


Case study Rebecca Web Agency

A Deep Tech Startup Backed by an Incubator in Milan

Highlights

- Type:  Simulated case study
- Country: Italy
- Project type: Deep tech startup
- Team size: 2 co-founders
- Associates: Incubator + co-founders
- Legal structure: Subaccount under an incubator's legal entity

Summary

Orbital is a Milan-based deep tech startup founded by two aerospace engineers, Giorgio and Roberto, and incubated at Nova Labs. With limited early funding, they leveraged the FlexUp platform to structure their project under Nova Labs' legal entity, setting clear governance rules and a flexible remuneration system. This allowed them to formalize commitments, align incentives, and track equity transparently through tokens, all while avoiding heavy legal and administrative overhead.

Using FlexUp's framework, Giorgio and Roberto could adapt their remuneration: Giorgio reinvested his entire compensation as credit, while Roberto opted for partial cash to cover living costs. This flexibility ensured fairness despite different personal circumstances. As the startup advances toward grants and private investment, they are now ready to convert their subaccount into a standalone legal entity—securing full ownership of their company with just a few clicks.

Context

Lorenzo is the CEO of Nova Labs, a hardware innovation incubator based in Milan, Italy. One of the projects hosted by the incubator is Orbital, a new startup developing high-precision orbital sensors. Orbital was founded by Giorgio and Roberto, two aerospace engineers with research backgrounds and a bold vision for transforming Earth observation.

While the project has strong technological potential, it is still at the prototype stage and has limited funding. Nova Labs believes in the team's capacity and decides to incubate Orbital under its structure, using FlexUp to formalize the collaboration and ensure transparency and alignment between all parties while keeping the admin paperwork to a minimum.

Giorgio and Roberto are not yet salaried but are dedicating most of their time to the venture. Lorenzo wants to ensure they are fairly rewarded for their efforts, even in this early, pre-revenue phase.

Deal structure

The project is set up in the FlexUp app as the Orbital account, a subaccount under the Nova Labs Incubator account, which is the main Legal Entity. A FlexUp Charter is created for the Orbital project, setting out the governance and financial rules under the FlexUp Economic Model.

Participants:

- Nova Labs Incubator: Incubation support and initial funding (10,000 €).

- Giorgio Co-Founder: Software engineering and business development.
- Roberto Co-Founder: Electrical engineering and operations.

Remuneration & Commitments:

- Each co-founder agrees to a monthly compensation of 5,000 €.
- Giorgio still lives with his parents, so he does not need money right now. He decides to invest 100% of his remuneration in the project (100% Credit).
- Roberto needs to some money to pay for rent, so the parties agree on this remuneration structure:
 - 1,500 € paid in cash (30% Flex),
 - 3,500 € invested in the project (70% Credit).

Nova Labs provides 10,000 € of initial funding, plus the various services offered by the incubator (offices, lab space and equipment, administrative support, legal hosting). All is invested in Orbital (100% Credit).

This initial cash injection should cover Roberto's firm remuneration for the next 4 months, as well as the expected ~1000 €/month of external costs. A follow up investment of 30,000 € is expected if the team has some things to show for by then end of month 4, which would give them another 12 months of runway at that rate.

Payment structure, risk and tokens

Payment priorities are structured as follows:

- Firm remuneration tranches must be paid monthly in all cases, regardless of profitability – otherwise, the project is in default.
- Credit remuneration tranches are not paid out monthly – instead, they are reinvested into the project and paid back later if surplus cash is available at the end of the year.

Remuneration invested as credit involves a high level of financial risk, since we don't know when that money will actually be paid. In the FlexUp model, we assign a flat-rate risk factor of 80% for credit.

To compensate, each associate receives a number of tokens whose nominal value is equal to the calculated risk. For example, 1,000 € of credits has a risk value of $1,000 \text{ €} \times 80\% = 800 \text{ €}$. If the token index is 10 €/token, you would get 80 tokens.

Tokens grant voting rights and a share of any profit distributions.

Outcome

By structuring the venture using FlexUp:

- The co-founders can work full-time on Orbital with confidence that their work is tracked and valued, even without immediate salary, and without having to worry about administrative paperwork.
- The incubator's contributions are formalized and transparent, based on the actual value of the funds and services provided. This creates trust and alignment with the startup's success.
- The team benefits from a clear governance model and the ability to attract future partners and funders into a professional, equitable framework.
- As Orbital begins applying for European grants and seeking private funding, its structured setup under FlexUp becomes a strong asset, showcasing professionalism, transparency, and alignment between founders and investors.

As subsidies and investments come in, Giorgio and Roberto will be able to create a dedicated legal structure and seamlessly convert their Orbital subaccount into a legal entity account — all with just a few clicks within the FlexUp app. This allows them to take full legal ownership of their startup without disrupting operations or changing their governance model, and again with minimal paperwork.

Conclusion

The Orbital case shows how FlexUp removes one of the biggest early-stage headaches: deciding “who gets how much equity.” Instead of debating or guessing up front, the three associates could start working immediately, with contributions logged and rewarded in real time. This avoided the common situation where, six months later, founders discover their equity split no longer reflects reality. For Nova Labs as the incubator, FlexUp also meant avoiding the typical blanket “10% equity” deal for unclear support. Instead, the incubator’s share was based only on its actual, measured contributions — ensuring fairness, transparency, and trust across the board.

And the best part? All of this was set up directly from their mobile phones — no lawyers, paperwork, or new company registration required. Using the FlexUp app and its solid, standardized legal framework, the founders could launch their project “out of the box,” without spending months negotiating shareholder agreements or drafting custom contracts.

Explore further

-  Read the full story in our blog – [Orbital - Deep tech startup](#)
-  Log into our demo site to view this use case in the FlexUp app:
 - Link: demo.flexup.app/login
 - Email: obital@example.com
 - Password: **demo**

Discover other use cases

- [Rebecca Web Agency](#)
- [Café Alphonse](#)