

**NJ Accelerate Program**  
**Frequently Asked Questions**  
**May 5, 2025**

**SECTION I - FAQ FOR ACCELERATORS**

**General**

1. **Q) What are the benefits of becoming an approved Accelerator program participating in NJ Accelerate program?**  
**A)** Becoming an approved Accelerator under the NJ Accelerate program enables you to offer additional support to graduate companies. Eligible companies graduating from your program can access two benefits, namely:
  - Non-dilutive funding matching your investment up to \$250,000 via a convertible note; and
  - Grant dollars for rent support in New Jersey up to \$25,000 at approved coworking spaces or incubators in New Jersey.In addition, the Accelerator can access NJEDA sponsorship funds to hold events in New Jersey.
2. **Q) How do I apply to become an approved Accelerator?**  
**A)** In order to become an approved Accelerator, the first step is to review the eligibility criteria listed at <https://www.njeda.gov/njaccelerate/>. If you believe your Accelerator meets the criteria, please reach out to an Innovation Team Member by sending an email to: [innovation@njeda.gov](mailto:innovation@njeda.gov) to discuss the application process and obtain the online application link.
3. **Q) Are virtual Accelerators eligible for this program?**  
**A)** Maybe. An eligibility requirement for NJ Accelerate program is that an Accelerator must include an in-person aspect which allows for engagement and personal mentoring of cohort companies. The physical space used for in-person activities must be equipped to host events. Accelerators that are fully remote would not qualify.
4. **Q) Is this program open to Accelerator programs outside of New Jersey?**  
**A)** Yes, NJ Accelerate is open to any Accelerators that fit the eligibility requirements regardless of their location. This includes Accelerators located outside of the USA. However, the investment and rent benefit are for companies that graduated from approved Accelerator programs and are located in or locating in New Jersey.
5. **Q) Are foreign Accelerators eligible under the program?**  
**A)** Yes, foreign Accelerators may be eligible if they meet the program eligibility criteria. This includes providing financial investment in some form to at least one company per cohort.

6. **Q) Is an Accelerator program eligible for NJ Accelerate if it provides resources such as mentorship and training to participant companies, but it does not invest in companies?**

**A)** No, the Accelerator must provide financial investment to at least one participant company per cohort.

7. **Q) What are the requirements to become an approved Accelerator?**

**A)** The NJEDA will accept Accelerators that are considered “best-in-class” according to several requirements including:

- Graduated a minimum of two cohorts prior to application
- Well codified and rigorous screening process for applicants
- Structured curriculum
- Proven track record of success of prior graduates
- At least 50 actively engaged experts/mentors
- Minimum of 20 mentoring hours to the Accelerator participants.
- Provides financial investment to at least one participant per company per cohort.

For a full list of eligibility criteria please visit [www.njeda.com/njaccelerate/](http://www.njeda.com/njaccelerate/)

8. **Q) Are there sectors requirements for the Accelerator?**

**A)** NJ Accelerate requires that the Accelerator support innovation and have a consideration for, or a focus on, at least one of the “Targeted Industries” as identified by the NJEDA.

For a full list of NJEDA Targeted Industries please visit [www.njeda.com/njaccelerate/](http://www.njeda.com/njaccelerate/)

9. **Q) Is there a fee associated with applying to become an approved Accelerator?**

**A)** No, there are no fees associated with the NJ Accelerate application for an Accelerator.

10. **Q) Are there any obligations for the approved Accelerator?**

**A)** Becoming an approved Accelerator does not require any future financial obligation. However, the NJEDA requires annual reporting from the Accelerator which will be reviewed to confirm that eligibility criteria continue to be met by the Accelerator.

The Annual Audit Form can be found at: [www.njeda.com/njaccelerate/](http://www.njeda.com/njaccelerate/) under the “Apply to become an Approved Accelerator Program” section.

### **Events Benefit for Approved Accelerators**

1. **Q) What type of events are eligible for sponsorship benefit?**

**A)** Events must take place in New Jersey, have a minimum of 25 in-person attendees and allow for a presentation or speaking role from an NJEDA representative. Examples include but are not limited to demo days, company showcases, recruiting events, investor networking events.

2. **Q) What documentation is required for the event application?**

**A)** The Accelerator must provide:

- Event agenda and description, including the number of attendees expected

- Budget of expenses
- Confirmation that the NJEDA is given the opportunity to participate in the event as a speaker
- Valid New Jersey Tax Clearance Certificate
- The Accelerator must be compliant with the NJ Accelerate Annual Review.

The complete list of documents is provided at [www.njeda.com/njaccelerate/](http://www.njeda.com/njaccelerate/) under the Event Sponsorship Benefit section.

