

GENERAL BASES

INCUBAUC PROGRAM 2021

This document corresponds to the bases of the digital incubation program and national and international acceleration INCUBAUC 2021. The organization assumes that all members of the teams that apply to the program accept these bases when sending and issuing their application form.

The dates established in this document correspond to the planning stage of the program, so the organization reserves the right to modify them if necessary and inform the participants through the web site <https://incubauc.cl/> and via email.

I. GENERAL DESCRIPTION OF THE PROGRAM

INCUBAUC is an Innovation Center program from the Pontificia Universidad Católica de Chile, which is legally represented by DICTUC S.A., affiliate of the same University.

INCUBAUC is a digital program for training and personalized support of ventures in advanced stages from Latin America. It is a program based on collaborative models focused on the development of key skills and knowledge in order to contribute to sales growth, private capital raising processes and prospecting for international scaling.

II. PROGRAM OBJECTIVE

The objective of INCUBA UC is to prepare ventures in advanced stages in order to transform its venture into stable and growing companies in the market, with the objective of increasing their clients and achieving the chance to raise private capital for the expansion of their national and international business.

In order to do this, we will focus on preparing the entrepreneurs for processes of private capital raising and international connection, through the design of an investor desk and business plan, consultancies and workshops to grow and scale, directories to raise metrics, strategies, business status and projections as well as mentoring with our international network.

III. ABOUT INCUBAUC

The business incubator of the University as part of the UC Anacleto Angelini Innovation Center has focused lately on networks generation and being a strong articulator of the public, private and academic world. This in order to make available to entrepreneurs all possible connections for their ventures to grow and consolidate their business.

Therefore, beyond delivering monitoring and training programs to entrepreneurs in any stage – from the idea to consolidation – our main value is focused on diagnosing the entrepreneur in an efficient way in order to really identify at what maturity stage its solution is and thus manage to derive it to the appropriate stage. However, what we are aiming is that the entrepreneur advances in the development of its project, both at a level of business metrics and at a level of personal development and consolidation of team work. For this, we have progress committees or Board of Directors for entrepreneurs at each training and monitoring stage. This evaluation system is the way we use to identify the entrepreneur's commitment in the development of their business, the execution times and dedication to it, so that, in addition to evaluate the venture competences, we will also be able to evaluate soft skills which allow defining the competences with an integral point of view of the entrepreneurs and their business.

In this sense and locally, INCUBAUC permanently has the participation of senior entrepreneurs, expert mentors, academics, professionals and incubator staff who are experienced professionals in the accompaniment of ventures and who have somehow experienced the stages through which an entrepreneur passes.

IV. VALUE PROPOSAL OF INCUBA UC PROGRAM

For the projects that participate in the acceleration program, the value proposal lies in:

- Specialized joint work with the INCUBAUC team and its support staff.
- Mentoring sessions and coaching with international mentors from Silicon Valley, Latin America and Asia-Pacific-
- Opportunity to receive feedback and share experiences with relevant actors from the entrepreneurship ecosystem (successful entrepreneurs, investors, national and international mentors).
- Insertion in the unique entrepreneurship ecosystem at a Chilean level: UC Anacleto Angelini Center of Innovation and Universidad Católica de Chile. This gives direct access to the portfolio of the center entrepreneurs, extending to participation in talks, seminars, general events, accessibility to UC

Mentors Network and chances of linking and networking with partner companies and/or participants of activities of the UC Innovation Center.

- Contact and support with venture capital and angel funds.
- Possibility of continuity after the end of the program according to performance and progress evaluation, together with the board of directors formed by the INCUBAUC team and our mentor in Silicon Valley.

V. WHO CAN PARTICIPATE?

Chilean and/or foreign people can participate in this program who are founders or co-founders of national or international for-profit companies and that are legally constituted. They must also have interest in internationalizing their high-impact innovation start-up with operations in Chile or interested in opening operation in Chile and that meet the following requirements when applying:

- They must be constituted as legal entity in Chile or be a foreigner with at least 6 months before the application date.
- Their total accumulated sales or services must exceed at least US\$100.000 or CLP\$80.000.000 from their incorporation as a company at the time of the application. In the case of the ventures of applied science, they will not be asked for a sales amount but rather to be in stage equivalent to a TRL 5 at least (validation of technology in the field or relevant environments).
- They must be in search of investment for amounts between US\$200.000 and US\$2.000.000.
- The projects that apply to the program may focus on any industry, such as Retail, Fintech, Agrotech, Food, Construction, Health among others.
- Since it is a program oriented to founders, everyone who are participating and are part of the INCUBAUC program must be founders or co-founders of the company that represent or at least must have shares and/or a percentage of the company. However, it is possible that in certain technical workshops, the founders may be accompanied by technical professionals of their team, without the need for those to be owners of the start-up.
- The program is supported by Spanish and English-speaking international mentors, so they must have at least an intermediate English level to be able to make presentations and have a meeting.

