

## Official Rules for the “FoodTech Acceleration Program”

### 1. Definitions

In this Official Rules, unless the context otherwise requires, the following words and expressions shall have the meanings hereby assigned to them:

“Advisor” or collectively “Advisors”	Expert in a specific sector that will provide their support to the Program
“Application” or collectively “Applications”	The process for applying to participate in the Program
“Call”	The process used to recruit and select the startup
“Corporate Promoters”	<ul style="list-style-type: none"> <li>• Gesco Società Cooperative Agricola, a cooperative company with limited liability by shares incorporated under the Italian law, with registered office in San Vittore di Cesena (FC), Via Del Rio 400, registered with the Forlì-Cesena Company Register under no. 02522130406</li> <li>• Cereal Docks S.p.A., a corporation incorporated under the Italian law, with registered office in Camisano Vicentino (VI), Via dell’Innovazione 1, registered with the Vicenza Company Register under no. 02218040240</li> <li>• Finiper S.p.A., a joint stock company incorporated under the Italian law, with registered office in Milan, Via Amilcare Ponchielli 7, registered with the Milan Company Register under no. 01449850153</li> </ul>
“Evaluation Panel”	For the purpose of these Official Rules the Innovation Team, the Technical Evaluation Committee and the Full Committee are hereinafter (individually and together) defined as the “Evaluation Panel”. Evaluation Panel is formed by permanent and temporary members. Temporary members will be appointed to a so called Advisory Board, time by time according to the Projects’ characteristics
“Full Committee”	The board composed by the Innovation Team, the Technical Evaluation Committee and the Corporate Promoters representatives
“Innovation Team”	The valuation committee comprised of OI team members, who take part in the process of evaluating the Projects
“Investment Agreement”	The contract setting forth the terms & conditions under which the Investor Promoters shall acquire a portion of the equity of the company, owner of the Selected Project
“Investor Promoters”	<ul style="list-style-type: none"> <li>• Gesco Società Cooperative Agricola, a cooperative company with limited liability by shares incorporated under the Italian law, with registered office in San Vittore di Cesena (FC), Via Del Rio 400, registered with the Forlì-Cesena Company Register under no. 02522130406</li> <li>• Cereal Docks S.p.A., a company limited by shares incorporated under the Italian law, with registered office in Camisano Vicentino (VI), Via dell’Innovazione 1, registered with the Vicenza Company Register under no. 02218040240</li> <li>• Digital Magics S.p.A., a company limited by shares incorporated under Italian law, with registered office in Milan, Via Bernardo Quaranta 40,</li> </ul>

	registered with the Milan Company Register under no. 04066730963
"OI"	Officine Innovazione S.r.l., a company limited by guarantee, incorporated under Italian law, with registered office in Milan, Via Tortona 25, registered with the Milan Company Register under no. 10230520966
"Participant" or collectively "Participants"	Italian or foreign companies, and individuals (18 years of age and above) that will apply to the Call
"Program"	The 15-week accelerator program, managed by OI, the Corporate Promoters and the Supporting Promoters to improve the business of the Selected Projects
"Project" or collectively "Projects"	Individual or collaborative enterprise idea(s)/solution(s) that is planned to satisfy a market need or a market problem
"Promoters"	Corporate Promoters, Supporting Promoters
"Seed Investment"	The equity investment of €20,000.00 from the Investor Promoters in order to acquire 6% of the companys' shares that own the Selected Projects
"Selected Project" or collectively "Selected Projects"	Project that successfully passes the valuation phase and participates in the Program
"Supporting Promoters"	<ul style="list-style-type: none"> <li>• Innogest SGR S.p.A., a joint stock company incorporated under Italian law, with registered office in Torino, Corso Galileo Ferraris 64, registered with the Turin Company Register under no. 09050910018 ("Innogest SGR")</li> <li>• Digital Magics S.p.A., a joint stock company incorporated under Italian law, with registered office in Milan, Via Bernardo Quaranta 40, registered with the Milan Company Register under no. 04066730963</li> </ul>
"Technical Evaluation Committee"	The evaluation committee comprised by the Supporting Promoters team members
"Website"	The on-line platform where the Participants submit the information regarding their Project

## 2. Introduction

The "FoodTech Accelerator" is organized and managed by Officine Innovazione S.r.l., a company limited by guarantee, incorporated under Italian law, with a registered office in Milan, Via Tortona 25. It is registered with the Milan Company Register under no. 10230520966, in collaboration with the Promoters.

