA
- e. Mentor Representative(s) (may be multiple) – provide feedback and ideas from the perspective of the VMS Mentors; communicate any concerns/issues from the Mentor pool to the VBA

The VBA is ultimately under the authority of the VP Advancement of the University of Alberta.

As the VMS program develops and grows, there is the possibility that additional members will be added to the VBA, including stakeholders from the UA and Edmonton communities. The central responsibilities of the VBA will evolve, but will generally encompass:

- Providing strategic direction to the Manager and Chair of VBA
- Championing UA VMS in the entrepreneurial and business community
- Referral and assistance in the recruitment of excellent potential mentors and entrepreneurs

- Serving as a resource and liaison to other organizations in the UA and Edmonton communities who may be potential partners or collaborators

2. Co-Chairs, Directors, etc.

As VMS grows and develops, the need for additional administrative and governance entities will become apparent. The roles and responsibilities of such entities will be determined and occupied as required.

3. Mentors

The primary criterion for acceptance as a VMS Mentor is the ability to provide excellent mentorship to entrepreneurs. Secondary to that, mentors should have relevant expertise in business formation, management, and/or technical fields, who wish to mentor entrepreneurs in general and/or specific areas.

4. Lead Mentor

The Lead Mentor will volunteer from the mentorship team for a venture, and will have responsibilities including, but not limited to:

- Reporting to VMS Manager on the status of the venture and activity of the entrepreneur, including issues that may arise
- Chairing mentorship sessions, ensuring that actionable items are generated and conversation is constructive
- Managing the dynamic of the mentorship team, and notifying the VMS Manager if the makeup needs adjustment or a potential conflict of interest arises
- Providing guidance and feedback on the mentorship approaches of the team, and reminding the team of the VMS Mentorship philosophy when necessary
- Ensuring all mentors and entrepreneur remain in compliance with the Statement of Principles

5. Expert Advisors

Expert advisors are volunteers who, for a variety of reasons including but not limited to location, non-alumni status, or schedule constraints, cannot serve as a VMS Mentor or are more suited to provide focused advice to VMS entrepreneurs. Advisors will provide their contact information and areas of expertise to the VMS Manager, who will then provide introductions to VMS entrepreneurs after ensuring the entrepreneurs have a clear objective for contacting the Expert Advisor. Meetings between Advisors and entrepreneurs are meant to be one-time, focused, and will usually be held remotely. Expert Advisors must adhere to the same policies as VMS Mentors in interactions with VMS Entrepreneurs. As such, references to "Mentors" in the "Guiding Principles" will also apply to Expert Advisors, with the jurisdiction of VMS ending after the first meeting between Expert Advisor and Entrepreneur.

6. Entrepreneurs

VMS is open to current UA students (undergraduate, graduate), Post-Doctoral trainees, Alumni (as defined by the VBA on a case by case basis), Faculty, and Staff. Entrepreneurs are persons who are a Co-Founder or Principal of a new or existing venture in (for example – this list is not definitive and other areas of entrepreneurship are welcome) the social, scientific, technological, product/service, cultural, artistic, and/or environmental arenas, with for-profit or non-for-profit goals, and who have expressed desire to participate with UA VMS in this endeavor, and have demonstrated a willingness to commit to the requirements for continued participation in the program. We encourage entrepreneurs to clearly identify how their ventures are innovative, novel, and/or disruptive.

7. Venture Team

Each venture being mentored ordinarily has an Entrepreneur (who must fall under the category defined in (5), although other participants in the venture who do not meet this definition are welcome as secondary participants), a Lead Mentor (as described in (4)), and one or more additional Venture Team Mentors, to a maximum of six mentors. The composition of the mentorship team is expected to change as the venture grows and the expertise required by the entrepreneur shifts. In addition, in the early stages of entrepreneur participation in VMS, they will undergo one or more meetings with members of the VBA in order to determine readiness for mentorship and to assist in development of the “pitch” for the Mentor pool.

Principles of Governance

(a) During the Pilot phase, the Manager, with the guidance of VBA, will assess policies regarding operations and strategy for VMS, including modification of this document. Formal and informal reporting by the Manager to the Chair, VP Advancement, and AVP Alumni Relations, or other members of UA Senior Administration, will occur as required during this period to maintain oversight and address issues as they arise.

(b) Manager will make quarterly updates to the VBA regarding the status of operations of the UA VMS. As needed, additional or specific reports may be requested by the VBA. Information in the reports should contain, but is not limited to:

- Metrics on ventures and mentors in VMS (quantity, unmatched ventures, stage distribution of ventures)
- Metrics on mentorship experience (feedback from mentors and entrepreneurs) and plans to improve metrics
- Any operational or strategic issues requiring guidance from the VBA
- Summary of key learnings and modifications to service based on feedback
- Status of partnerships/collaborations that VMS is engaged in or is developing

(c) When a potential Mentor applies or is referred to the Manager, the Manager will perform reference checks, and/or other adequate analysis of background and experience, on each such applicant and provide this information to the VMS Chair. Mentors will be selected on a series of criteria, including but not limited to: mentorship experience and philosophy, availability, reputation, and ability to contribute to the growth of UA VMS through mentor and entrepreneur referrals. Approved mentors will sign a statement agreeing to be governed by the principles of the UA VMS.