VI. APPLICATION PROCESS

The call for this version of the INCUBAUC program will take place between August 31 and October 30, 2020. The registration must be made directly on the web site www.incubauc.cl, where the application form and program bases will be available.

The information requested in the application form corresponds to general information, both of the applicant and the project, a detailed description of the venture (problem/solution, team, development status, level of sales and/or investment, target market, among others) and additional relevant information to be considered in the evaluation process. Additionally, they will be asked to make a video of maximum one minute, in Spanish or English, where the entrepreneurs will present their teams, start-up vision and where they see their start-up in one-year time and why. This video is a requirement for the project to be considered in the selection process.

VII. SELECTION CRITERIA

The following evaluation criteria will be applied for the start-ups selection.

<p>Technical potential of the solution: Capacity of the product or service to satisfy the need or market opportunity detected and the validation from the market according to its development status.</p>	10%
<p>Value proposal and appropriability degree: Clarity of the value proposal of the project, its degree of differentiation and the potential entry barriers regarding the solutions available in the market.</p>	10%
<p>Commercial potential of the solution: The clarity of the revenue model is evaluated, as well as the monetization options and the cost structure regarding the chances of achieving sales during the first year of execution and a sustainable growth in time.</p>	20%
<p>Team: How adequate the team is to execute the project will be evaluated, in relation to the experience of the members and their support networks, if they exist.</p>	20%
<p>Capital Raising: The results the entrepreneurs have currently had in terms of capital raising, whether is public or private, will be evaluated.</p>	10%
<p>Sales: Stability of the entrepreneur regarding the sales generated in the last year, either nationally or internationally. The entrepreneurs must be clear about their break-even point, cash flow, working capital and how their current income contributes financially to the company.</p>	20%

Financing Request Clarity of the entrepreneur regarding the request of resources for the capital raising, verifying a concrete expansion plan, nationally or internationally and that the requested amounts are consistent with what is indicated in the plan.	10%
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VIII. SELECTION PROCESS

Once the application process is completed, the evaluation team will review and evaluate the different projects based on the information and background provided in order to achieve the pre-selection of 15 projects maximum.

The start-ups selection process will consist of the following evaluation stages:

1. **Technical evaluation:** The technical aspects of each of the applications will be evaluated as well as the compliance with the selection criteria established in this document.
2. **Video evaluation:** The video made by each team will be evaluated. This must have a clear content and directly respond to the information indicated in the program bases and/or the application form.
3. **Selection Committee:** A selection committee will be held with all the professionals who evaluated the applied projects with the aim of objectively discuss the projects that meet the venture profile in advanced stage to be part of the program. Up to 15 start-ups will be identified in advanced stage categorized as “pre-approved” projects.

After the evaluation of the form, video and committee, the 15 start-ups that will be part of the leveling stage to reach the Bootcamp will be selected. Here, the teams that will go to the acceleration process in March 2021 will be chosen.

The selected start-ups will be notified via email and must confirm their participation in the program no later than November 19 at 14:00 hrs. CLT, otherwise, it will be understood that they renounce the quota and it will move on to the next team of the waiting list. Those selected confirmed to participate in the levelling process and Bootcamp will be published on <https://incubauc.cl/> on Friday, November 20.

IX. PROGRAM STAGES

PROGRAM STAGES	DESCRIPTION	DATES
APPLICATION, EVALUATION AND SELECTION	Application opening and communicational campaign. Selection of 15 start-ups for next stages.	August 31, to October 30.
LEVELING	Interviews: Meeting the team. Instance where we seek to know in depth about the team and the start-up. Explanation of the methodology used for the Board of Directors (BOD). Diagnostic BOD: Individual diagnostic session to map the current status of the start-up, its objectives and main challenges both on a personal and team level. Survey of business metrics.	November 23, to December 30.
BOOTCAMP	15 start-ups will participate in intensive work sessions where they will present their ventures before a specialized committee. <ul style="list-style-type: none"> ● One to one rounds with technology, industry and business expert mentors. ● Talks and masterclasses of invited speakers. ● Pitch presentation. Selection of up to 8 start-ups that will move on to the acceleration stage. 	January 6 to 8, 2021
INVESTMENT READINESS (ACCELERATION)	Support process, mentoring and training through tasks which allow the teams to accelerate their projects in a more agile and solid way. The start-ups work with specialized	March 1 to May 31, 2021

	professionals. <ul style="list-style-type: none"> ● Personalized advice and mentoring by national and international experts. ● Training, workshops and talks by experts and entrepreneurs. ● Personalized activities of linking with companies (Customer Day Committee, Company-entrepreneur) ● 3 BODs with international mentors and the INCUBAUC team. 	
INVESTMENT SUMMIT	During this day, local and Latin American investment funds will participate along with investors of Corporate Venture Capital, plus invited companies and high impact entrepreneurs	To be defined, 2021