3. **Q) How do I apply for the sponsorship benefit?**

**A)** Event sponsorship applications need to be approved in advance of the event. To qualify, you must be an Accelerator approved for participation in the NJ Accelerate program. Complete applications for the Sponsorship benefit will be reviewed on a rolling basis, first-come first served. The application form is available at this link: [NJ-Accelerate Event-Sponsorship-Request-Form-fillable-10.23.pdf](#)

Please review all the eligibility requirements and documentation needed to apply at [NJ Accelerate - NJEDA](#) under the Event Sponsorship Benefit section.

4. **Q) How many events can be sponsored?**

**A)** The number of events is not pre-determined. The sponsorship benefit is for up to \$2,000 per programmatic event hosted in New Jersey by an approved Accelerator. Each approved Accelerator is capped at \$20,000 in total event sponsorship over the life of the NJ Accelerate program. Accelerators with a focus on diversity and inclusion might be eligible for an additional 5% bonus, for a maximum of \$2,100 per event or \$21,000 total.

5. **Q) Is there any restriction on the use of sponsorship funds?**

**A)** Yes. Funds can be used to cover costs related to catering, physical space and marketing.

Examples of eligible costs include:

- Event room set up
- Promotional material related to the event
- Speakers' fees
- Food and non-alcoholic beverages

6. **Q) Can you provide examples of eligible programmatic events?**

**A)** Examples of programmatic events include but are not limited to: the Accelerator's Demo Day, cohort road show, an in-person class, accelerator sourcing event or pitching competition, dedicated networking event or conference.

## **SECTION II - FAQ FOR COMPANIES**

### **General**

1. **Q) Where do I find information about approved Accelerators?**

**A)** Approved Accelerators are listed on the NJEDA website at: <https://www.njeda.gov/njaccelerate/>.

Please note that you can only apply for the NJ Accelerate Investment Loan and Rent Benefits if you

complete a program with one of the approved Accelerators. Graduation from or completion of an approved Accelerator program must be formally certified in writing by the Accelerator to the NJEDA. As we keep expanding our list, make sure to visit the website for updates.

2. **Q) How do I apply to participate in an approved Accelerator?**

**A)** Please visit the website of each approved Accelerator; for reference, they are linked on <https://www.njeda.gov/njaccelerate/>. Note that timing and application as well as selection criteria vary across Accelerators. Please review the eligibility criteria and application process of each Accelerator. Please note: NJEDA is not involved in their application process and has no role in selecting applicants for any of the Accelerator programs.

3. **Q) How do I prove that my company graduated from an approved Accelerator?**

**A)** The approved Accelerator issues NJEDA a formal graduation letter which certifies that you completed the approved program and provides the graduation date.

4. **Q) I have been accepted into an approved Accelerator. When can I apply for the matching NJ Accelerate Investment Loan or Rent Benefit?**

**A)** A company must receive investment from the approved Accelerator and complete the program, as certified by a graduation letter from the approved Accelerator, prior to submitting an application to the NJEDA. The application must also be submitted to the NJEDA within 6 months of the date of graduation certified by the Accelerator. In the case of the rent benefit for an Accelerator that provides its graduate companies with office space, a company can submit within 6 months of leaving the Accelerator's office.

5. **Q) Where can I find the NJ Accelerate Investment Loan Benefit application and the Rent Benefit application?**

**A)** Before you submit an application, please review the eligibility criteria and documents required by using the Qualification Checklists available at these links:

- [NJ-Accelerate-Investment-Loan-Benefit-Qualification-Checklist.pdf](#)
- [NJ-Accelerate-Rent-Benefit-Qualification-Checklist.pdf](#)

If you believe you meet all the requirements and have all the documents listed in the checklists, please reach out to [innovation@njeda.gov](mailto:innovation@njeda.gov) to discuss the application process and obtain the link to the online application.

6. **Q) Are there any fees associated with applying to the NJ Accelerate Investment Loan and Rent Benefits?**

**A)** There is a \$500 non-refundable fee for the NJ Accelerate Investment Loan Benefit application. There is no fee for the Rent Benefit application.

7. **Q) I am a founder of a graduate company of an approved Accelerator. However, my company is not incorporated in New Jersey. Can I apply for the NJ Accelerate Investment Loan and Rent Benefits?**

**A)** Yes. Your company can be incorporated in any State. However, the company must be registered to do business in New Jersey and be in good standing with the New Jersey Division of Taxation as certified by a current New Jersey Tax Clearance.

**8. Q) My company is pre-revenue. Can I apply?**

**A)** Yes, NJ Accelerate does not require your company to have revenue to qualify for the program.

**9. Q) My company operates in multiple locations. Can I apply?**

**A)** It depends. The Company must have a minimum of two founders/C-suite executives in New Jersey devoting 100% of their professional time to the company. In addition, the company must have at least 50% of its full-time workforce in New Jersey.

