

#ROSETTA VENTURE CHALLENGE



Legal bases of the Challenge

2021

The challenge

The beginning of 2020 has brought upon us difficult and uncertain times that are challenging our capabilities and testing our resilience. Yet, it has also given us the opportunity to reignite our sense of community and rethink a new tomorrow.

The #ROSETTA VENTURE CHALLENGE, hereinafter, the "**Challenge**", aims to identify best startup ideas developed around Rosetta platform, a technology developed by TELEFÓNICA CYBERSECURITY & CLOUD TECH, S.L.U. (hereinafter, "**Telefónica Tech**") that aggregates multiple instant messaging services in one platform and allows to build other functionalities on top (hereinafter, the "**Rosetta Platform**").

Who organizes the Challenge?

The Challenge is an initiative promoted by TELEFÓNICA OPEN INNOVATION, S.L.U. ("**TELEFÓNICA**").

TELEFÓNICA will involve third collaborators in the Challenge, **Azraeli College of Engineering Jerusalem; FreshFund, Ltd; Made in Jerusalem R.A.** (the "**Collaborators**") that would participate in its development by, among other things, communicating the call to the community, supporting in the analysis of the participants, participating in the Digital Pitchday and promoting the Challenge through branding, marketing and communication campaigns. Telefónica and the Collaborators hereinafter, and jointly referred as the "**Organization**".

- TELEFÓNICA is part of the Telefónica Group, being the first Spanish business group in volume of investment in R&D&I, with an outstanding presence throughout the national territory, through which it intends to contribute as a catalyst for innovation technology and promote global social and economic development. The Telefónica Group since its Open Future initiative has been developing and promoting calls for open innovation and technological challenges aimed at entrepreneurs, students, technology centers and SMEs looking for digitally-based solutions through the TELEFÓNICA entrepreneurship platform www.openfuture.org.
TELEFÓNICA OPEN INNOVATION, S.L.U., a Spanish company, with registered address at Ronda de la Comunicación s / n, 28050 Madrid, and with **CIF B -86230562** in force (hereinafter "**WAYRA**") duly represented by Mr. Miguel Arias Bermúdez, of legal age, with DNI no. 9,430,355-X, as legal representative;
- **AZRAELI COLLEGE OF ENGINEERING JERUSALEM**, an Israeli public academic college, with **VAT – 580283729**. Committed to creating well-educated and highly trained engineers,

Azrieli - College of Engineering (formerly JCE) was founded in order to meet Jerusalem's growing demand for human capital in the high-tech sector.

- **FRESHFUND, LTD;** is a venture capital firm specified in early-stage investments, with **VAT – 515521110**.
- **MADE IN JERUSALEM R.A.;** is an organization that supports building Jerusalem's startups and innovation ecosystem, with **VAT - 580598225**

The Organization may involve third collaborators in the Challenge.

Participation requirements

The Challenge is open to students and entrepreneurs with ideas built around instant messaging services such as WhatsApp, Telegram or Skype among others. Hereinafter referred as the "**Participant or Participants**". The ideas will be selected considering the following criteria:

- Grade of innovation of the solution
- Size of the opportunity
- Technical feasibility of the proposal
- Resources needed to develop the solution
- Use of Rosetta platform

By participating in the Challenge, Participants certify that they do not submit any information that infringes any third-party proprietary, intellectual property, industrial property, personal rights or other rights, including without limitation, copyrights (including the right of reproduction, distribution, public communication and transformation), related rights, sui generis rights over databases and/or any other right recognized by intellectual property regulation, industrial designs and models, patents, trademark rights, utility models, know-how and industrial secrets (hereinafter "**Intellectual Property Rights**").; (2) otherwise violates applicable law; or (3) is subject to any actual or threatened litigation or claim.

Participants are responsible for (i) any violations resulting in the unauthorized use of a third party's Intellectual Property Rights and (ii) compliance with applicable laws. Specifically, Participants also declare that all codes, information and materials submitted by them during the Challenge:

- a) belong to them;
- b) are not false, inaccurate or misleading;
- c) are not in breach of any applicable laws, regulations, licenses, or third-party rights;

- d) are not harmful, threatening, defamatory, infringing, harassing or racially or ethnically offensive;
- e) do not facilitate illegal activity or depict sexually explicit images;
- f) do not promote violence or discrimination based on race, gender, colour, religious belief, sexual orientation and/or disability; and
- g) do not cause damage or injury to any person or property.

