

Regulation of the Call for Projects**“Open Accelerator - Project by Zcube, Made in the OpenZone”****3rd edition****2018****Art. 1 – Announcement**

Zcube S.r.l., a company organised and existing under the laws of Italy, having its registered office at Via Lillo del Duca 10, Bresso (MI), registered in the Business Register of Milan with the number 03018160246 (“**Zcube**”) announces the third edition of the Open Accelerator, as defined below.

Open Accelerator (hereinafter also “**OA**”) is the International acceleration program in life science that aims at identifying and accelerating innovative projects in the central nervous system (CNS) and respiratory therapeutic areas including the rare diseases in both areas. Together with a wide international network of entrepreneurs, scientists, investors, venture capitalists, and professionals, OA provides qualified support, inspiration and innovative exposure that can turn projects into promising business opportunities, while enriching Italian entrepreneurial ecosystem and sharing best international practices and talents.

Art. 2 – Applicants

With the acceptance of this regulation (the “**Regulation**”) through the Application Form defined below, the undersigned declares, under his/her responsibility, to be the representative of one of the following categories:

A. Teams composed of physical persons (not legal entity) preferentially:

- University students;
- Master degree holders;
- PhD students, researchers, and research fellows;
- Higher education or University Professors;

The teams should be composed of minimum two members. It is preferential selection criteria if one of the team members is already full time dedicated in the project.

Each Applicant, as defined below, enrolled in PhD courses, research fellows’ programs or in any affiliation with universities or research institutions, public or private, must submit the complete list of the affiliated universities or research organizations, public or private, together with a description of the nature of the relationship with these institutions.

B. Legal entities:

Legal entities in general, with a preference for Limited companies established in accordance with the provisions of Title V of the Italian Civil Code and in the form of *Innovative Startups* (as required by the Decree number 221/2012 converting Law Decree 179/2012, known as “Decreto Crescita 2.0”), with a registered office in Italy and governed by Italian Law. The Applicant is required to present the updated certificate of the incorporation obtained from the Business Register in which the company is registered. At the time of signing this Regulation the startup must not be involved in liquidation or in dissolution processes and it must not be subject to bankruptcy proceedings, if applicable.

The applicants referring both to previous letter “A” and to previous letter “B” of the present Section 2 are named individually and collectively as the "**Applicant(s)**".

Art. 3 - Acceptance of the Regulation

With the signing of this Regulation, the Applicant (i) accepts the full content of the Regulation and (ii) agrees to fulfil the requests of the online application form (the “**Application Form**”) and (iii) accepts the electronic version of the Confidentiality Agreement to protect Applicants confidential information (Annex I).

Art. 4 – Projects admitted and Open Accelerator Program

The projects submitted as per previous Sections 2 and 3 (hereinafter the “**Projects**”) should be focused on the following Therapeutic Areas: Central Nervous System and Respiratory diseases (including Rare Diseases in both areas).

The technological areas are:

- Drug delivery systems
- Medical Devices, Biomarkers, Diagnostics
- Wearables and Digital Health
- Big Data

The Open Accelerator consists of the following phases:

- opening of the Call, April 5th, 2018
- closure of the Call: June 10th, 2018
- Announcement of the selected participants of acceleration program (hereinafter the “Program”): beginning of August, 2018*.
- Selection of the team and/or legal entities entitled to receive Seed Investment as per following Section 6.

*The Program will be performed in English language, in 12 weeks’ time-frame (see “Program details” in Annex II). The Applicants accept in advance and acknowledge that Zcube at its sole discretion may select the Projects admitted to the Program.

Art. 5 – Establishment of the Startup

5.1 The Applicants as per Section 2, letter “A” who will be selected to receive the Investment Seed as per following Section 6, shall register the startup as an Innovative Startups, pursuant to - and for the effects of the Law Decree dated 18 October 2012, n. 179, known as “Decreto Crescita 2.0”, and per the Italian Law 17th of December 2012, n. 221, in order to receive the Seed Investment as per following Section 6. For avoidance of any doubt, the startup has to be necessarily established according to the Italian Law, having a registered office in Italy and shall be regulated by the Italian Law.