X. MINIMUM CONTENTS FOR THOSE SELECTED

Leveling Stage Selected

Stage of diagnosis to entrepreneurs and evaluation of their solutions, together with the program team, their national and international mentors in order to deepen the aspects to be discussed in the acceleration stage.

Bootcamp Stage Selected

- Mentoring Program for validation, commercialization and prospection.
- Talks and joint work with the program team.

Acceleration Stage Selected - Investment Readiness Program

- Personalized advice on investment topics (Deck, Valuation, Business Plan).
- Mentoring with assigned expert according to the start-up needs.
- Access to professional services and advice to strengthen the acceleration and commercialization process.
- Insertion in the entrepreneurship national and international ecosystem through bonding activities.

- Contact with angel investment networks and venture capital funds (according to the projects status).
- 3 sessions of Board of Directors with the participation of international mentors and the INCUBAUC team.

XI. DESCRIPTION OF THE PROGRAM STAGES

1. LEVELING

After the evaluation process of the start-ups, 15 projects will be pre-selected and they will participate in a “Leveling” process which will start on November 23, starting with a round of interviews in order to know the team and the start-up in depth and also to introduce the methodology used in our Board of Directors. The teams will work together to be prepared for this stage, which fulfills the objective of raising a diagnosis regarding the status of the business at market, finance, product and team levels. This BOD will take place remotely with one of our international mentors from the INCUBAUC program, between December 1 and 30. This stage is mandatory in order to participate in the Bootcamp.

The participation of the entrepreneurs in these activities is mandatory and its objective is to request and review a series of technical and commercial background. Other activities not foreseen in these bases, such as workshops and talks may be incorporated into this process. If this happens, you will be notified with at least 5 days in advance via email.

2. BOOTCAMP

The bootcamp will take place between January 6 and 8, 2021 at UC Innovation Center- Anacleto Angelini, at San Joaquin Campus of the Universidad Católica de Chile in Santiago. It will be held face to face but with the option of participate remotely (bootcamp format is subjected to modification according to the evolution of the current contingency). The bootcamp is a collective instance of learning and training which seeks to promote the entrepreneurial culture at a national and international level, thus expanding the global entrepreneurship ecosystem through the development of “Technological Entrepreneurship Camps”. These have developed workshops, talks and mentoring activities for the attendees who have been previously selected.

This version of the INCUBAUC program will have the presence of foreign mentors from Silicon Valley (USA) and Latin America. These mentors will work intensively with the selected start-ups, knowing their proposal value and business model, proposing changes and improvements and developing a working plan which allows them to scale in the short term. These mentors will be part of the selection jury who will define the winners of this camp.

To participate in the Bootcamp, the attendees must:

- Complete their personal information when validating their registration in the INCUBAUC accreditation area.
- Have a personal laptop, mobile device and/or any other portable means that allows them to develop their own activities related to visualizing their Project or application idea, program or software.
- Have a stable internet connection for the right development of activities (in case of remote participation).
- Manage an intermediate English level because, although the pitches may be in English or Spanish, the slides of your presentation must be written in English in order to facilitate the understanding of all international mentors.

3. ACCELERATION (Investment Readiness Program)

After the bootcamp, the acceleration program Investment Readiness INCUBAUC will take place, which will help those selected to prepare in the best way to introduce themselves before investor of national and international venture capital funds, such as Corporate Venture Capital, Venture Capital and Private Equity.

The acceleration program Investment Readiness INCUBAUC includes the following contents:

- **Deck.** Workshop and advice for the construction of an Investor Deck according to: Problem, Opportunity, Solution, Competitive Advantage, Traction and Milestones, Valorization and other metrics.
- **Valuation.** Workshop and advice which purpose is to prepare entrepreneurs in the main aspects of start-ups valorization and generate a first iteration of their business value.
- **Strategy to Win.** Personalized advice to determine the market niche, variables to invest, working capital and others. Construction of a Use of Proceeds.
- **Efficiency.** Personalized advice to determine strategies of accelerated growth based on costs, confirmation of “strategy to win”, working capital and business structure.
- **Termsheet.** Workshop and analysis of practical cases, most common clauses and good practices.
- **Investor Pitch Committee.** One-to-one session of the teams with a committee formed by the members and representatives of venture capital funds.
- **Internationalization:** Talks about ecosystem and culture. What it takes to reach environments like Silicon Valley. Key aspects for internationalization strategy, milestones to achieve, expected sales levels, demand, expectations and team work.