The Organization may exclude from the Challenge Participants who, originally or unexpectedly, do not meet any of the requirements set out in these Terms, losing all option to participate in the Challenge and without the right to claim anything from the Organization. Likewise, it will be essential for the Participants to be up to date with their obligations to the Public Administration, and there are no outstanding debts with any government entity at any level.

The data that the Participants provide when registering for the Challenge must be truthful, so they will lose all option to participate in the Challenge if they do not comply with this obligation. All this, without prejudice to the responsibilities that these behaviors derive, which will be assumed in full by the Participants leaving the Organization harmless for any damage derived from any breach of these Terms by the Participants.

By registering in this Challenge, the Participant accepts, fully and without reservation or conditions, the provisions contained in these Terms. Participants may be subject to a due diligence review by the Organization at any time to verify compliance with these Terms. Determination of such compliance is at the sole discretion of the Organization.

The Organization reserves the right not to accept or withdraw from the Challenge all those Participants who act fraudulently, abusively, contrary to the spirit of the Challenge or the law, to the rights of third parties and/or in good faith, all of this, without prejudice to the responsibilities derived from these behaviors that will be assumed in full by the Participant, leaving the Organization harmless in any case. In any case, the Organization may exclude any Participant whose performance (or that of a related person) may be contrary to the reputation or good name of the Organization and the Challenge. Likewise, the Organization reserves the right not to accept any Participant that is understood that does not give an adequate response to the challenges posed or for any other justified cause.

Submission of Participants

Participants interested in participating in the Challenge must submit their applications through the website <https://builder.wayra.com/calls/rosetta>. To do this, they must (i) fill out the corresponding participation form, attaching to their registration, as much information as is required or is considered of interest and (ii) accepting these Terms.

Submissions received after the Closing Date (as defined below) will be considered invalid and will not be processed or accepted in the Challenge. Participants must complete all fields of the participation form in English. The Organization does not accept responsibility for any submissions which are lost, delayed, incomplete or otherwise not received, are corrupted or cannot be entered into for technical or other reasons. Incomplete or illegible submissions, or those non-compliance with these Terms, are invalid. The Organization has no obligation to inform Participants of any invalid entries. Proof of transmission or electronic delivery will not be deemed to be proof of registration In the Challenge.

Challenge Process

The Challenge will be developed in the following process staged and preliminary dates:



- **Open call:** *The Challenge opens on April 26th. A video explaining how Rosetta Platform Works will be shared to all participants. This video will be uploaded in the Wayra Builder web. Applicants will have to fill in the application form and attach a video of their idea (if they prefer, they can also send a mock-up of their idea).*
- **Immersion Trip:** From all applications the Organization will select the top 10 Participant finalist, (hereinafter, the “**Finalist or Finalists**”). The selection will be done according with the mentioned above criteria. During the 4 weeks of the immersion trip, there will be 1to1 meeting with the 10 Finalists where the Organization will help them with the development

of the business plan and guide them with technical queries they might have around Rosetta Platform. The best 2 projects will be selected as winners and will receive a monetary prize.

- **Acceleration Process:** A maximum of 3 projects will pass to the acceleration phase. After signing an NDA these projects will be given Access to a Rosetta Platform testing environment where they will be able to start coding and developing their product.
- **Investment Committee:** *The Challenge will finalize with an investment committee in which all the partners of the challenge will participate. The outcome of the committee is to decide whether to invest or not in the startup developed.*

Notwithstanding the foregoing, the Organization reserves the right to suspend, extend and/or modify the duration or dates of the abovementioned phases, at any time and at its sole discretion, in which case they will notify Participants in due time.

Additionally, the Organization may extend the term at its sole discretion and only to specific Participants who may have had problems by delivering a unique code, FastTrack, to be able to register for the Challenge.

Benefits and aid

The Participant is obliged to comply with the labor and Social Security obligations and to observe the necessary measures to comply with the regulations on the prevention of occupational risks, forcing himself to hold harmless the Organization, for all those claims covered by labor regulations or occupational risk prevention. In no case may the relationship between the Organization and the Participants be considered as a labor relationship.

In any case, the Participant must respect the basic rules of coexistence and comply with the Principles of Responsible Business of the Telefónica Group, which are currently published at the following link: <https://www.telefonica.com/es/web/negocio-responsable>.

The Participant exonerates the Organization (and if applicable, to the Collaborators) from liability for any labor, civil, criminal, administrative or other claim that originates in the Participant's breach of the obligations indicated in these Terms or in actions or omissions caused directly or indirectly by the members of the legal entity registering the Startup or of the Startup's members, if applicable, who participate in the Challenge.

