

TERMS AND REQUIREMENTS CHILEGLOBAL ANGELS

“Inventing the Future”

1. Background

Chile, as host economy of the APEC forum, has mandated Fundación Chile and ABAC to develop the "Inventing the Future" call which culminates in the SME Summit of SME's (small and medium enterprises) and Entrepreneurs to be held in Santiago on November 14, 2019. The call, which starts on August 12, 2019 and closes on September 29, 2019, seeks to convene startups and suppliers with innovative solutions in the areas of digitization and circular economy.

Funding Lines

On behalf of Fundación Chile, the Startups will have the possibility to apply for the following funding lines of the ChileGlobal Ventures platform:

- Accelerator: SSAF-I Fund
- Angels Investors Network
- Private Investment Fund (CLIN)

ChileGlobal Ventures' (Fundación Chile's venture capital area) mission is to add value to the development of new business ideas and technological or innovative early stage companies, enhancing them to be successful in their launch into the domestic market and, ultimately, international markets. Fundación Chile's venture capital trajectory has created more than 70 companies since 1976. In recent years, the objective has shifted into supporting startups, by catalyzing energy and ideas of external entrepreneurs towards Fundación Chile. They seek to promote innovation and entrepreneurship in Chile to accelerate economic development and increase the well-being and prosperity of the country.

Among ChileGlobal Ventures' initiatives, there's the Angel Investors Network.

The focus of the network is to invest in innovative companies at an early stage, with high growth potential, and a multidisciplinary team with plans to scale globally. The network is comprised of angel investors, family offices, investment funds and corporate ventures.

Sponsor Challenges

In an independent and parallel way, without application of the restrictions associated to the funding lines, the sponsors of the call; Entel and CMPC are in search of startups and suppliers, national or international, that can develop, adapt or apply in the short term innovative solutions of impact that can solve the following challenges:

- Entel: Searches for digitalization of small and medium enterprises through startups and entrepreneurs with technological solutions to facilitate the digitalization of SMEs in Chile.

- CMPC: Inquires into circular solutions for the pulp and paper industry through startups and suppliers that have innovative solutions to add sustainable value to their pulp, packaging & tissue products.

Entel and CMPC reserve the right to hold meetings parallel to this process, in order to select under their criteria, the winners for their challenges. The winners of the Entel challenge will have the opportunity to be part of the digital solutions Marketplace for their SME customers, and for CMPC the opportunity to become one of its suppliers.

ABAC Singapore Award – SME Summit 2019

The six best projects chosen by Fundación Chile, CMPC and Entel, regardless of the winners of the founding lines and the challenges mentioned above, may participate in the APEC SME Summit 2019 event and make their Pitch to be part of the three winners of the ABAC Singapore award, which includes a ticket from their country of origin to the Singapore Roadshow, a five-day instance where they will participate in meetings with local venture capital institutions in one of the most developed entrepreneurial ecosystems in Asia Pacific.

2. Objective

2.1 Fundación Chile, through ChileGlobal Ventures, in its eagerness to promote and strengthen innovative initiatives with a potentially high beneficial impact for the country and the region, makes a public call to participate in the application process to the angel investors network (hereinafter the "Application").

2.2 Any Chilean or foreign legal entity that complies with the requirements described in point 3 of these Terms and that is carrying out projects, innovations and/or solutions in Chile whose objective is the development of a dynamic¹ company (hereinafter the "Project") in the areas indicated in point 6 of these Terms, will be invited to apply.

2.3 The Call's objective is to select Projects that -in Fundación Chile's exclusive judgment- are the most suitable for the investors network.

3. Eligible candidates

3.1. National or foreign for-profit legal entities interested in carrying out an "Innovation Entrepreneurship" in Chile or that have operations abroad and are interested in starting their operations in Chile, may participate in the call.

3.2. The "Inventing the Future" call will admit both individual and team participation. Teams must select, from amongst their members, a single representative, who will act

¹ A dynamic company or enterprise is understood to be that with a high growth potential, meaning that in the third year after its formalization they have the capacity to generate sales of their products or services in the order of one million dollars per year and can increase the volume of their sales at rates higher than 20% per year. In other words, businesses that can double their income every 3 or 4 years.

as leader of the Nomination (hereinafter, the "Applicant"). The leader of the entrepreneurial team may be a member of only one application.

3.3. Teams will participate in this call by submitting their innovation and/or high impact ventures (hereinafter the "Project") to evaluation. The following projects will be automatically excluded from this call:

- (i) Its impact (or value to the client) is generated exclusively through the provision of personalized consulting services.
- (ii) Innovation sub-projects of already established companies.
- (iii) Real estate development projects or those whose business potential is based on the development of real estate.
- (iv) Its innovation is based on the creation of new financial instruments.