- **Business Plan:** Workshops and advice for the development of the business plan focused on the investor, which involves results metrics based on comparable and/or traction obtained to date. This will allow to show the dynamics of generating value to the start-up and its process to capture it.
- Monthly **BODs** personalized according to the objectives and needs of each team: coaching and mindset, sales training, metrics survey, KPI's and OKR's, product market fit, strategies and more.

Additionally, after each workshop, follow-up sessions are held with each start-up, in order to review the learnings of each workshop and ensure the correct performance of the assigned tasks. In each session, the team that conforms the committee will be responsible for evaluating the entrepreneurs, their progress, the tasks compliance and results obtained. This evaluation will be reflected for the final stage of the Investor Summit.

4. INVESTMENT SUMMIT

During the first semester of 2021, the Investment Summit will take place at the facilities of UC Innovation Center (format subjected to modifications according to the evolution of the current contingency). The participating projects will have 7 minutes to present before Latin American investment funds and national venture capital investors.

The specific detail of this day will be delivered once the names of the approved projects are determined during the acceleration process 2021. The presentation to investment funds of selected projects in this process does not guarantee that they will invest in them.

The investment Raising process will be developed after the INCUBAUC program, therefore, the entrepreneurs and the respective investment funds are responsible for those agreements to be resolved successfully. The UC Innovation Center and any participant of the program team, whether internal or external, are not part of these negotiations. However, after the program is finished, follow-up sessions will be held with periodicity to be defined with the entrepreneur, where, in case of raising the private capital, the organization must be informed about the private/public capital raising amounts and with whom, among others impact metrics.

Every start-up that passes through the INCUBAUC acceleration program will automatically be part of the start-up portfolio of the UC Anacleto Angelini Innovation Center from the Pontificia Universidad Católica de Chile, and therefore, must fulfill its responsibilities as a participant of the INCUBAUC acceleration program and member of the portfolio in order to facilitate a subsequent connection with new investors and companies. Additionally, once the program is finished, the start-up will be evaluated by the organization to

define its possible continuity for a total of 3 more months, which, strictly must be reflected in a contractual agreement of service provision between the parties.

XII. PARTICIPANTS RESPONSIBILITIES

Each participant of the INCUBAUC program, from the confirmation by email of their participation in the leveling process onwards, accepts:

- Mandatory participation of at least 1 representative in the workshops and mentoring that includes the leveling stage to be held between November 23, and November 30, 2020 and the 3 days of BootCamp, to be held between January 6 and 8, 2021.
- Participation in the activities of the INCUBAUC program with 100% attendance by at least one member of the founding start-up team. This program includes the Leveling, Bootcamp, Acceleration and Investment Summit stages. The absence without prior justification to any activity of this process will be considered as a cause of elimination of the participating team according to the organization.
- Safeguard all physical and technological infrastructure of the INCUBAUC program execution venue in face-to-face instances, as well as the digital or/physical material provided to support your participation in the event.
- Do not reproduce, duplicate, or use this material for other events that seek or pursue similar purposes to INCUBAUC.
- Maintain a cordial and respectful attitude with all participants, organizers, mentors, presenters, juries, journalists and anyone who participate in the event, in order to maintain a climate of cordiality and respect for others and their work.
- Do not reveal or disclose any type of information to which you have or may have access in relation to ideas and business models from other participants or the same mentors, tutors or organization team.
- Use a language appropriate to circumstances and maintain special care in the expressions used to refer to any person participating or in absence of the INCUBAUC program.
- All information generated in the context of the event by each entrepreneur and their team is their total and absolute intellectual property.
- Each participant must have a personal backup mechanism of data and developments obtained in their team during the program. The event organization is not responsible for the loss of information or data that the participants has not previously backed up in electronic, optical, digital or physical means.
- Periodically, the organization will require information about the start-up in order to raise impact metrics, so tax documents such as monthly F29 (in Chile) must be sent to certify the sales level monthly or when requested.

- The participants must answer satisfaction surveys related to the process experience in general within the established deadlines.