Authorization to the Organization to share the information provided by the Participants with the Collaborators

By accepting these Terms, Participants authorize the Organization to share all the information and/or materials of any kind provided by the Participants during the Challenge with the Collaborators as long as they are obliged to (i) keep all confidential information secret and (ii) they use such information only for the development of the Challenge and as otherwise provided in these Terms (e.g. corporate, advertising, promotional purposes and/or to publicize the Challenge). In addition, when registering in the Challenge Participants can authorize the Organization to share your personal data with the Collaborators for scouting purposes only.

Industrial and Intellectual Property

Intellectual property:

The Intellectual Property Rights owned by any of the parties that intervene in the Challenge, whether as Participants, Collaborators and/or the own Organization, prior to the signing of this Terms, shall remain the property of the corresponding party.

However, Participants accept that, when they submit to the Organization any material, work or whichever other output of creative endeavor, they are granting to them a territorially and temporary unlimited, paid up, non-exclusive license, inclusive of sub-licensing rights to third parties, to use and exploit the pertaining work for any activity that related to the Challenge.

Likewise, all Participants accept, declare and acknowledge that, all Intellectual Property Rights derived from the Rosetta Platform, including its corresponding source or object code, shall remain the exclusive property of Telefónica Tech.

Notwithstanding the foregoing, when the applicable Participants reach the Acceleration Phase of the Challenge, and therefore have access to the Rosetta Software, hereby all of them accept that:

- a) **Telefónica Tech** holder of the Intellectual Property Rights over the Rosetta Platform, may grant them authorization to create any derivative works, modifications, enhancements, improvements, translations or other alterations to the Rosetta Platform (hereinafter, the “**Modified Software**”), subject to Telefonica Tech’s ownership of the original Rosetta Platform.
- b) Notwithstanding the previous point, the corresponding Participants will, in return, grant to Telefónica Tech as well as to TELEFÓNICA a territorially and temporary unlimited, paid up, non-exclusive license, inclusive of sub-licensing rights to third parties, to use and

exploit the Modified Software for any activity that may be necessary in the course of its business. The previous authorization will likewise include the right to transform or make alterations to the Modified Software by Telefonica Tech, TELEFÓNICA or any of its corresponding licensees.

Image Rights :

All Participants, hereby expressly authorize the Organization and, when applicable, Collaborators (and any company within their groups of companies) to:

- (i) capture and/or record their personal image, as well as their voice, throughout any of the activities carried out during the Challenge including, for example, during their participation in the Pitching Day.
- (ii) use, reproduce, distribute, transform, publicly communicate or, in essence, to carry out any other actions over the images and/or photographs, videos, with or without voice, etc. (hereinafter, and collectively, the "**Images**") or part of them in which they may appear.

Participants authorize the Organization and Collaborators to take the actions indicated in the preceding points for corporate, advertising, promotional purposes and/or to publicize the Challenge in both internal and external media that shall be deemed appropriate for it (including, for example: the Organization/Collaborator's website or intranet, YouTube, Instagram, LinkedIn, Twitter, Facebook, Corporate Blog, press releases, brochures, etc.).

This authorization is not limited to a specific temporal or territorial scope, so that the Organization and Collaborators may use the Images, or part of them, in all countries of the world without geographical limitation of any kind.

However, Participants may retain their right to revoke the authorization granted herein, without prejudice to the compensatory actions that may arise in favor of the Organization/Collaborators by virtue of the applicable regulations in force.

Participants will not have the right to receive economic or any other type of remuneration for the authorization of the use of their image contemplated in this clause.

All this with the only exception and limitation of those uses or applications that could violate the right to honor, morality and/or public order, in the terms provided in the legislation in force in each country.

Trademarks:

For the purposes of this Terms, the trademark concept shall include distinctive signs, trademarks, logos, insignia, tradename or any other right recognized under the Spanish trademark legislation (hereinafter, the “**Trademarks**”).

Participants will not use the Organization’s nor Collaborator’s trademarks without the express written approval.

Notwithstanding the foregoing, the Organization and/or Collaborators may use under no previous authorization, if applicable, the pertaining trademark of the legal entities where the Participants work in, for (i) corporate, advertising, promotional purposes and/or to publicize the Challenge (ii) by any means (including, without limitation, releases on websites, social media networks and press releases) (iii) and without any territorial or temporal limitation.

Confidentiality:

All information disclosed by the Participants, the Collaborators or by the Organization will be “confidential information” for the purposes of the Challenge.