5.2 The startup as per previous Section 5.1 and the legal entities as per Section 2, letter “B” which shall be selected to receive the Investment Seed as per following Section 6, are named individually and collectively as the "Startup(s)".

Art. 6 - Seed Investment

The Seed Investment, as hereinafter defined, will confer to Zcube the ownership of certain rights to convert such investment in its own share in the capital of the Startup, according to the terms and conditions outlined in a separate agreement between the Parties (hereinafter the “Investment Agreement”).

The seed investment amount shall be up to a maximum of €100.000 (one hundred thousand Euros) cash (on a basis of milestones at the discretion of Zcube) plus €50,000 as for the services obtained during the Program (which value is estimated more than € 50,000), hereinafter the "**Seed Investment**". The Seed Investment will be provided to the Startup selected by Zcube at its sole discretion within ninety (90) days from the positive conclusion of the Program, provided that (i) there is a positive outcome of the due diligence conducted by Zcube, (ii) IP and/or know-how as detailed in following Section 8 is entitled to the Startup and (iii) Zcube and Startup have agreed on a tailored Investment Agreement.

Art. 7 - Non-compete obligations

Pursuant article 2596 of the Italian Civil Code, the Applicants agree to accept non-compete obligations, for the entire duration of the Open Accelerator, with the terms and conditions that will be communicated in time by Zcube to the Applicants.

Art. 8 - Intellectual Property Rights

At the time of application as per previous Section 2, (hereinafter the “Application”) the Applicants should have presented at least a detailed IP protection plan, or an IP already granted or filed (which is considered an added value) and/or any know-how (i.e. being proprietary of a software/algorithm).

The Applicants, in particular, declare, as for the Application Form, that on the date of their Application:

- owns the relevant Intellectual Property Rights for the purpose of participation in the Program, that are listed in a specific document presented to Zcube (the "**Current IP Rights**"); in relation to the Current IP Rights, the Applicants declare to be the sole owner of these rights, and confirm that no third party has rights of any kind relating to the development or exploitation - in any form - of the Current IP Rights, or in alternative
- have no binding agreements (written or oral) or is in any other binding commitments regarding, the Current or any other IP Rights and/or know-how and other Intellectual Property Rights that may arise through the participation in the Program (the "**Potential IP Rights**"), nor they have been previously committed to the development or the research for the creation of the Potential IP Rights, or in alternative;
- are bound to - and / or have in place an agreement related to the exploitation rights of the intellectual property and/or know-how (hereinafter the “License Agreement”) with universities, research institutions and / or any other third party, public or private, (please indicate which one) regarding research activities. A copy of the License Agreement is provided with this application.

In any case, with the acceptance of the Regulation, the Applicants agree to indemnify Zcube from any fees, costs, damages, loss, liabilities and claims of any nature imposed by third parties or otherwise directly or indirectly from the use of such materials for the purposes set out in this Regulation.

Art. 9 - Non-performance of the Applicant - Exclusion from the Program

The Applicants who fail to fulfil the obligations of this Regulation, and/or do not maintain the commitment and participation required can be excluded from the Program at any time, at sole discretion of Zcube.

The Applicants fully accept in advance the exclusion from the Program, without any claim and/or liability in respect of Zcube, its employees, partners or consultants.

Article 10 – Withdrawal

If after the Application submission, or during the Program the Applicant expresses a wish to withdraw from the Program, he/she shall inform Zcube team promptly, in writing, by email addressed to info@openaccelerator.it.

Art.11 - Privacy policy

Under Article 13 of Legislative Decree number 196 of 30 June 2003 (Italian Code concerning the protection of personal data), the data provided by the Applicant will be processed in accordance with the provisions of the Code regarding the protection of personal data, and the content in the Privacy Policy that the Applicant accepts when submitting.

Zcube informs that within the Open Accelerator program the processing of personal data shall take place only for the following categories of interested parties, according to the purposes and methods described below.