(d) Entrepreneurs applying to VMS complete a questionnaire to provide basic information about the venture and themselves. The Manager and/or the Chair (or other VBA member or Mentor if Chair unavailable) will typically spend one to two hours with a potential entrepreneur, in the “First Meeting”, to understand the needs of the applicant, to discuss the available resources of the UA VMS. A potential outcome of this meeting is the entrepreneur being assigned with “homework” that they should complete before being considered ready for VMS mentorship. If they are found suitable, they will be advanced to the admissions panel interview for the next upcoming intake.

(e) Entrepreneurs are responsible for providing the UA VMS, to the best of their ability, accurate information regarding their ventures, including the status of any patents or activity surrounding intellectual property, and for identifying any current or potential claims against, or liabilities of, their business.

(f) All mentors will be made aware of new ventures seeking mentorship, and can self-identify as mentor matches to the VMS Manager and/or Chair. Alternatively, the Manager and/or Chair will review available mentors and identify prospective entrepreneur/mentor matches. Mentors are then contacted regarding the

desirability of forming a relationship, and mentors may decide whether to accept an assignment. Typically, each venture will maintain a lead mentor and at least one additional mentor to a maximum of six mentors. It is likely that during the lifecycle of a venture participating in VMS, mentors will cycle in and out as the needs of the venture mature.

(g) The Manager maintains confidential records on each potential entrepreneur who has requested services from the UA VMS. These records will contain information such as:

- Name, educational/work history
- Venture(s) brought to VMS and status (idea exploration, development, fundraising, etc.)
- Meeting reports submitted by entrepreneur; reports from lead mentors on entrepreneur and venture
- Mentors worked with
- Attendance and approximate amount of time spent

(h) The Manager will maintain confidential records on each mentor who has volunteered services to the UA VMS. These records will contain information such as:

- Name, educational/work history
- Identified areas of expertise
- Ventures/entrepreneurs worked with
- Attendance and approximate time spent with ventures

In addition, Mentor photos and bios will be placed on the UA VMS website. Mentors will have the opportunity to provide/approve bios and may choose to opt out of this if they desire.

(i) Scheduling of mentorship sessions will be done by the VMS Manager in cooperation with the mentors and entrepreneurs, as well as collection of information from mentors regarding the status of relationships with entrepreneurs, including the approximate amount of time being spent by those mentors.

(j) Following each mentorship session, the entrepreneur will be required to submit a meeting report to the VMS Manager, with an overview of the discussion, action items, and potential timeline for the next meeting. In addition, confidential feedback on the mentorship experience will be required, as well as periodic surveys. The specific requirements for this will be provided to the entrepreneur, and completion of these reports is a requirement for continued participation in the VMS program.

(k) VMS Mentors will be requested to provide feedback on their experience in the program, both after each mentorship session and in periodic surveys.

(l) The Manager, in cooperation with the Lead Mentor, will be responsible for ensuring that entrepreneurs are compliant with these reporting responsibilities. The Manager and Lead Mentor will be in regular contact to ensure the relationship between the entrepreneur and mentorship team is appropriate and the Statement of Principles is being followed.

(m) The VBA will respond to any request for re-assignment and to any complaint that a mentor has acted inappropriately, including repeatedly accepting responsibilities without proper expertise, offering inaccurate information or making referrals that are not constructive.

(n) A mentor shall not engage in any proposed financial, equity, or compensated business relationship (including employment) with an UA VMS entrepreneur or venture, or with a relationship with third parties that would create a potential conflict of interest with an UA VMS entrepreneur whom they assist or oversee, without first providing a memorandum to the VBA describing the nature and terms of any proposed relationship.

Similarly, before discussing any proposed financial, equity, or compensated business relationship with a mentored entrepreneur, the involved mentor first must advise the entrepreneur of the need for the mentor to recuse him/herself and of the need for the entrepreneur to seek independent advice regarding the proposed new relationship. The VBA may review and discuss the nature and terms of the proposed arrangements with the entrepreneur.

(o) Any mentor who enters into a business, financial, equity, or compensated relationship with an UA VMS entrepreneur whom they are mentoring must formally resign his or her position as UA VMS mentor to the entrepreneur and/or venture involved before entering into such a relationship. Requests to dissolve a mentorship relationship must be submitted to VBA, who will review and consider approval of such a request. UA VMS will, if appropriate, assign a new mentor to work with the entrepreneur.

(p) The UA VMS shall disassociate from any mentor or entrepreneur who fails to comply with procedures or to uphold appropriate standards, and will inform those involved in the UA VMS relationship with that person of the action of the UA VMS.

(q) The VBA Chair shall consult with the VBA on matters of conflict, policy, or oversight that cannot, or should not, be resolved among the Chair and Manager, such as matters concerning real or perceived conflict of interest or allegations of inappropriate behavior by a mentor or entrepreneur.

(r) The Chair and Manager report to the VBA regarding any real or perceived abuses of power or misuse of UA resources in connection with the UA VMS program by UA faculty, staff, or students.

(s) With UA VMS permission, UA VMS entrepreneurs may include the "University of Alberta Venture Mentoring Service" name in their written business plans or company descriptions, or mention the UA VMS in their written fundraising presentations. Names of individual mentors may be used if the individual mentor gives permission for such use.