The Participants, the Organization, and the Collaborators, in their respective case, will only use the confidential information for the Challenge and will not reveal, publish, or disclose confidential information to any person or entity. The Organization and the Collaborators shall have the right to disclose confidential information to its employees, contractors, agents, advisers and subsidiary entities, in a need to know basis and provided that they ensure that said persons or entities have a legal or contractual obligation to maintain the confidentiality of the information. In no case the Participant may disclose confidential information regarding the Organization, the Collaborators or the Participants accessed in the context of the Challenge.

The limitations established herein will not apply to the following information that shall not be considered confidential:

- a) That it is already known by the recipient before receiving it from the disseminator and on which there are no restrictions on use.
- b) That it is publicly available (without mediation by the recipient).
- c) That it be legitimately received by the recipient of a third party who has the right to disclose it.
- d) It is independently developed by the recipient without the use of any confidential information.
- e) Whose disclosure has been authorized in writing by the discloser or through the acceptance of these Terms; or

- f) That it must be disclosed at the request of any law or by order of a court, stock exchange, regulatory authority, government department or competent agency. However, prior to such disclosure the recipient shall, to the extent practicable and permitted by applicable law, consult with the discloser about the nature and purpose of the proposed disclosure.

Personal data protection and anticorruption

Data Protection Notice (articles 13 and 14 General Data Protection Regulation)

Who is Data Controller for the processing of your personal data?

The Data Controller for the processing of your personal data you provide as Participant, either by completing the Challenge registration, by browsing the Challenge website or by participating in the Challenge, is **TELEFÓNICA OPEN INNOVATION, S.L.U.**, (“**WAYRA**”, “**we**” or “**us**”), a Spanish company with registered address at Ronda de la Comunicación s/n, 28050 Madrid, and ID B-86230562. You may contact us at privacidad@wayra.com.

What are the purposes and legal basis for the processing of your personal data?

- Under the execution of this Terms & Conditions, our legitimate interest as the promoters of the Challenge, and the consent you give us when you freely participate in the Challenge, we may process your personal data to develop the Challenge or to access to any virtual or physical space or to give access to the Collaborators.
- Under our legitimate interest as the promoters of the Challenge, we may process your personal data to communicate and be in contact with you with the commercial proposal to inform you about the products and services that are relevant to you through various channels, for example, receiving our newsletter or editions of the Challenge or other related activities, as well as surveys.
- Under the consent you give us by ticking the applicable checkbox available in the registration form, we may process your personal data to share it with the companies of the Telefónica Group in order to give them access to this Showroom and generate business development opportunities that may be of interest to you.
- Under the compliance of legal obligations related with the performance of the Challenge, we may process your personal data to attend law enforcement requests.
- Under our and third parties’ legitimate interest related with the performance of the Challenge, we may process your personal data to comply with contractual obligations to third parties, for example license agreements and to take appropriate action regarding reports of intellectual property infringement and inappropriate content.
- Under our legitimate interest as the promoters of the Challenge, we may process your personal data establish to exercise or defend legal claims in relation with.

How long we keep your personal data?

We will store your personal data two years from the end of your participation in the Challenge and if you unsubscribe, they will be automatically deleted.

What are the recipients of your personal data?

We work with service providers who may process your personal on our behalf and who may need access, as Data Processors, to certain personal data to provide us with services related to the Challenge. These companies allow us, among other actions, to operate the technical infrastructure, in case it is necessary to access the Physical Spaces, grant access to some of the features we need to offer the Challenge, help protect and secure our systems and services like other companies of the Telefónica Group whenever it is essential for the development of the Challenge. These service providers may be located and process your personal data outside the European Economic Area. In such cases, we ensure that the transfer of your personal data to such territories is carried out in accordance with applicable privacy laws and, in particular, that appropriate contractual, technical and organizational measures are in place, such as standard contractual clauses approved by the European Commission.

In addition to such service providers, we may share your personal data with third parties acting as Data Controllers independent of us. In such cases, we only share your personal data if there is put in place an applicable legal basis according to General Data Protection Regulation. For example, we may share your personal data with those Collaborators necessary for the execution of this Terms&Conditions and to carry out processing activities related to the Challenge, or, if you give your consent, with other companies of the Telefónica Group for the purposes abovementioned.

How do we protect your personal data?

We guarantees the security, secrecy and confidentiality of your data, communications and personal information adopted by most of the strict security measures and robust and, where appropriate, putting in your tools and functions that allow you to control the process of deletion of your personal data.

If we require the subsequent processing of your personal data for a purpose other than those contained in this data protection notice, you will be previously informed by us.

What are your rights in relation with your personal data we process?

You have the right to access, to rectification, to restrict the processing, to object to the processing, to erasure deletion, to data portability and withdrawal your given consent.

