

# Official Rules

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## 1. Introduction

"Deloitte RegTech challenge" (hereinafter, the "**Challenge**") is organized by Deloitte Risk Advisory S.r.l., a company limited by guarantee, incorporated under Italian law, with registered office in Milan, Via Tortona 25, registered with the Milan Company Register under no. 05059250158 (hereinafter, "**Deloitte**") in cooperation with Deloitte Risk Advisory B.V.(Netherlands), Deloitte Consulting & Advisory CVBA (Belgium), Deloitte. S.L. (Spain), Deloitte & Touche (South Africa), Deloitte Tax & Consulting *société à responsabilité limitée* (Luxemburg), Deloitte Ireland LLP (Ireland), Deloitte SAS (France), Deloitte Statsautoriseret Revisionspartnerselskab (Denmark), Deloitte AB (Sweden), Brightman Almagor Zohar and co. (Israel), (collectively, together with Deloitte, the "**Deloitte Promoters**") and with the support of Officine Innovazione S.r.l. (hereinafter, "**Officine Innovazione**"). These official rules (hereinafter, the "**Official Rules**") govern the Challenge and apply to the Participants (defined in paragraph 3 "Who may participate").

In order to be selected to take part to the Challenge, the Participants shall not pay any amount nor purchase any good.

## 2. Challenge Objective:

The Challenge objective is to empower the innovation and entrepreneurship ecosystem in the regulatory sector. The goal is to find startups that can provide innovative solutions within Conduct Risk that meet the needs of the Deloitte Promoters, improve their core business and potentially create the new businesses for their future. By Conduct Risk we refer to the risks associated with how organizations and their staff relate to customers and the wider financial markets; it covers any action of an individual financial institution that leads to customer detriment or negatively impacts market stability.

The Participants could gain an unprecedented access to corporate resources and can be effectively supported for the customer identification and acquisition. This is a real go-to-market "fast-track" option where the successful projects can be immediately taken on board for further cooperation with integration within the company.

The Participants will be selected by means of a competitive process described in these Official Rules.

Each Participant will present in the Challenge its project that shall be focused on one the following areas of Conduct Risk (hereinafter, the "**Project**"):

- Consumer Protection
- Product Governance
- Digital Mystery Shopping
- Remuneration
- Conflict of Interest

The Challenge does not qualify as a "prize event" (*concorso a premi*), as governed by Italian Decree no. 43/2001. The Challenge falls within exclusion from prize events provided by art. 6, co. 1, lett. a) of the Italian Decree no. 43/2001 ("Competitions called for the creation of literary, artistic or scientific works, as well as for the presentation of projects or studies in commercial or industrial fields, in which the awarding of the prize to the author of the selected work is considered the compensation for the performance of work (*corrispettivo della prestazione d'opera*) or represents the recognition of personal merit or a title of encouragement in the interest of the community").

## 3. Who may participate

The following kinds of entities are considered eligible to participate in the Challenge (hereinafter, the "**Participants**"):

companies (based in Europe, Middle East and Africa) incorporated no earlier than four years before the beginning of Phase 1 of the Challenge (defined in point 5 below) and that have not distributed profits. Companies are not required to have obtained previous engagements by clients.

#### 4. How to participate

To participate in the Challenge, each Participant has to:

1. login into the web-portal [www.deloitteregtechchallenge.com](http://www.deloitteregtechchallenge.com) ("**Website**");
2. submit, complete with all the information required, an application including Project submission (the "**Application**");
3. submit the Entry (as defined below), and
4. expressly accept the Official Rules.

The Application shall be submitted within November 11<sup>th</sup>, 2018 (the deadline, hereinafter the "**Due Date**").

In order to submit the Application, Participant must access to the Website, click on the "Register" button on the home page and fill in the registration form. After receiving a confirmation email they will enter the Website, click on the "Submit" button and fill in the Application form (the "**Form**") and then click "Submit" button. The Form shall contain:

- The Project title;
- A description of the need that the Project would satisfy;
- A description of the Project;
- A selection of the Regulatory topics that the Project would focus on;
- A description of the innovative elements of the Project;
- The definition of the technology used;
- The potential fields of application of the Project;
- A brief description of the startup members.

Participants shall also be entitled to upload visual aids (power point presentation, drawings, video presentations) if doing so will help the Evaluation Panel (as defined below) in better understanding the idea and the potential as a business of the Project.