3.4. For a project to be eligible to participate, at least one team member must be dedicated full-time it.

3.5. Those persons and/or teams that comply with the requirements established in these terms, and participate in the Call, will have the status of "Candidates".

3.6. Projects applying for this call in the "Digitalization or Digital Transformation" framework must relate to at least one of the following technologies: Artificial Intelligence, Internet of Things, Data Analytics and Tangible Technologies; understanding that they must be based on technological innovation.

3.7 Projects applying for this call must relate to at least one of the following technologies (on the understanding that they must be based on technological innovation):

- For Digital Transformation: Artificial Intelligence, Internet of Things, Data Analytics or Tangible Technologies.
- For Circular Economy: Sustainable Production, Transformation of materials, Ecodesign or New uses of materials.

4. Calendar

4.1 The dates of the instances of this call are:

Stage	Date
Beginning of application period	August 12th, 2019
Closure of applications	September 29th, 2019
First selection communication	October 1st, 2019
Finalists communication	October 15th, 2019
Face to face meetings	October 16th to October 22nd, 2019
Pitch Day	October 24th, 2019
Demo Day APEC SME SUMMIT 2019	November 14th, 2019

4.2 These dates will be duly published on the call's website (www.inventingthefuture2019.com). Without prejudice to the foregoing, Fundación Chile reserves the right to modify them without further responsibility in case they deem it convenient. In such event, the changes will be duly reflected in the website and in the updated terms and conditions. In addition, Applicants will be notified by e-mail.

4.3 The date and time in which each Candidate must attend their face to face meeting will be notified to the Applicant, via email, at the time of the Selection Communication stated in section 4.1.

4.4 The cancellation or modification of any date due to third party circumstances exempts Fundación Chile from all responsibility, which can also do so at its own discretion and without further responsibility according to events that in its exclusive judgment deserve it.

5. Application Requirements

5.1 Candidates shall submit their Project by completing the online application form available on www.inventingthefuture2019.com within the dates established in point 4.1.

5.2 The Candidate must attend, with at least the presence of the Applicant, all the meetings and days described as mandatory in point 6 of these terms.

5.3 The Project must offer a highly innovative solution or business model, be for-profit, aspire to rapid sales growth and aim to internationalize its operations in the medium or long term.

6. Screening Process

The screening process for the Projects will be carried out in five stages by a team made up of collaborators from Fundación Chile, CMPC, Entel and angel investors, and, ultimately, the members of the ChileGlobal Angels network.

The results of each stage will be communicated to the Applicant's e-mail address as submitted in the application form, and it will be his/her responsibility to review the information and communicate it to the rest of the members of the team.

The screening stages are as follows:

First stage: "Application reception".

Candidates to this call will complete the application form through the Charly.io platform, which can be found at www.inventingthefuture2019.com. Fundación Chile will consider as Candidates to the present Application those Projects presented by people or teams that satisfy what is indicated and required in the present Terms.

Second stage: 1st Application Screening ("Pre-selection").

Fundación Chile's team will analyze the applications according to the following evaluation areas:

- (i) Team: multidisciplinary, degree of organization, relevant work experience, entrepreneurial trajectory and level of dedication.
- (ii) Market: relevance of the problem addressed, size of the potential market (local and international), market evaluation, commercial maturity, business model.
- (iii) Technology: degree of innovation, entry barriers, value proposition, scalability, economic indicators (cost and revenue structures)
- (iv) Traction: sales up to date, commercial agreements, pilot tests, technical and commercial validation.
- (v) Terms/Impact: conformity with the challenges of the call; alignment with the areas of support of ChileGlobal Ventures; terms of investment round (pre-money valuation, cap table, investment round size, etc); care of the image of Fundación Chile, CMPC and Entel; contribution to the project by Fundación Chile, CMPC and Entel.

The first screening will be made by the evaluation team of Fundación Chile, CMPC and Entel who will select the number of projects they consider relevant to the Applications during the period of the 1st Screening described in point 4.1.

The resolution of this stage will be communicated by email to the Applicants on the dates indicated in point 4.1 once the application process is closed. Applicants are responsible for reviewing the information. The reasons for this resolution are exclusive and reserved to the evaluating team, without further responsibility for them or for the entities to which they belong, and it is not their obligation to communicate them to the applicants, nor to communicate any type of feedback about the Project or the Candidates.