- Personal contact details, curricular and professional data

Zcube shall collect personal contact details, curricular and professional information from the applicants, for the purposes of project selection and administrative management of the relationships with the applicants, and shall keep the data in the electronic format stored in its own systems. This type of data shall not be communicated to the third parties or distributed.

- Identification data of the applicants and descriptive data of their projects

Zcube shall also collect data related to projects, including some direct or indirect identification information of the individuals (eg. name and surname of the applicant, in case of physical person). Such data shall be disseminated via the website for the information and documentation regarding the progress of the OPEN ACCELERATOR Project.

Interested parties may exercise their rights of access-, information-, correction-, update or opposition of data for legitimate reasons by writing to Zcube, via Lillo Del Duca, 20091 Bresso (MI).

Art. 12 - Communication

All communications referred to this Regulation shall be written and signed by the parties involved in this communication and will be considered regularly carried out if delivered by hand, sent by registered letter with acknowledgment of receipt or by courier, or by certified mail to the following addresses:

- **to Zcube:**

Zcube S.r.l.
Via Lillo del Duca 10
Bresso (MI)
PEC: z-cube.gov-tax@cert.zambongroup.com
C.a.: Mr Giovanni Rizzo

- **to the Applicants,** at the address references listed in the application form for participation in the Program,

or, in both cases, at the different address that will be eventually communicated by Zcube and/or by the Applicants in written form; understanding that the Parties indicate the aforementioned addresses or different addresses that can be communicated in the future for all purposes related to this Regulation.

Art. 13 - Governing Law and Jurisdiction

This Regulation is governed, construed and interpreted by the Italian Law in every matter.

Any dispute which may arise in connection with the validity, interpretation, execution and termination of this Regulation shall be resolved at the Court of Milan as the exclusive place of jurisdiction.

Pursuant to Articles 1341 and 1342 of the Italian Civil Code, you specifically accept the following articles: 4 (*Project*); 7 (*Non-compete obligations*); 8 (*Intellectual Property Rights*), 9 (*Non-performance of the Applicant - Exclusion from the Program*); 12 (*Governing Law and Jurisdiction*).

Annex I

MUTUAL CONFIDENTIALITY AGREEMENT

(the “Agreement”)

Zcube S.r.l., a company organised and existing under the laws of Italy with its registered offices at Via Lillo del Duca, 10, 20091 Bresso (Milano) (hereinafter referred to as “Zcube”);

AND

The Applicant Team (hereinafter referred to as “Team”);

Zcube and Team are hereinafter collectively referred to as the “Parties”, and individually to as the “Party”.

For purposes of this Agreement, the Party that receives Confidential Information, as defined below, shall be referred to as the RECEIVING PARTY and the Party that discloses such information shall be referred to as the DISCLOSING PARTY. During the term of this Agreement, each of the abovementioned definitions may apply either to Zcube or to Team.

WITNESSETH:

WHEREAS, Zcube has promoted Open Accelerator (OA), the International acceleration program in life science that aims at identifying and accelerating most innovative projects in the central nervous system (CNS) and respiratory therapeutic areas including the rare diseases on both areas;

WHEREAS Team has applied through the Application Form (as defined in the Regulation); WHEREAS, each of the Parties possesses information, know-how and data of a confidential nature;

WHEREAS, the Parties are interested in disclosing such confidential information during the execution of the OA, under the terms and conditions set forth in this Agreement and solely for the Purpose specified herein.

NOW, THEREFORE, the Parties AGREE as follows:

1. Content

- 1.1. Zcube and Team may each disclose to the other and each receive from the other, under the terms and conditions of this Agreement, information, know-how and data of a confidential nature which (i) in case of Zcube relates to: its organization, its business plan, investments and strategy, (ii) in case of Team relates to its strategy to develop ideas, products, start-up business plan, intellectual property know how, business knowledge, etc. (hereinafter collectively referred to as the “Confidential Information”), for the purpose of evaluating a potential business relationship between the Parties to this Agreement regarding the creation of an innovative Start-up (the “Purpose”).
- 1.2. As defined herein, “Confidential Information” means information or material proprietary to the DISCLOSING PARTY, whether written or oral, tangible or intangible, which is disclosed, whenever and however, to the RECEIVING PARTY for the Purpose, as set forth herein and pursuant to this Agreement. Confidential Information may include, without limitation, data, know-how, inventions, patent, copyright, trade secret, and other proprietary information, designs, plans, processes, drawings, inventions, specifications, algorithms, reports, customer and supplier lists, pricing information, marketing techniques and materials, future projections, forecasts or roadmaps whether related to either Party’s past, present or future business activities, research, manufacturing, design, development or products.
- 1.3. The DISCLOSING PARTY shall label written information it deems to be Confidential Information by use of any words that give notice of the confidential nature of the information. Failure to mark any of the Confidential Information as “confidential” in accordance with this Agreement shall not