These Official Rules apply to the Participants described in Chapter 3.

In order to be selected to take part in the Program, Participants shall not pay any amount or purchase any good.

### 2.1 Program Objective

The Program aims at empowering innovation and entrepreneurial ecosystem in both the agri-food and retail sectors. The Program objective is to find startups that can provide innovative solutions that meet the needs of the Corporate Promoters, improve their core business and potentially create the new businesses for the future.

The Program is also aimed at encouraging and accelerating the development and growth of Selected Projects. It includes the provision of services to Selected Projects, inter alia provided by OI, together with the Promoters and their differentiated expertise.

**Corporate Promoters** are Italian leading companies in the agri-food and retail sectors. Corporate Promoters support the Selected Projects with the aims of speeding up process of going to market, and to develop ad-hoc

solutions for their business. They contribute to the Program participating to the Evaluation Panel and providing mentors that will help the development of the startups.

**Supporting Promoters** are leading Italian investors in the startup ecosystem that support the Selected Projects with mentorship activities thanks to their expertise.

**Investor Promoters** are both Italian industrial Companies and professional investors that will participate in the FoodTech Accelerator program supporting the Selected Projects, with mentorship activities and direct investments into the Selected Projects.

The Selected Projects could gain an unprecedented access to corporate resources and can be effectively supported for the customer identification and acquisition. This is a real go-to-market "fast-track" option where the successful projects can be immediately included for further cooperation and/or integration within the Corporate Promoters.

The startups will be selected with a structured process described in these Official Rules.

In order to participate to the Program the teams have to submit their Application on the official Website, by clicking on the apply tab and filling in all the mandatory information required before August 26<sup>th</sup>, 2018.

From September 1<sup>st</sup>, 2018 to November 5<sup>th</sup>, 2018 Applications will be reviewed from a panel of experts who will determine the Selected Projects.

The Program will be held in Milan for a duration of 15 weeks, starting from January 2019.

The Selected Projects who accept and sign the conditions of the Program will receive an economic contribution of €20,000.00 (twenty thousand euro) in exchange of up to 6% of the equity of the company that owns the Selected Projects and the following services, estimated in €50,000.00 (fifty thousand euro):

- Office spaces;
- Mentorship for the development of the project;
- Training sessions in order to speed-up the development of the project;
- Dedicated consulting services provided by OI;
- Participation in networking initiatives with national and international stakeholders.

Services will be enjoyed by the Selected Projects for the entire duration of the Program and the economic contribution is invested by the Investor Promoters at the beginning of the Program for Selected Projects' development purposes.

The Call will be eligible to Projects with particular focus on the following areas:

- **Circular economy:** promote a regenerative model of the food chain, mainly focusing on sharing economy, food waste and sustainable packaging;
- **AgriTech:** the use of technology in agriculture, horticulture, and aquaculture with the aim of improving yield, efficiency, and profitability. AgriTech can be identified in precision farming, animal health, vertical and indoor farming and clean commodities;
- **Omnichannel:** a cross-channel business model that companies use to improve their user experience. It includes customer engagement & smart packaging, digital experience and digital native brands;
- **Alternative ingredients:** exploration of new ingredients and new ways of eating. In these area you can be focused on plant based proteins, in vitro cell culture as well as novel and superfood;
- **Quality and traceability:** implementing these two factors is possible to increase the food quality, plant quality and food quality;
- **Delivery revolution:** alternative and more sustainable ways to deliver food, supported by digital restaurants, new delivery vehicles, direct to consumer & meal kit;
- **Healthy lifestyle:** innovation is helping us live longer, live stronger, and live better also thanks to precision nutrition & coaching, meal replacement and food supplements.

The Program does not qualify as a "prize event" (*concorso a premi*), as governed by Italian Decree no. 43/2001. The Program falls within exclusion from prize events provided by art. 6, co. 1, lett. a) of the Italian Decree no. 43/2001 ("It is not considered rewards competition and rewards program, the competition addressed to the creation of literary, artistic or scientific works, as well as to the presentation of projects or studies in commercial or industrial fields, in which the awarding of the prize to the author of the selected work is considered the compensation for the performance of work (*corrispettivo della prestazione d'opera*) or represents the recognition of personal merit or a title of encouragement in the interest of the community").

### 3. Who may participate

The Call is eligible for:

- a) Italian and foreign companies limited by guarantees (società a responsabilità limitata) or limited by shares (società per azioni)
- b) Adult individuals (of 18 years of age and above), provided that such individuals will incorporate a company, within 30 days after the communication of the assignment of the call.