Third stage: 2nd Application Screening ("Selection")

During the dates indicated in point 4.1, information about the projects selected in the previous stage will be shared with the members of the network of angel investors, who will vote for the projects they consider most attractive to present in front of them on the day of the Pitch Day. The five most voted projects will move on to the next stage, which consists of face to face meetings in preparation for the Pitch Day.

Fourth Stage: Pitch Day preparations and Pre-Due Diligence

The finalist teams will have meetings to prepare for the Pitch Day. These meetings are mandatory and Candidates must be able to attend the offices of Fundación Chile, located at Av. Parque Antonio Rabat Sur 6165, Vitacura commune, Santiago, during the days assigned to them, by their own means. Only in the case that the members of the entrepreneurial team are located or reside outside Santiago on the date of the meeting, will the possibility of holding a video-conference be considered. The Fundación Chile team may request more information necessary to carry out a pre due diligence. This activity will be carried out during the dates indicated in point 4.1.

Fifth Stage: Pitch Day

All finalists will present their Project to members of the ChileGlobal Angels network of investors. This presentation will take place on the dates indicated in point 4.1. There will be a presentation plus a question and answer session for each Project. After the presentation, the investors will choose the approved Projects to move on to the next stage, which corresponds to in-depth meetings where additional information will be requested. In case of rejection, the decision will be communicated by the Fundación Chile team to the Applicant or, failing that, to a member of the entrepreneurial team by telephone within a maximum period of two weeks after the presentation of the project to the Investors Network.

7. Funding

Projects that raise investor interest during Pitch Day will be scheduled for face-to-face meetings. Then, the interested investors begin a negotiation between private parties to agree conditions and continue with the due diligence. The investments can be done through Convertible Notes, Safe or directly in the company through a Term Sheet.

8. Benefits of the Angel Investor Network

If the Project is invested by at least one member of the angel investor network, ChileGlobal Ventures will grant access to the following value offer:

- Access to external financing tools such as investment funds, private companies and other investors with whom Fundación Chile has a relationship.
- Support of angel investors in the development of the business. Concept known as Smat Money.
- Access to courses, workshops, and training activities organized by ChileGlobal Ventures and Fundación Chile.
- Access to ChileGlobal Venture's "Network of Mentors".
- Access to all current benefits of the "ChileGlobal Ventures' Suppliers Club".
- Access to meetings with other networks and worldwide entrepreneurs.

9. Additional Prizes

As parallel and independent prizes to all requirements associated to the entrance to the process of Acceleration of ChileGlobal Ventures, the Projects that apply will be participating for:

9.1 Challenges with Major Corporations

- The possibility of joining Entel's Marketplace for its SME clients. The winner of this award will be determined by an evaluation team made up of members of Entel and Fundación Chile, and will be the Project that, in their exclusive judgment, best fits the challenge presented in point 2.4.1. Only those applications that explicitly mark the option to apply for the challenge in the application form will be considered as Candidates for this challenge.

- The possibility of having the opportunity to be a supplier of CMPC. The winner of this award will be determined by an evaluation team made up of members of CMPC and Fundación Chile, and will be the Project that, in their exclusive judgment, best fits the challenge presented in point 2.4.2. Only those applications that explicitly mark the option to apply for the challenge in the application form will be considered as Candidates for this challenge.

9.2 ABAC Singapore Award - SME Summit 2019

- The six best projects that apply to the "Inventing the Future" call will be able to participate in the contest of APEC SME Summit 2019 (date in point 4.1) and make their Pitch in this event in front of a first level jury composed by executives of large corporations, investment fund directors and APEC representatives.
- The six Projects that classify in to this instance will be determined exclusively by an evaluation team formed by members of Entel, CMPC and Fundación Chile, and will not necessarily be related to the winners of the Call or the Challenges.
- The 3 best pitches of the 6 that will be presented at the SME SUMMIT 2019, will win the ABAC Singapore award, sponsored by Vantrust Capital and UPS, which includes a ticket from their country of origin to the Singapore Roadshow, a five-day instance where they will participate in meetings with local venture capital institutions in one of the most developed venture ecosystems in Asia Pacific.
- ABAC Singapore Award includes:
 - 1 ticket per startup.
 - Accommodation for 5 days, food, transfers to and from meetings with venture capitals for one person.
 - Meetings with local venture capital institutions.
- ABAC Singapore Award does not include:
 - Arrangement and payment of visa or other legal documents that may be required for entry and exit from Singapore.
 - Health insurance during transfers and stay in Singapore.
 - Additional expenses.