affect its status of Confidential Information under the terms of this Agreement, if circumstances would reasonably indicate that confidential treatment was intended.

- 1.4. All Confidential Information is disclosed “AS IS” with no warranties. Each Party hereby disclaims all expressed and implied warranties, including, without limitation, the warranties of merchantability and fitness of use for a particular purpose.

2. Disclosure and use of Confidential Information

- 2.1. The RECEIVING PARTY shall protect and keep Confidential Information in strict confidence, using the same degree of precaution and safeguard as it uses to protect its own Confidential Information of like importance, but in no case any less than reasonable care.
- 2.2. The RECEIVING PARTY shall consider the Confidential Information of the DISCLOSING PARTY as strictly confidential and shall not disclose it, or portion of it, to any third party with the exception of its own, and its Affiliate’s, directors, employees, officers and consultants (hereinafter collectively referred to as the “Permitted Recipient”), having a need to know the Confidential Information for the Purpose of this Agreement and provided that the Permitted Recipient is bound by confidentiality obligations at least as restrictive as imposed herein and further provided that Permitted Recipient agrees to maintain the confidential status of the Confidential Information and restrict its use solely to the Purpose specified in this Agreement. For the purpose of this Agreement the term “Affiliates” shall mean any company directly or indirectly owning, owned or under common ownership with each of the Parties, to the extent of at least fifty-one (51) percent of the shares of such company.
- 2.3. RECEIVING PARTY shall not use any Confidential Information, except for the Purpose specified herein, unless otherwise agreed in writing between the Parties. In addition, RECEIVING PARTY shall not copy, record and reproduce any Confidential Information, except for a reasonable number of copies as necessary to effectuate the Purpose set forth in article 1 above. Any such copies shall be protected to the same extent and in the same manner as an original.
- 2.4. Neither Party shall disclose the existence and/or terms of this Agreement, including the content of all the possible subsequent related discussions and negotiations, or use the name, trademark, servicemark or logo of the other Party in any publicity, advertising or information, which is disseminated to the general public without the other Party’s prior written approval.
- 2.5. At anytime while this Agreement remains in force, the RECEIVING PARTY shall upon written notice of the DISCLOSING PARTY stop using the Confidential Information.
- 2.6. Any and all Confidential Information in tangible form passed to the RECEIVING PARTY hereunder shall, on request, be immediately returnable to the DISCLOSING PARTY. Either Party shall be entitled to keep one copy of the other Party’s Confidential Information for evidentiary purposes.

3. Exceptions

- 3.1. The provisions of this Agreement do not apply to Confidential Information the RECEIVING PARTY can show from documentary evidence that such information:
 - 3.1.1. was already known to the RECEIVING PARTY at the time it was disclosed by the DISCLOSING PARTY; or
 - 3.1.2. is lawfully or properly obtained by the RECEIVING PARTY from a third party with a valid right to disclose such Confidential Information, provided that said third party is not under a confidentiality obligation to the DISCLOSING PARTY; or
 - 3.1.3. is already known publicly at the time of its communication by the DISCLOSING PARTY or comes into the public domain otherwise than through the default or negligence of the RECEIVING PARTY; or
 - 3.1.4. was independently developed by the RECEIVING PARTY without reference to the DISCLOSING PARTY’s Confidential Information; or

- 3.1.5. becomes subject to disclosure required by applicable law or authorities with lawful authority to seek such Confidential Information.