Moreover, the Investment Agreement will be signed by Investor Promoters, Innogest SGR and the following Selected Projects:

- a) Limited liability companies incorporated in Italy or abroad, or
- b) Companies limited by shares incorporated in Italy or abroad.

By submitting the Application, individual Participants undertake to set up a company within 30 days from the notification that they have been chosen as Selected Projects.

The Investment Agreement will be signed only with the company that the individual Participants shall set up.

### 4. How to participate

Projects can be submitted from May 8<sup>th</sup>, 2018 to August 26<sup>th</sup>, 2018.

To participate in the Call, Participants have to login into the **www.foodtechaccelerator.it** Website and expressly accept these Official Rules before proceeding.

Projects sent via other channel will not be admitted. Applications that are not complete with all the information required by the online procedure or that are submitted after August 26<sup>th</sup> 2018 will be excluded from the Call.

For the Application, the Participants will submit the following documents, which are explained in the official application format, such as:

- Presentation of the Project in PowerPoint or pdf format, including the following information:
  - description of the idea, market size, team, competitive scenario, product / service development roadmap, and the main economics with main numbers if available;
- Shareholder structure (e.g. Captable);
- Video presentation of the Project.

For any difficulties in accessing the Website or uploading an Application, please contact the OI Innovation Team at [contact@foodtechaccelerator.it](mailto:contact@foodtechaccelerator.it).

### 5. Evaluation of the Application

The evaluation of the Projects is carried out through different phases and in particular the Call is divided by:

- 1. Project Proposal;**
- 2. Evaluation and selection of the Selected Projects.**

#### 5.1 Project Proposal – Phase 1

Dates: 08/05/2018, 09:00 AM – 31/08/2018, 11:59 PM

The objective of Phase 1 is to gather innovative ideas and solutions related to Program objective to select the Projects that have the highest matching with the requirements of the Call.

In Phase 1, Participant can submit his/her innovative ideas and/or solutions. In order to submit the Project, Participant must subscribe to the Website, click on the "Apply" tab on the navigation bar, create the Project profile, fill the form and then click "Apply". The form contains:

- A description of the team;
- A brief description of the company;
- A brief description of the needs and the problem the Project wants to solve;
- A brief description of the product;
- A description of the innovative elements of the product/service;

- Intellectual Property status, if applicable;
- Competitive landscape
- The potential fields of application;
- Main achievements in terms of revenues and KPIs;
- Mandatory attachments: pitch and the captable;
- Optional attachments: Business Plan (Excel format) and video.

## 5.2 Valuation and selection of the Selected Projects – Phase 2

Dates: 01/09/2018, 09:00 AM – 05/11/2018, 11:59 PM

According to the criteria set out below in the "Assessment" section, the evaluation of the Projects will be based on Technical criteria, Corporate Promoters objective and Trend matching criteria

In any case, the evaluation of the Projects will be carried out with the discretion of OI and the Promoters.

### Assessment:

Each Participant's Application will be evaluated by the Evaluation Panel, in its sole discretion, based on the criteria described below:

#### 1. Technical criteria:

- **Team:** assessment on the key members and their commitment to pursue the development of the product/solution;
- **Product:** degree to which the product/solution is innovative, disruptive, or creates new markets; the stage of development of the product/solution, degree to which the product/solution is feasible and viable in legal and technological terms;
- **Market:** attractiveness level of the product/solution in the reference market, growth of the reference market
- **Business Model:** level of scalability and sustainability;
- **Economics:** potential financial/economical attractiveness of product/solution;
- **Growth:** potential to increase main economic units exponentially;

2. **Corporate Objective criteria:** degree of Projects attractiveness related to Corporate Promoters objective, as set out in Article 2 Program's Objectives;

3. **Trend matching criteria:** degree of matching between Corporate Objective criteria and the areas identified and described in Article 2.

The Technical Evaluation Committee, The Innovation Team and the Full Committee will be set up and selected to evaluate the Projects on a case by case scenario.

Internal or, in case, external experts, could be involved in the Call in order to provide support and expertise to the Evaluation Panel.

The Evaluation Method during the Call will be carried out with desk reviews, interviews and one-to-one meetings.

The Selected Projects will be chosen by the Evaluation Panel in their sole discretion and its decisions are final and binding on all matters.