10. Terms and Conditions Agreement

10.1 Fundación Chile may freely update or unilaterally modify these Bases at any time, through the publication of the new version on the website www.inventingthefuture2019.com, without any further responsibility.

10.2 Fundación Chile reserves the right to cancel, modify, or proceed to the suspension of the application process or to leave vacant the number of selected candidates in any of the selection stages that it considers appropriate, without further responsibility for it.

10.3 The sending of the documentation required for the application will be considered as irrevocable acceptance of these Bases for the Application.

10.4 The data provided by the Applicant must be correct, truthful and complete, assuming all responsibility for the lack of veracity or accuracy of these. If the data provided by an Applicant is false, inaccurate or misleading, Fundación Chile will be entitled, without detriment of other legal measures at its disposal, to withdraw, deny or suspend the rights granted to the Applicant by these Bases.

10.5 The Applicant accepts that Fundación Chile has final authority regarding the Application and the selection process of the Applications.

11. The Brands

11.1 The Application, Project or the new company that is constituted for these purposes, if Fundación Chile decides to persevere in the business, may use Fundación Chile's logo for its commercial activities and inform third parties that the company has Fundación Chile as a partner, if applicable. In both cases, prior approval must be granted by Fundación Chile, which will give its authorization in writing or by email, through its legal representatives. Without this authorization, it is absolutely forbidden to do the previously mentioned.

11.2 Fundación Chile may divulge, freely and without limitations of any kind, mentioning the authorship when appropriate, all non-confidential information about the Project.

12. Responsibility

12.1 The Applicant guarantees under his/her exclusive responsibility that the content he/she sends and presents is of his/her original creation. Fundación Chile reserves the right to automatically disqualify any Candidate who defrauds, alters or fails to comply with the regulations of the selection or acceleration process, who carries out improper practices to increase their profitability, such as the use of privileged information, improper manipulations, etc. and/or uses any type of practice that may be considered contrary to the spirit of Fundación Chile, to current legislation, public order, ethics and good customs.

12.2 In the event of a failure to comply with the commitments assumed in these Terms and Conditions, the Applicant will be responsible for any damages that his/her acts or omissions may cause Fundación Chile. The extension of this responsibility will extend to the consequences.

13. Confidentiality

13.1 Fundación Chile agrees that all technical and/or commercial information provided under this contract will be considered and treated as confidential information.

13.2 All the information requested in the Application is mandatory for the realization of it, considering it essential for the development of the application process.

14. Non Exclusivity and Good Faith

14.1 What is expressed in these bases does not prevent Fundación Chile from developing similar projects or businesses, alone or with other entrepreneurs or partners, based on technologies, products, services or ideas developed by it, its associates or other entrepreneurs. In that eventuality, Fundación Chile must always observe the confidentiality to which it is obliged by the present act.

15. Corporate Probity

On the occasion of the entry into force of Act No. 20,393, the criminal liability of legal persons has been established. In order to comply with the stipulations of the Law, Fundación Chile has implemented a Crime Prevention Model, through which it will promote the prevention of the perpetration of the crimes sanctioned in said Law.

In this regard, the Applicant declares that so far he/she has strictly complied with the rules of Law No. 20.393; is aware of such regulations and has not been previously condemned for such conduct and that its legal representatives have not been summoned in accordance with the provisions of Article 22 of the Law, and hereby undertakes to maintain and take all necessary measures to ensure such compliance throughout the term of this contract, and likewise undertakes not to incur or develop, in any case, through any of its owners, directors, administrators, representatives, agents or dependents in general, any type of activity or conduct that could affect Fundación Chile's compliance with such regulations. The Applicant has the obligation to report to the Crime Prevention Officer of Fundación Chile any fact that may constitute a breach of the Model Crime Prevention or a violation of Law No. 20.393, through the channel of complaints that is available on the website www.fch.cl.

Fundación Chile does not allow in any case, and expressly prohibits its Suppliers, Consultants, collaborators, associates or any other counterpart, to participate directly or indirectly in any conduct that may constitute the offenses, nor to receive or deliver any kind of improper payment that may be used in the perpetration of the offenses, sanctioned by Law No. 20,393, even when the result of the offense is beneficial for Fundación Chile.

Failure to comply with these requirements will be punished with the immediate termination of the agreement.

Moreover, the Applicant declares that in the development of the activities subject to the present agreement he/she will observe with adherence the regulations prevailing in Chile regarding free competition, and therefore will not carry out any deed, act or agreement that prevents, restricts or hinders free competition in the sector in which Fundación Chile operates.

16. Queries

All queries regarding the call can be made by e-mail to chileglobalventures@fch.cl.