In order to participate in the Challenge, in addition to the Form, Participants must also submit the following attachments (together with the Form, the "**Entry**"):

- Presentation of the Project in pdf format, including the following information:
  - description of the idea, market size, team, competitive scenario, product / service development roadmap, and the main economics (abstract of the information contained in the business plan, if available);
  - Business Plan pdf format;
- Copy of the Articles of incorporation;
- Copy of the Chamber of Commerce registration (or registration in other relevant statutory company register) for Participants being legal entities.

Incomplete Entries, including but not limited to those Entries that do not comply with the requirements listed in the "Challenge Objective" section above, will not be eligible. For purposes of these Official Rules, "submission" of an Entry occurs when an Entry is uploaded onto the Website (Projects sent via other channel will not be admitted) by the Due Date. Applications that are submitted after the Due Date will not be taken into consideration for the purposes of the Challenge.

By submitting the Entry, the Participant understands and grants Deloitte Promoters and Officine Innovazione permission to disclose in any form the participation of the Participant to the Challenge for various purposes connected to the Challenge and as otherwise set forth in these Official Rules. Deloitte Promoters and Officine Innovazione are not responsible for any unauthorized third party use of any Entry. Deloitte Promoters and Officine Innovazione do not guarantee the posting of any Entry or comment. Participants agree that they will not disclose or use the Entry for any other purpose, including, without limitation, posting the Entry to any online social networks, without the written consent of Deloitte Promoters in each instance.

The Project must be the original work of the Participant; it may not have been previously published; it may not have won previous awards; and it must not infringe upon the copyrights, trademarks, rights of privacy, publicity or other intellectual property or other rights of any person or entity. The Participant is responsible for obtaining before the submission of the Entry any and all releases and consents necessary with respect to material or elements that are not owned by the Participant and/or which are subject to the rights of third parties in a form considered acceptable for Deloitte, to permit the use and exhibition of the Entry by Deloitte Promoters in the manner set forth in these Official Rules. In any case, the Participant will indemnify and hold Deloitte Promoters and Officine Innovazione harmless with respect to any amount that should be paid by Deloitte Promoters and

Officine Innovazione due to the breach of the above mentioned provision or other violation of these Official Rules and the Participant shall be considered the only responsible of the relevant infringement.

For any difficulties in accessing the Website or uploading an Entry, Participants are invited to contact [regtechchallenge@deloitte.com](mailto:regtechchallenge@deloitte.com).

## **5. Evaluation of the Application**

The **"EMEA RA Managers"** shall be the evaluation committee involved in Gate 1 of the Challenge section below and is composed of the Deloitte Promoters' judges.

The **"Evaluation Board"** shall be the board composed of EMEA Deloitte Risk Advisory Innovation Council members and further experts that will be identified for the final evaluation in Gate 2. The Evaluation Board shall be composed of at least one representative from each Deloitte Promoter (provided that, should one or more Deloitte Promoters not appoint a representative, the Evaluation Board shall be appointed by the other Deloitte Promoters and the Deloitte Promoter/Deloitte Promoters that have not appointed any representative shall accept the decision of the Evaluation Board). The EMEA RA Managers and the Evaluation Board, shall be referred to collectively as the **"Evaluation Panel"**

### **Challenge Phases:**

The Challenge is divided into two phases:

#### **Phase 1: Project Proposal**

Duration: within November 11<sup>th</sup>, 2018, 11:59 PM CET

The scope of Phase 1 is to gather innovative ideas and solutions related to Challenge objective and submitted by Participants. The selection will be carried out according to the following Assessment criteria:

#### **Assessment:**

Each Participant's Project will be evaluated by the Evaluation Panel, in its sole discretion, based on the criteria described below:

- **Innovation quotient:** degree to which the idea/solution is innovative, disruptive, or creates new markets;
- **Attractiveness:** attractiveness level in the reference market;
- **Feasibility:** degree to which the idea/solution is feasible for Deloitte Promoters and viable in legal and technologic terms;
- **Economic sustainability:** potential financial/economical attractiveness of idea/solution;
- **Scalability:** potential to expand the operations by serving more markets or more customers, exponentially.