The Evaluation Method, Assessment and Evaluation Panel may vary on a case by case scenario.

### Selected Project Notification:

Participants that are the Selected Projects of the Call will be announced sometime after Phase 2 (the "**Announcement**").

Selected Projects of the Call may be required to sign additional documents needed by OI and/or Promoters which, if requested, must be received fully-executed within seven (7) days from OI's and/or Promoters' request otherwise the Selected Projects may be disqualified.

In case of the Selected Project is not compliant with these Official Rules, or has failed to execute and return any required documents within the specified time period, or has made false statements in any document required by OI and/or the Promoters, then such Selected Project will be disqualified and required to promptly return to the Investor Promoter the **Seed Investment**.

If a Selected Project is disqualified for any reason, at OI's discretion, another participant may be declared the alternative Selected Project.

## **6. Contributions and services to Participants**

By submitting the Application, each Participant acknowledges and agrees that it shall enter into:

- a) A **Letter of Intent** (hereafter "LOI") with the Investor Promoters and Innogest SGR;
- b) An **Investment Agreement** with the Investor Promoters and Innogest SGR.

By submitting the Application, the Participants acknowledge and agree that the Investment Agreement executed with the Investor Promoters and Innogest SGR will contain at least the following provisions:

- a) 12 months duration, and may include further provisions that the Promoters and/or OI and/or Innogest SGR will disclose during the Program;
- b) The Selected Projects will receive an all-inclusive economic contribution of €20,000.00 (twenty thousand euro) which will be paid, at the signing of the Investment Agreement by the Corporate Promoters by the end of the first month of the Program ("one off payment");
- c) Each Selected Project of the Call acknowledges and accepts that up to 6% of its capital shall be acquired by the Investor Promoters (each Investor Promoter shall acquire a pro rata portion up to 6% of the Participant's capital) in return for the Seed Investment;
- d) The Selected Projects consent to issue convertible debt instruments, mainly in favor of the Promoters up to €250,000.00 (two hundred and fifty thousand euro) for each Promoter.

Moreover, participating at the Program, each Selected Project will be granted with services valued €50,000.00 (fifty thousand euro), in particular:

- a) Free co-working space for the duration of the Program;
- b) Weekly lectures and keynotes held by Advisors, Corporate Promoters, Business Angels and Technology Experts on various topics;
- c) Dedicated advisory services from OI, Promoters and Advisors to build, develop, verify and implement the business of Selected Projects day after day;
- d) Access to the Demo Day on May 2019.

Notwithstanding the provisions of the Investment Agreement, each Selected Project must keep track of its expenses in a timely and accurate manner throughout the Program, and undertakes to spend the resources received only to cover the costs and expenses for the work performed during the Program and/or activities related to the development of the business, according to the KPIs/metrics defined during the Program.

OI have the right to verify these expenses at any time and, in the event of any anomaly detected, OI has the right to act in order to protect the performance of the Program.

In particular, the Selected Projects cannot use the Seed Investment to cover previous losses while participating to the Program.

## **7. Attendance and Participation to the Call**

At least 70% of the sessions must be attended by two members of each Selected Project, otherwise attendance to the Demo Day will not be granted.

A minimum effort of 20 hours per week for business development, project management and development is necessary to obtain the best results during the Program. If a Selected Project knows in advance that a member of the team is going to miss more than 30% of session, this Selected Project must inform OI upfront in order to discuss how to proceed within the Program.

## **8. Program overview**

An intensive 15-week program that provides all the fundamentals to effectively manage a start-up and to build a successful business.

The program will mainly deal with the three most important phases related to the development of a successful business: Business Model Consolidation, Validation & Prototyping and Fundraising & Go-to-Market. Thanks to the Program, teams will be able to gain substantial competences in technological, design, managerial, organizational and financial field through various sessions that culminate in an Investor Day.

## 8.1 The Collaborative Approach of the Program

This dynamic Program helps start-ups to pursue an accelerated path of growth and improvement through a Collaborative approach based on Progress Sharing. During all the Program each team will present to members of OI, Promoters and their peers a presentation that will include all the progress made since the last session.

Collaboration between teams is expected and strongly encouraged. Sharing experiences and competences with other teams surely adds value to own progress, especially if other teams have overcome same challenges already.