As applicable, you can exercise all these rights (at any time and for free) by sending an email to the following address along with your identity card or digitized passport: privacidad@wayra.com

The Participant may submit any claim or request related to the protection of their personal data to our Data Protection Officer at the following email address DPO_telefonicasa@telefonica.com and before the Spanish Agency for Data Protection.

Finally, you have the right to file a complaint with the national supervisory authority. For these purposes You must contact the Spanish Agency for Data Protection, in the following information:

Spanish Agency for Data Protection
C / Jorge Juan, 6 - 28001 Madrid
www.aepd.es

COMPLIANCE WITH LAWS ON COMBATTING CORRUPTION

You hereby represent, warrants and covenants that:

- (a) You and any of its controlling entities or persons, affiliates, the partners, officers, directors, employees and agents involved in the Relevant Undertaking will comply at all times in connection with and throughout the course of the Relevant Undertaking¹ (if applicable, including upon acquisition of the products and/or contents that are relevant for the supply of goods or rights and/or for the provision of the Products & Services subject to this agreement), with all applicable laws, statutes, regulations and codes relating to combating corruption, including without limitation the United States Foreign Corrupt Practices Act (collectively, “Anti-Corruption Laws”);
- (b) In connection with the Relevant Undertaking, neither You nor any of its controlling entities or persons, affiliates, the partners, officers, directors, employees or agents will offer, promise or give, nor have they, as at the effective date, offered, promised, or given money or anything of value, directly or indirectly, to (i) any “Government Official”² in order to influence official action or otherwise obtain an improper advantage; (ii) any other person while knowing that all or any portion of the money or thing of value will be offered or given to a Government Official in order to influence official action or otherwise obtain

¹ “Relevant Undertaking” means the subject matter of this agreement.

² “Government Official” includes anyone working for or on behalf of a national, state, provincial or local government department, body, agency or other government entity (including government-owned or controlled companies) or any public international organization. The term also includes political parties, party officials and candidates for political office.

an improper advantage, or (iii) any other person in order to induce him or her to act disloyally or otherwise improperly;

- (c) You will keep and maintain accurate and reasonably detailed books and financial records in connection with this agreement and the Relevant Undertaking.
- (d) You have and shall maintain in place throughout the term of this Agreement its own policies or procedures to ensure compliance with Anti-Corruption Laws, sufficient to provide reasonable assurances that violations of Anti-Corruption Laws will be prevented, detected and deterred.
- (e) You shall promptly report to Telefonica any violation of any of its obligations under paragraphs (a), (b) and (c) of this Section above; in such event, Telefonica reserves the right to require that You immediately takes appropriate remedial actions;
- (f) Your representations, warranties and covenants in this Section above extend equally, for the avoidance of doubt, to any third parties subject to the control or influence or acting on behalf of You in connection with the Relevant Undertaking, and You has taken reasonable steps to ensure their compliance; and no rights or obligations of, or Products & Services to be rendered by You in connection with the Relevant Undertaking shall be assigned, transferred or subcontracted to any third party without the prior written approval of Telefonica;
- (g) You shall certify its compliance with this Section above periodically as may be required by Telefonica.

Breaches

- (a) Breach of this clause shall be deemed a material breach of this Agreement. In the event of a breach of Section above, except if remedied pursuant to Section above (e) above, this Agreement may be immediately suspended or cancelled by Telefonica and any claims for payment by You may be forfeited.
- (b) To the extent permitted by law, You will indemnify and hold Telefonica harmless from and against any and all claims, damages, losses, penalties, costs (including but not limited to legal fees) and expenses arising from or related to, any breach by You of its obligations under Section above.

WAYRA shall have the right to audit Your compliance with its obligations and representations under Section above. You shall fully cooperate in any audit, review, or investigation conducted by or on behalf of Telefonica.

Final Considerations

Failure to comply with any of the obligations established herein and future ones agreed by the Organization, will enable it to immediately terminate its legal relationship with the Participant.

This Challenge may be modified, interrupted, deactivated and / or canceled for any reason, in which case the Organization will notify the Participants and without this generating any claim / compensation right.

The Organization reserves the right to declare all or some of the benefits void, if any Participant does not deserve to participate in the Challenge at its sole discretion.

The acceptance of these Terms entails the entering into a binding legal agreement between the Participant and the Organization governed by their provisions. If you do not agree with these Terms you will not be able to register in the Challenge. The terms and conditions included in these Terms do not constitute any binding or contractual link for the Organization or for the Participants beyond what is expressly provided for therein.

This Agreement shall be governed by and construed in accordance with the laws of the Spain and shall be subject to the exclusive jurisdiction of the courts of the Madrid.