#### **Phase 2: Valuation and selection of the Winners**

According to the criteria set out above (in the "Assessment" paragraph), the evaluation of the Projects will be in any case carried out with the discretion of Deloitte Promoters. The evaluation and selection of Projects participating to the Challenge will be carried out in two Gates:

#### **Gate 1 – "Deloitte Pre-Screening"**

The EMEA RA Managers will select the winning Participants of Phase 1 (each winning Participant of Phase 1, a **"Finalist"**), on the basis of the criteria described in the "Assessment" section above and taking into account the following exclusion general criteria:

- Insufficient documentation included in the Entry (lack of clarity or non-readability of the minimum essential material required to participate in the Challenge);
- Out of scope Project (Project not in line with the Challenge objective);
- An inconsistent Project (a proposed solution that is obviously unrealizable or difficult to implement), and
- Non-original Project (proposition of ideas already realized or not very innovative).

Finalists may receive questions from the Evaluation Panel that will need to be addressed in the Final Selection.

#### **Gate 2 – "Final Selection"**

All Finalists will present their Projects to the Evaluation Board through direct interviews to be held as face to face meetings; the related costs (organization, travel, accommodation, catering) shall be borne by Deloitte for at least one individual per Participant.

The Evaluation Board will select up to three (3) Finalists the winners of the Challenge (hereinafter, the "**Winning Startup(s)**") based on the innovation quotient, attractiveness, feasibility, economic sustainability and scalability of the idea, as described in the "Assessment" section above.

The composition of the Evaluation Panel varies across Gates, as described below:

- Gate 1 – Deloitte Pre-screening: EMEA RA Managers
- Gate 2 – Final Selection: Evaluation Board

Internal or external experts could be involved in all Gates in order to provide support and expertise. The Winners of each Gate (as defined below) will be chosen by the Evaluation Panel in their sole discretion. The Evaluation Panel decisions with respect to the Challenge are final and binding on all matters.

### **Winner Notification:**

Finalists will be announced after Phase 1, whilst Winning Startup(s) (the latter together with Finalist(s), the "Winners") will be announced sometime after the Final Selection.

The Finalists may be required to provide additional documents and information to Deloitte Promoters in order to better explain the Projects features. Such documents shall be provided within five (5) days of Deloitte Promoter's request or the Finalists may be disqualified.

In the event it is determined that a Winner has not complied with these Official Rules, or has failed to execute and return any required documents within the specified time period, or has made false statements in any document required by Deloitte Promoters, such Winner will be disqualified.

## **6. Award**

From all the Finalists participating in the Challenge, the Evaluation Board will chose maximum three (3) being be the highest ranked based on evaluation criteria described herein, who will become the Winning Startup(s) and will be granted with:

- a) The first Winner (highest ranked) - three Proof of Concept project with Deloitte Promoters' client.
- b) The second Winner (ranked as 2<sup>nd</sup>) - two Proof of Concept project with Deloitte Promoters' client
- c) The third Winner (ranked as 3<sup>rd</sup>) - one Proof of Concept project with Deloitte Promoters' client

The Deloitte Promoters could also grant further awards.

The Deloitte Promoters could consider signing in the future one or more cooperation agreements with one or more Finalists and/or the Winning Startup. Decisions on whether or not enter into such agreements or to provide any awards will be taken autonomously by each Deloitte Promoter at its discretion and no Participant(s)/or other person shall have any claim whatsoever against the Deloitte Promoters of any nature.

## **7. Guarantees and indemnity of the Participants**

Each Participant represents and warrants that the Project:

- is Participant's original work, on which the Participant has the fullest rights of intellectual property and economic exploitation relating thereto;
- constitutes no infringement of any third parties intellectual property right, in particular but with no limitation to the following: the Project does not contain any trademark, logo or other element protected by any third party intellectual and/or industrial property right or copyright, or that, where rights of third parties exist, the Participant has previously obtained all the necessary authorizations and licenses from the relative holder;
- does not violate other rights of third parties, including, inter alia, patents, industrial secrets, rights from contracts or licenses, rights of publicity or rights related to privacy, moral rights or any other right worth of protection;
- does not constitute the object of a contract with third parties;
- does not contain any defamatory content, representation, outrageous consideration or any other content that could damage the name, honor or reputation of Deloitte Promoters, Officine Innovazione or any other person or company;
- does not contain any pornographic or sexual content, or content of a discriminatory nature in any way (specifically including discrimination based on race, sex, sexual orientation, religion and / or political beliefs of individuals or groups), nor content that promotes violence or injury to any living thing or any other offensive, obscene or inappropriate content;
- contains no threat or content intended to intimidate, harass, or mistreat a private person's private life;
- does not constitute a violation of applicable laws and does not contain content that encourages unlawful conduct.