**10. Q) How does NJ Accelerate measure the number of workers in my company?**

**A)** NJ Accelerate requirements refer to full-time workforce and not employees. A “worker” for the purpose of program eligibility is a person who works full-time for the company and receives compensation. This could include employees compensated via W2 income, K1 gains and losses, 1099 payments or similar. A company is required to fill in a form with the list of workers, and additional information including status, job title, State of residence and primary work location. Additionally, a company will confirm job position, method of compensation, and time worked at the company through various forms of documentation, including (but not limited to) Form 1099, W2, K1, job descriptions and offer letters, as well as the NJWR30 or letters from a professional employer organization.

**11. Q) What happens if my company receives funding via NJ Accelerate and then relocates to another state?**

**A)** Relocation to another state during the term of your benefit would be an event of default and is not permitted. If the company relocates out of state, the benefit must be repaid to the NJEDA along with penalties, if any, in accordance with the terms of the agreement with the NJEDA. As with any event of default, your company would have a period of time to cure the default.

**12. Q) My company has just graduated from an approved Accelerator. We currently do not have two founders/C-suite executives in New Jersey but plan to expand soon. Will we still be eligible for the NJ Accelerate Investment Loan and Rent benefit?**

**A)** It depends. A company must meet all eligibility requirements and apply within 6 months of graduation.

**13. Q) Is a company without a physical office eligible under NJ Accelerate?**

**A)** A physical office space is not required, and virtual companies may be eligible for NJ Accelerate benefits. However, the NJEDA may require additional documentation, like proof of residence, to confirm the presence of two founders/C-suite executives and of at least 50% of the company workforce in New Jersey.

**14. Q) When must a requirement be met to be eligible for the related bonus?**

**A)** NJ Accelerate has bonuses related to diversity, equity, and inclusion practices. To be eligible to receive the associated bonus, the requirement must be met prior to an application submission. Obtaining a certification or establishing a policy after applying does not meet the requirement.

#### **NJ Accelerate Investment Loan Benefit**

1. **Q) My company has received investment from an approved Accelerator for \$100,000 in cash and \$150,000 in-kind. What would be the amount of the matching NJ Accelerate Investment Loan Benefit?**

**A)** NJ Accelerate matches only the cash portion of the investments received from the approved Accelerator, documented via bank statements. In-kind investments do not qualify for matching. In the example above the NJ Accelerate Investment Loan Benefit could match up to \$100,000.

2. **Q) My company graduated from an approved Accelerator. An investor unrelated to the Accelerator is investing in my company. Can their investment be matched by NJ Accelerate?**

**A)** No, only approved Accelerator program investments are eligible as match for a NJ Accelerate investment.

3. **Q) Would multiple investments from the approved Accelerator be considered as matching funds for the NJ Accelerate Investment Loan Benefit?**

**A)** Whether the approved Accelerator disburses the investment up front or in installments, NJ Accelerate matches the total in-cash amount received by the company from the approved Accelerator, up to \$250,000. Companies eligible for the diversity bonus can receive an additional 5% for a total of up to \$262,500.

4. **Q) What investment structure types from the approved Accelerator are eligible for the matching NJ Accelerate Investment Loan Benefit?**

**A)** The investment received from the Accelerator can be in the form of a SAFE, an equity investment, or a convertible note.

5. **Q) Which are the terms of the NJ Accelerate Investment Loan benefit?**

**A)** The benefit is awarded in the form of a convertible note with a 3% interest rate and 10- year maturity. Interest accrues and is capitalized annually. There are no payments for capital and interest for the first seven years. Beginning with month 85, principal plus interest payments will begin for the remaining three-year term to fully amortize the note and capitalized interest. In addition, the NJEDA will receive warrants with 10-year maturity worth 50% of the NJEDA's convertible note principal and will match the pricing on the Approved Accelerator's investment. Also, there are no prepayment penalties on the NJEDA's convertible note. Payments, including a full payoff, can be made at any time.

6. **Q) What are the terms for exercise pricing for the NJEDA's warrant?**

**A)** The exercise price of the warrant is derived from the pricing of the Accelerator's investment. If the Accelerator's investment is in the form of a SAFE, the exercise price of the warrant will be the price per share at which the SAFE will convert.