Confidential Information shall not be deemed to be within the foregoing exceptions merely because it is (i) specific and embraced by more general information in the public domain or RECEIVING PARTY's possession or (ii) a combination of information from multiple sources.

3.2 If either Party is requested or required (by interrogatories, subpoena, or similar legal process) to disclose any Confidential Information, such Party agrees to provide the DISCLOSING PARTY with prompt notice of each such request, to the extent practicable, so that the DISCLOSING PARTY may seek an appropriate protective order or waive compliance by the RECEIVING PARTY with the provisions of this Agreement, or both. If, absent the entry of a protective order or receipt of a waiver, the RECEIVING PARTY is, in the opinion of its counsel, legally compelled to disclose such Confidential Information, the RECEIVING PARTY may disclose such Confidential Information to the persons and to the extent required without liability under this Agreement.

4. Ownership of Confidential Information and no license

All Confidential Information, without limitation, shall remain the personal and proprietary property of the DISCLOSING PARTY. The RECEIVING PARTY shall not acquire any license or other intellectual property interest in any Confidential Information disclosed to it by the DISCLOSING PARTY. Further, disclosure of Confidential Information shall not result in any obligation to grant the RECEIVING PARTY any right in and to said Confidential Information.

5. Term

- 5.1. This Agreement is effective from the date of Team application through Application Form ("Effective Date") up to the conclusion of OA. During this period ("Evaluation Period") the Parties undertake to complete their evaluation related to the Purpose. Within this term each Party shall inform the other Party of the result of its evaluation.
- 5.2. If, at the end of the Evaluation Period, the Parties decide, not to conclude any business agreement related to the potential business relationship, the RECEIVING PARTY, at the discretion of the DISCLOSING PARTY will:
 - 5.2.1. destroy and request to destroy to each person to whom Confidential Information has been disclosed permitted pursuant to this Agreement, all documents and any other record of the Confidential Information in its possession and expunge, and request to expunge, all Confidential Information from any computer, word processor or other device into which it has been programmed, save for security purposes, giving written evidence of these activities; or
 - 5.2.2. return and request to return to each person to whom Confidential Information has been disclosed as permitted pursuant to this Agreement, all copies of documents and any other tangible record containing Confidential Information and keep no copies for itself, except for one copy of the other Party's Confidential Information for evidentiary purposes.
- 5.3. The obligations of confidentiality and non-use imposed by this Agreement shall commence from the Effective Date and shall be in effect for a period of 10 (ten) years after the end of the Evaluation Period. These obligations shall persist for the period mentioned above even in case of an early termination of this Agreement, for whatsoever reason occurred.

6. Warranty

- 6.1. Each Party warrants that it has the right to make the disclosures under this Agreement.

- 6.2. The Parties acknowledge that although they shall make each endeavour to include in the Confidential Information all information that they each believe relevant for the Purpose, the Parties understand that no representation or warranty as to the accuracy or completeness of the Confidential Information is being made by either Party as the DISCLOSING PARTY. Further, neither Party is under any obligation pursuant to this Agreement to disclose any Confidential Information it chooses not to disclose. The DISCLOSING PARTY shall have no liability resulting from any use of the Confidential Information, except with respect to disclosure of such Confidential Information in violation of this Agreement.

7. No Binding Agreement for transaction

Nothing herein shall obligate either Party to enter into or continue to pursue any business relationship of transaction with the other Party. Without limiting the foregoing, no obligation to buy or sell products, negotiate or conclude any transaction or enter into or negotiate any agreement shall result unless and until Parties, at each Party’s sole discretion, execute a written agreement, and only in accordance with its terms.

8. Miscellaneous

- 8.1. This Agreement outlines the complete understanding of the Parties to the Agreement and no other documents or oral representations are valid. This Agreement can only be modified by a written amendment signed by the Party.
- 8.2. No waiver shall be binding unless given in writing. No waiver of any provision of this Agreement shall constitute a waiver of any provision or a continuing waiver.
- 8.3. The rights and obligations of the Parties under this Agreement shall not be assigned or otherwise transferred without the previous written approval of the other Party.