The Participants expressly undertake to indemnify and hold the Deloitte Promoters and Officine Innovazione harmless from any claim, claim for damages or request for damages made by any third party, for the violation of one of the provisions included in this Official Rules or arising from the infringement of any third party rights or arising from the infringement of any third party rights.

## **8. Intellectual property relating to the Projects**

The intellectual property of the Projects is fully owned by the Participants. Each Participant assumes the fullest responsibility for the protection of the inventive and / or original aspects of the Projects.

The Participants grant to Deloitte Promoters and to Officine Innovazione a limited right to access to and use the Project and any other elements of Entry, Application Form with annexes thereto and other documents and materials submitted in the Challenge free of charge for the purpose of the Challenge as described herein.

The Participants acknowledge that Confidential Information may be disclosed in the context of the Challenge and agrees to accept the restrictions set forth herein. For the purpose of the Challenge, "Confidential Information" shall include all technical, operational, strategic, business, marketing, financial, legal, technical information and data of a confidential or proprietary nature, relating to the Projects of the other Participants and their business, which may be disclosed to Participants in connection with the Challenge verbally or in writing, including but not limited to analysis, compilations, forecasts, studies or documents containing or otherwise reflecting such information.

The Participants acknowledge that Confidential Information is strictly confidential and shall not be disclosed to any person (including, for the avoidance of doubt, other Participants). The Participants will not to use in any way or for any reason Confidential Information.

The term Confidential Information does not include any information which: (i) is or becomes generally known to the public, provided that such is not the result of any violation of this provision, or (ii) is or becomes available on a non-confidential basis from a source other than other Participants, provided that such source was not bound to keep such information confidential by a contractual, legal or fiduciary obligation.

It is understood that the Participants that cause damages by means of the breach of the confidentiality duty set forth above or by means of infringement of industrial or intellectual property rights of third parties (including other Participants) will respond in any case for any damages caused to such third parties (including other Participants), by the violation of the duty of confidentiality herein provided, the infringement of industrial or intellectual property rights or by any other claim related to the Projects that were presented in the Challenge. It remains understood that no responsibility shall be borne by Deloitte Promoters and Officine Innovazione for conducts of the Participants in breach of the provisions of these Official Rules. Participants that violate the Provisions of these Official Rules will indemnify and hold Deloitte Promoters and/or Officine Innovazione harmless with respect to any damage that should be borne by Deloitte Promoters and/or Officine Innovazione due to the breach of the Official Rules.

## **9. Processing of personal data**

The personal data provided by natural persons members of the Participants to the Challenge, as data subject, will be processed by the Deloitte Promoters and Officine Innovazione in their capacity as Data Controllers in compliance with applicable legislation (in particular with EU General Data Protection Regulation 2016/679). In this regard, Participants are provided by Deloitte Promoters and Officine Innovazione with the privacy notice containing the details of the data processing according to article 13 of General Data Protection Regulation 2016/679, in connection with the phase of the registration to the Challenge through the Website.

The natural persons members of the Participants are invited to read the privacy notice, available on the Website..

## **10. General conditions**

Deloitte Promoters reserves the right to cancel, modify or suspend, in whole or in part and at any time, the Challenge, as well as any of its contents, appearance or selective criteria, to select the number of Finalists, to select a lower number of Winning Startups than what initially intended, upon their sole discretion and upon notice on the Challenge's Website. Should the suspension or the exclusion from the Challenge be related to one or some Participants only, notice shall be given via registered letter or certified email (*PEC*).

In addition to the circumstances referred to in the provisions of Deloitte Pre-Screening and Winner Notification paragraphs above, Deloitte Promoters shall have the right, at any time, upon their sole discretion, to exclude from the Challenge any Participant which: a) attempts to tamper with the Application submission or the operation of the Challenge; b) acts in violation of these Official Rules; c) behaves in an inappropriate, unsportsmanlike manner and contrary to the interest of a serene and correct development of the Challenge.

