

TERMS AND REQUIREMENTS CLIN FUND

“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 the initiatives of ChileGlobal Ventures is the CLIN FIP venture capital fund. The CLIN Fund is a \$20M USD investment fund, investing tickets from \$200K to \$1M.

The focus of the fund is to invest in innovative early-stage companies with high growth potential, B2B, that are solving challenges in Chile, with plans to scale globally. The main relevant industries are Mining, Energy, Water and Smart Cities and technologies such as Internet of Things, Blockchain and Big Data, among others. The companies contributing to the fund are Engie, Entel, Zoma Capital and Fundación Chile.

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 CLIN investment fund (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 CLIN fund.

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.

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 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.
- (v) Its patrimony exceeds 50,000 UF.

3.4. For a project to be eligible to participate, at least one team member must be dedicated full-time to 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
Opening of the application period	August 12 th , 2019
Closing of the application	September 29 th , 2019
First selection communication	October 10 th , 2019
Face to face meetings	October 11th to October 25th, 2019
Investment Committee	Date yet to be defined, it will be communicated via e-mail.
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 that participate in the Call will be carried out in five stages by a team made up of staff from Fundación Chile, CMPC and Entel, and ultimately by the investment committee where a representative for every contributor of the CLIN Fund participates.

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 that are 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 and Entel, contribution to the project by Fundación Chile and Entel.

The first screening process will be carried out by the evaluation teams of Fundación Chile, CMPC and Entel, who will select an indefinite number of applications during the 1st Screening period described in point 4.1. The teams selected will then participate in face-to-face meetings with members of Fundación Chile, CMPC and Entel, where they will present the Project and make the entrepreneurial team known.

The resolution of this stage will be communicated by email to the Applicants on the dates indicated in point 4.1. Applicants are responsible for reviewing the information. The reasons behind the resolution are exclusive and reserved to the evaluating team, without any further responsibility for them or for the entities of which they form part of 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, the Candidates who have qualified during the previous stages will meet face to face with a team made up of members of Fundación Chile, CMPC and Entel. In this meeting, the entrepreneurial team will present their Project and will respond to questions asked by the aforementioned team, after which they will receive comments from the evaluating team regarding their appreciation of the Project.

These meetings are mandatory and Candidates must be able to attend Fundación Chile's offices (located at Av. Parque Antonio Rabat Sur 6165, Vitacura, Santiago) during the days assigned to them, by their own means. Only in the case where the members of the entrepreneurial team are located or reside outside Santiago on the date of the meeting, the possibility of holding a video conference will be considered.

After the meetings with the Candidates in this stage deemed convenient by evaluating team (formed by staff from Fundación Chile, CMPC and Entel), the team will select an indefinite number of Projects, to advance to the next stage. The Applicants selected will be communicated by email, who in turn are responsible of reviewing the information. The reasons behind this selection are exclusive and reserved to the team of evaluators, who are not obliged to communicate them to the applicants.

Fourth Stage: Preparation of Investment Committee and Pre Due Diligence

The finalists will have meetings with Fundación Chile's Staff, to prepare for the Investment Committee. Fundación Chile's team can request more information necessary to carry out a pre-due diligence and must sign the affidavit of linkage/non-Linkage with the contributors. This activity will take place during the dates indicated in point 4.1.

Fifth Stage: Investment Committee

All finalists will present their Project to a Committee composed of one representative of each contributor of the Fund. This presentation will take place on the dates indicated in point 4.1. There will be a presentation and a question and answer round for each Project. After the presentation, the committee will select the approved Projects to move on to the next stage, which consist of a Due Diligence process and a presentation to the Board of Directors of the CLIN Fund. In case of rejection, or that the decision is to continue in conversations to present in a next committee, the verdict will be communicated by Fundación Chile's team to the Applicant or, in its defect, to a member of the entrepreneurial team, by telephone within a maximum term of two weeks after the presentation of the project to the Investment Committee.

The jury in charge of the final project selection will have the faculty to condition their approval upon the verifying of conditions or pending issues that were not addressed in depth during the presentation of the Project or in previous stages of the Call. In this case, the Candidate must provide Fundación Chile's team with the necessary information to verify compliance with such conditions.

7. Funding

Projects approved by the investment committee will proceed to the next stage. This stage consists of three steps: negotiation of the terms, Due Diligence and presentation to the fund's Board of Directors. If all these steps are approved and an agreement is reached, the final documents are signed and the presentation is made to Corfo's innovation and

financing department. The investments can be done through convertible Notes or directly in the company through a Term Sheet.

8. Benefits CLIN Fund

If the Project is approved by the CLIN Fund's Directors Board and approved by Corfo's Innovation and Financing Management, ChileGlobal Ventures will grant access to the following value offer:

- Access to the commercial and technical networks of Fundación Chile and the contributors of the CLIN Fund both in Chile and abroad.
- Access to Fundación Chile's internal financing tools: network of angel investors ChileGlobal Angels (CGA).
- Access to external financing tools such as investment funds, private companies and other investors with whom Fundación Chile has a relationship.
- Support from Fundación Chile for business analysis on issues related to business model, pricing strategy, intellectual property and others.
- Technical support from Fundación Chile through its technical areas: Sustainability, Education, Food and Aquaculture and Human Capital.
- Access to courses, workshops, and training activities organized by ChileGlobal Ventures and Fundación Chile.
- Access to ChileGlobal Venture's "Mentors Network".
- Access to all current benefits of the "ChileGlobal Ventures' Suppliers Club".
- Regular strategic advisory meetings with the ChileGlobal Ventures team.
- Access to meetings with other network 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.