7. **Q) For what purpose can the NJ Accelerate Investment Loan benefit funds be used?**  
**A)** The funds can only be used for non-project specific working capital needs.
8. **Q) Does NJEDA's investment loan benefit have any prepayment penalties?**  
**A)** No, the recipients of a NJ Accelerate Investment Loan Benefit can repay the note (principal and accrued interest up to that point) at any time without any penalties. The warrant remains in effect until exercise or term expiration.
9. **Q) Are there any ongoing reporting requirements after closing an NJ Accelerate Investment Loan Benefit?**  
**A)** Yes, the Closing Documents list the annual reporting requirements. Examples include but are not limited to: Annual financial statements, State and federal tax returns, and an updated list of employees working for the company.

### **NJ Accelerate Rent Benefit**

1. **Q) What kind of office space is eligible for the NJ Accelerate Rent Benefit?**  
**A)** NJ Accelerate Rent Benefit is available to graduate companies from approved Accelerators only if they locate in one of the collaborative workspaces or incubators approved under NJ Accelerate. Please visit <https://www.njeda.gov/njaccelerate/> for a full list of approved collaborative workspaces.
2. **Q) What is an eligible start date for a lease?**  
**A)** There is no specific start date required for the lease. Eligible leases may include those entered into prior to or after graduation from the Approved Accelerator, as long as:
- i. The application is submitted within 6 months of the company's graduation date from the approved Accelerator program or within 6 months of the departure from the Accelerator space, if later; and
  - ii. The lease is in effect at the time of application. A lease is in effect if it is executed, the rent is still being paid, and the lease has not been relinquished, expired or terminated. The grant will only cover 50% of the rent of membership fees for the residual life of the lease, not to exceed 6 months and \$25,000. The maximum rent support increases to 7 months for a NJ certified woman or minority owned business.
3. **Q) Can multiple leases be combined into one NJ Accelerate Rent Benefit award?**  
**A)** Yes, if the multiple leases function as one lease, in effect. The leases that would be considered together for the one award are at the determination and discretion of the NJEDA. The following conditions should be met:
- Each lease should be for space in the same approved NJ Accelerate facility
  - Each lease should be to the same graduate company
  - Each lease has similar terms
4. **Q) Must the rent benefit be used for the company's first lease?**

**A)** No, a graduate company can use the rent benefit on a new lease, extension or renewal at a workspace approved for the NJ Accelerate program. The program does not have any rules that prevent a graduate company from having an office or using a collaborative workspace prior to applying for the NJ Accelerate rent benefit.

5. **Q) Is there a minimum duration of the lease to be eligible?**

**A)** No, there is no minimum or maximum duration of the lease or membership agreement, but the grant will cover 50% of the duration of your stay up to a maximum of 6 months. A bonus month is available to certified woman or minority owned businesses.

6. **Q) My company graduated from an Approved Accelerator 7 months ago. Can I still apply for rent support?**

**A)** A company must apply within 6 months of graduation, or within 6 months of leaving the Accelerator's office, if the Accelerator provided physical space to their participant companies.

7. **Q) If I qualify for NJ Accelerate, would my company be disqualified for other NJEDA programs currently or in the future?**

**A)** A company can qualify for multiple programs and use them either simultaneously or in a staggered fashion. Please be advised that eligibility requirements differ across NJEDA financing and incentive programs. Meeting the eligibility criteria for NJ Accelerate does not make you automatically eligible for other programs. Also, some programs may have features to prevent duplication of benefits.

### **SECTION III - FAQ FOR NEW JERSEY COWORKING SPACES AND INCUBATORS**

1. **Q) What type of coworking spaces can be approved under NJ Accelerate?**

**A)** The coworking space or incubator must be located in New Jersey. A collaborative workspace means a business facility developed to provide flexible workspaces for early-stage innovation economy businesses. The facility is designed to encourage community and collaboration via community events and shared workplace accommodations including, but not limited to, conference rooms, desks, offices, kitchens and makerspaces. For a complete list of eligibility requirements please visit <https://www.njeda.gov/njaccelerate/> under the application section "Apply to become an approved co-working space".

2. **Q) My company is a coworking space that previously participated in the NJ Ignite program. What is the difference between NJ Accelerate and NJ Ignite?**

**A)** There are three main differences:

- a. With the NJ Accelerate Rent Benefit, the approved coworking space does not forego any portion of rent.
- b. NJ Accelerate Rent Benefit is open exclusively to companies graduating from approved Accelerators



- c. Under NJ Accelerate the company will apply directly to the NJEDA for the Rent Benefit and the grant will be disbursed directly to the company. The coworking space doesn't participate in the process.

Note that if your coworking space was approved under the NJ Ignite program and compliant with the NJ Ignite Annual Review, you are automatically approved as NJ Accelerate coworking space. If you did not comply with the annual review or withdrew from NJ Ignite, you will need to submit a new application to be approved under the NJ Accelerate program. Please reach out to [innovation@njeda.gov](mailto:innovation@njeda.gov) to discuss the application process with the Innovation Product Team.