9. Applicable law and jurisdiction

The construction, validity and performance of this Agreement shall be governed by the laws of Italy and each Party irrevocably agrees to submit to the exclusive jurisdiction of the Court of Milan (Italy) over any claim or matter arising under or in connection with this Agreement and the legal relationships established by this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the last date hereinafter written.

Annex II

Program details

The Program will last for 12 weeks where the teams will receive an intensive training, support from international experts, dedicated mentorship, business services from Deloitte, legal advice from the law firm Bird&Bird and technical support from Zambon. The value of the entire program has been evaluated over €50.000.

The best projects that pass extensive evaluation process receive an opportunity to participate in the Program, based on the following key pillars:

- **Developing the technology.** With the technical support and practical assistance from Open Accelerator experts' network the entrepreneurs work on their projects trying to improve, to adapt, and in case, to pivot their product.
- **Learning from Experts.** The workshops, intensive onsite and offsite seminars and lectures provided by a wide variety of national and international experts provide unique opportunity to learn from the best. Participants receive tailored key sessions on essential topics (such as IP, certification and patenting, go-to-market strategy and scale up, investment readiness level and pitching and others).
- **Understanding Business.** The Business Model-, Business Plan- and other methodological lectures combined with the extensive research in the field, practical group assignments, take-home assignments and interactive exercises help participants to design a solid and credible go-to-market strategy for their business to flourish.
- **Mentorship.** The role of the mentors is essential. Entrepreneurs gain knowledge, experience and expertise through being extensively supported by mentors- the successful experts who help young entrepreneurs to identify the pain points and pitfalls of start-up development path and who guide them in improving their skills and achieving their milestones.

The Acceleration Program will be carried out in English language, in 12 weeks' time-frame and delivered as follows:

- **Onsite Sessions.** Onsite sessions will take place at the OpenZone scientific park in Bresso every third weekend – h9.30-18 on Friday, Saturday and Sunday (14th -16th of September, 5th -7th of October, 26th-28th of October and 16th-18th of November). During onsite sessions the participants will join collective workshops, open contamination sessions, and will present the homework assignments.

- **Offsite sessions.** Remote sessions will take place via live online streaming twice per week, on Tuesday and Thursday during the offsite weeks. Specialized, tailored experts' classes will be streamed in parallel, assuring the relevance for the different technology (and/or therapeutic-) area project. During the offsite time, participants will also have the chance to book individual web consultations with experts and program's collaborators.

Throughout the Acceleration program the participants are required to constantly improve and iterate their product and business model and eventually plan, while completing numerous assignments, out-of-the-lab activities and taking part in challenging open contamination sessions. The business plan and product development are one of the final evaluation pillars, presented to the Jury for the final assessment at the end of the Program. Specialized exclusive events, Mentors' - and Investors' days provide a unique opportunity for learning, tackling challenges together and networking. During the Program participants will also learn how to deal with investors, to negotiate the term sheet, to determine investment readiness level and to effectively pitch.

Upon the completion of the Program, the best performing participants have a possibility to obtain the seed investment from Zcube, business consultations from Deloitte, legal advisory from Bird & Bird and office spaces at OpenZone scientific park.

Selection of participants

The Call concludes with the selection of maximum 10 projects to be admitted to the Program. The selection of the participants for the admission to the Program will be carried out in three distinct phases:

- A. First shortlisting related to the fit of the projects with the scope of the call.
- B. Discussion and evaluation of the projects selected in the Phase A, carried out by a team of independent advisors and experts through individual interviews with the candidates in order to select a maximum of 10 projects further considered for the inclusion in the Program.
- C. Final evaluation and ranking in order to identify the projects to be admitted to the Program. An advisory board of key opinion leaders in the therapeutic areas and the fields of the application will supervise and approve the list of candidates.

The announcement of the final list of the projects that will participate in the Program is planned for the beginning of August 2018.

The participants will be required to accept and to sign the detailed Regulation of the Program, outlining the terms and conditions of the participation and the mutual commitments of the Applicants and Zcube, related to their performance and the potential seed investment.