### Program Deliverables

At the end of the Program, each team will be supported for the purposes of creating the following deliverables:

- A **Minimum Viable Product (MVP)** or a *tested MVP with clients*, which is a prototype that captures the minimum functionalities appreciated by customers;
- An effective **Business Plan**, a written document that describes how the start-up will achieve its goals;
- A brief **Investor Deck**, used to give a quick overview of a start-up's business in order to effectively present the project to potential investors;
- An **Impressive Pitch**, the proper convincing presentation in order to effectively communicate the most relevant information that investors are looking for.

## 9. Guarantees and indemnity of the Participants

Each Participant represents and warrants that the Project:

- is an original work, on which the Participant has the relative rights of intellectual property and economic exploitation;
- determines no infringement of any third parties intellectual property right, in particular but with no limitation to: the Project does not contain any trademark, logo or other element protected by any third party intellectual and/or industrial property right or copyright, or that, where rights of third parties exist, the Participant has previously provided all the necessary authorizations and licenses from the relative holder;
- does not violate other rights of third parties, including, inter alia, patents, industrial secrets, rights from contracts or licenses, rights of publicity or rights related to privacy, moral rights or any other right worth of protection;
- does not constitute the object of a contract with third parties;
- does not contain any defamatory content, representation, outrageous consideration or any other content that could damage the name, honor or reputation of the Promoters, Advisors and OI or any other person or company;
- does not contain any pornographic or sexual content, or content of a discriminatory nature in any way (specifically including discrimination based on race, sex, sexual orientation, religion and / or political beliefs of individuals or groups), nor content that promotes violence or injury to any living thing or any other offensive, obscene or inappropriate content;
- contains no threat or content intended to intimidate, harass, or mistreat a person's private life;
- does not constitute a violation of applicable laws and does not contain content that encourages unlawful conduct.

The Participants expressly declare for themselves and their assignees to indemnify and hold harmless OI, Promoters and Advisors from any claim, claim for damages or request for damages made by any third party, for the violation of one of the provisions included in the previous article 9.

## 10. Intellectual property relating to the Project

The intellectual and industrial property of the Projects is fully owned by the Participants. Each Participant assumes the responsibility for the protection of the inventive and/or original aspects of the Projects.

## 11. Processing of personal data

The personal data provided to participate in the Program will be processed by the Promoters and OI for the organization of the Program, registration and selection of Participants and any other activity necessary exclusively for the purposes of running the Program and in compliance with applicable legislation (in particular with EU General Data Protection Regulation 2016/679).

## 12. General Conditions

OI reserves the right to involve additional Promoters, indicated in Article 1.

In this case, upon communication of the new names on the Website of the Program, any obligation and/or right

the Promoters will be extended to and / or in favor of the new Promoters.

The Promoters and OI reserves the right to cancel, modify or suspend, in whole or in part and at any time, the Program, as well as any of its contents, appearance or selective criteria, or to select a number of Participants or Selected Projects lower than what initially intended, upon their sole discretion and upon notice on the Program's website. Should the suspension or the exclusion from the Program be related to one or some Participants only, notice shall be given via registered letter or certified email (*PEC*).

The Promoters and the Investor Promoters may transfer or assign any right or obligation resulting from the Program and / or from these Official Rules to any company belonging to the Promoters or Promoters portfolio.

The Promoters have the right, at any time, upon their sole discretion, to exclude from the Program any Participant which: a) attempts to tamper with the registration process or the operation of the Program; b) acts in violation of these Official Rules; c) behaves in an inappropriate, unsportsmanlike manner and contrary to the interest of a serene and correct development of the Program.

The Application of the Project, the selection and the Call award of Selected Projects do not represent an offer or contract of work with the Promoters and/or OI.

Each Participant acknowledges that in no event OI shall be responsible for acts or omissions of the Promoters as stated by these Official Rules. Each Participant undertake not to make any claim, or to sue, institute or otherwise participate in any legal proceeding (also with respect to proceedings commenced by third parties), directly or indirectly, against OI.

### **13. Accuracy of the information**

Participants shall ensure that all information, data and, more generally, any other material provided to OI and the Promoters in the Application and / or at any other stage of the Program, is accurate, correct, truthful and complete. Participants therefore assume full and exclusive responsibility for any violation of the above declaration.

### **14. Duration**

Unless otherwise provided in these Official Rules, the obligations included in the Official Rules will become effective upon presentation of the Application and will remain in force until the end of the Program.

### **15. Applicable law and jurisdiction**

These Official Rules and any rights and obligations thereto, are governed by Italian law. The Court of Milan shall have exclusive jurisdiction over all disputes that may arise in relation to these Official Rules.