The organization will have for Bootcamp and Investment Summit:

- Wi-Fi internet access for participants previously registered in the event. In case of having connection issues, the administration will not be responsible for that. (in face-to-face format).
- A venue of 50 to 200 mts. which will host the event and a workplace for the teams (in face-to-face format).
- A mentors and presenters team according to their availability and schedule.
- Access to restrooms services for the attendees (in face-to-face format).
- Paid parking lot based on business hours of use, with a cost previously informed in the campus entrance (in face-to-face format).
- Workstations for the entrepreneurs and their laptops, which is a table and several chairs around it (in face-to-face format).

The organization is not responsible for:

- Loss, misplacement or theft of species and/or goods of the participants during the development of activities.
- Diffusion of intellectual property product of diffusion in collaboration spaces and/or formal and informal conversation that take place in the context of the program and/or event.
- Use, usufruct, copy, interpretation or reinterpretation of ideas, concepts, prototypes, schemes models or others, publicly or privately released to people attending the INCUBAUC program.
- Accidents that may occur due to handling errors in electrical or electronic equipment used by the participant of the event.
- Accidents occur during the event, attributable to carelessness of the participant of the event.
- Power supply failures.
- Internet connection failures.
- Damages caused to electrical or electronic equipment due to power supply failures.

Use of images and Survey

Every start-up participating of the INCUBAUC process accepts the use of its image in written media, press, radio, television and internet. All this for promotional purposes for the event, the program and to publicize the entrepreneurial culture. Participants also agree to answer surveys related to the experience of the process.

XIII. SELECTED FOR THE ACCELERATION PROGRAM

On January 8, 2021 in the final session of the Bootcamp, the jury, formed by international mentors and important actors of the ecosystem, will decide the selected projects of the Bootcamp and which will participate in the INCUBAUC Investment Readiness acceleration process. The total number of selected for the INCUBAUC Investment Readiness program will be a minimum of 5 teams and a maximum of 8. The jury can determine that a number less than 8 is in line with the acceleration program, as well as can determine than it can be more than 8. In this last case, the jury can define a waiting list that shows up to 3 projects that may be incorporated to this group in a later date, previously meeting the requirements that they consider necessary and that must be communicated maximum one week after the Bootccamp.

The projects that are not selected for the 2021 edition of the INCUBAUC program may choose to present their progress in future opportunities, have follow-up meetings, and apply again to this and other calls of the UC Anacleto Angelini Innovation Center through the evaluation by Fast Track.

XIV. ACTIVITIES CALENDAR AND COMMUNICATION CHANNELS

Date	Activities
October 30, 2020	Closing of applications
November 17, 2020	Notification to those selected to confirm participation
November 20, 2020	Publication of official selected
November 23 to 30, 2020	Leveling: Interviews
December 1 to 30, 2020	Leveling: Diagnosis BODs
January 6 to 8, 2021	Bootcamp
March 1 to May 31, 2021	INCUBAUC Acceleration Investment Readiness
First Semester of 2021 (to be defined)	Investment Summit

All the information regarding the INCUBAUC program, such as its application and selection process, as well as eventual chances in this process, will be informed in the web site www.incubauc.cl and the platforms of the UC Anacleto Angelini Innovation Center. For more information write to luis.mourgues@uc.cl or call +56 22 3545458.

XV. PROGRAM DESERTION

INCUBAUC reserves the right to request a total or partial refund of the program costs to beneficiaries, as long as the entrepreneur and/or the participants who form and represent a start-up decide to leave the program suddenly and without any justification. Therefore, the amounts or fines depend on the following:

- The fine will be equal to the real value of the benefit granted to the entrepreneur from the beginning of the program until the period of its retirement, which includes the workspace, all training instances, mentoring and advice per day attended.
- If all the founders of a start-up desert the program, but leave a replacement who represent them and participate by them without having shares in the company, an additional variable will be charged to the entrepreneur, valued by their participation from the moment this new participant enters the program until it is finished.
- Exceptionally, there will be no charge associated to those people who withdraw from the program due to medical reasons, accident, death, or another actions of the same nature that makes the entrepreneur impossible to continue participating in the program, as long as it is duly justified.

XVI. ACCEPTANCE OF THE RULES

Any natural or legal person, either individually or a participating team, declares have read and accepted these technical bases of the INCUBAUC program, submitting the participant (s) to everything established in each explicit paragraph of this document. Therefore, any non-compliance with them may be grounds for expulsion from the program with fines associated to the severity of the action. INCUBAUC reserves the right to modify these bases, in the spirit of improving the program execution. These changes will be communicated in the official web page of the program and notified to participants via email