The Participants acknowledge that Deloitte Promoters render external audit as well as non-audit services to

numerous clients, are subject to the respect of independence as prescribed by the EU Regulation n. 537/2014 and other legislative and/or regulatory provisions and that Deloitte Promoters also have business relationships with many persons or entities. It is therefore a requirement of the Deloitte Promoters to check for possible conflicts of interest and to ensure auditor independence before entering into business or client relationships, including any relationships with the Participants and any potential proof of concept engagements arising from this Challenge. Should it be deemed by the Deloitte Promoters that a conflict or independence concern exists or has come into existence in relation to a Participant(s) and/or in relation to this Challenge, the Deloitte Promoters shall in their sole and absolute discretion be entitled to exclude any Participant(s), terminate the Challenge and/or take any other actions the Deloitte Promoters deem appropriate, in which event the Participant(s) shall not have any claim whatsoever against the Deloitte Promoters of any nature.

The Participants acknowledge that any cost, claim, damage arising from the execution of the Challenge shall be shared among all the Deloitte Promoters. The Deloitte Promoters will not be liable to the Participants nor to any third party for any indirect, special, punitive or consequential damages arising out of or related to this Challenge. The Deloitte Promoters will not accept any responsibility for any damage, loss, injury, costs or disappointment suffered by any Participant, directly or indirectly, by entering the Challenge or as a result of accepting any prize.

With the exception of any liability for which restriction or exclusion is prohibited by law, the liability of the Deloitte Promoters for the aggregate of all claims arising out of or related to this Challenge in respect of breach of contract, breach or duty or fault or negligence or otherwise shall be limited to €50.000. It is understood that the Deloitte Promoters will only accept any form of liability, limited as specified, if it is the subject of a final judgement in a court of law.

### **11. Accuracy of the information**

Participants shall ensure that all information, data and, more generally, any other material provided to Deloitte Promoters in the Application and / or otherwise at any other stage of the Challenge (collectively, the "**Information**"), is accurate, correct, truthful and complete and they warrant that they are authorized to share the Information with Deloitte Promoters and Officine Innovazione. The Participants therefore assume full and exclusive responsibility for any violation of the above declaration.

### **12. Duration**

The obligations included in these Official Rules will become effective upon submission of the Application and will remain in force until the end of the Challenge. It is understood that provisions governing liability, indemnity, applicable law and jurisdiction as well as any other provision necessary for the execution of rights and obligations of Deloitte Promoters and / or Officine Innovazione hereunder shall survive the expiration of these Official Rules.

### **13. Applicable law and jurisdiction**

These Official Rules and any rights and obligations arising therefrom, are governed by Italian law.

The Court of Milan shall have exclusive jurisdiction over all disputes that may arise in relation to these Official Rules.

### **14. Consent**

By submitting the Entry, the Participant confirms to have read these Official Rules and agrees to be bound by them. In order for the registration to be completed, each Participant shall submit a copy of these Official Rules duly executed in acknowledgement of, and agreement with, its terms. The Official Rules duly signed with digital signature (*firma digitale*) can be sent via email ([regtechchallenge@deloitte.it](mailto:regtechchallenge@deloitte.it)); should the Participant does not have the digital signature (*firma digitale*), the hard-copy duly signed shall be sent via registered letter (or courier) to

Officine Innovazione  
Via Tortona 25  
20144, Milano  
*To the kind attention of Veronica Pietrobon*

and the scanned copy shall be anticipated via email ([regtechchallenge@deloitte.it](mailto:regtechchallenge@deloitte.it)).

PLEASE NOTE THAT, IF THE PARTICIPANT DOES NOT SEND THE OFFICIAL RULES DULY EXECUTED WITH DIGITAL SIGNATURE VIA EMAIL OR THE HARD-COPY OF THE OFFICIAL RULES VIA REGISTERED LETTER (OR COURIER) TO THE ABOVE-MENTIONED ADDRESS, THE REGISTRATION WILL NOT BE COMPLETED AND THEREFORE THE PARTICIPANT WILL BE EXCLUDED FROM THE CHALLENGE.

The Participant acknowledges that the Official Rules may be subject to some minor amendments (mainly relating to the participation of further Deloitte Promoters): the updated version of the Official Rules, if any, shall be provided.

Acknowledged, confirmed and agreed by:

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Company:

Name:

Title:

Date:

Pursuant to articles 1341 e 1342 of the Italian Civil Code, the Participant acknowledges, accepts and specifically agrees with the following provisions: 4 (*How to participate*), 7 (*Guarantees and indemnity of the Participants*), 8 (*Intellectual property relating to Project*), 9 (*Applicable law and jurisdiction*), 10 (*General conditions*)

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Company:

Name:

Title:

Date: