



RULES OF PARTICIPATION

The objective of this contest is to bring together the most promising early stage startups tackling currently unsolved problems at scale based on blockchain technologies. The CEE Block Startup Pitch Contest (the “Contest”) is managed by Opremedia EOOD (“Opremedia”) that will be joining with Telelink Group who will be involved in judging and providing the award winnings.

1. The Rules of Participation

- 1.1. In addition to the information provided on the CEE Block website regarding the organisation of the Contest, the following Rules will apply to all participants.
- 1.2. By submitting their registration, participants expressly agree to be bound by all the Participation Rules.
- 1.3. Opremedia and its partners reserve the right to cancel the Contest or amend these Rules at any time without prior notice. Any changes will be posted on the CEE Block website at: <https://ceeblock.eu>.
- 1.4. Furthermore, Opremedia reserves the right to change the format of the Contest at any point.
- 1.5. The language of the Contest is English.
- 1.6. In the event of any dispute whether such dispute concerns the conduct or eligibility of participants, results and any and all other matters relating to the Contest, Opremedia's and/or the Jury's decision shall be final. No correspondence or discussion shall be entered into and no legal recourse shall be available to the participants.

2. Qualifying participants

- 2.1. To qualify to enter the Contest, a participant:
 - 2.1.1. must be a company legally incorporated;
 - 2.1.2. the founder/operator of each company must be a legal resident 18 years of age or older;
 - 2.1.3. currently offers or intends to release a product, service, or platform which utilizes blockchain;



- 2.1.4. such a product must be based on a model developed by the company, and/or be trained with data obtained/generated by the company or a 3rd party, and/or make use of blockchain;
- 2.1.5. the company has raised no more than EUR 2,000,000 (or equivalent amount using foreign exchange rates on the dates of funding) in equity funding and/or loans at day of application.
- 2.2. Employees and directors of Opremedia, Telelink Group, and its subsidiaries, affiliates and advertising agencies are not eligible, nor are persons involved in the execution or administration of this promotion, or the family members of each above (parents, children, siblings, spouse/domestic partners, or individuals residing in the same household).
- 2.3. Government and public sector employees are not eligible to enter.
- 2.4. Participants may only submit one project. Multiple projects will not be accepted.
- 2.5. The project to be submitted must be an innovative for-profit business that shows notably creativity, sustainability and social impact based on blockchain technologies (the "Project").
- 2.6. By submitting the Project and registration, the participant represents and warrants to Opremedia to have all rights, titles and/or interest in the Project submitted and the information it contains is true, current, accurate and complete, and that by submitting the Project and registering to the Contest, the participant is not and will not be violating any contract or third party rights including any patent, copyright, trade secret, proprietary or confidential information, trademark, publicity or privacy rights.
- 2.7. A Project may NOT contain, as determined by Opremedia in its sole and absolute discretion, any content that is obscene or offensive, violent, defamatory, disparaging or illegal, or that promotes alcohol, illegal drugs, tobacco or a particular political agenda, or that communicates messages that may reflect negatively on the goodwill of Opremedia.
- 2.8. Opremedia reserves the right to verify the eligibility of all participants.

3. Timing - Registration and Submissions



3.1. Registration and submissions will be made on-line on the application website at the following address <https://ceeblock.eu/start-up-pitch/> and in accordance with all requirements provided on the website and the following timetable:

3.1.1. Deadline for registration and submission of the business model overview for the Contest: 30th September 2018, 2 PM (Sofia time/ GMT+3). Any forms received after this date will NOT be accepted.

3.1.2. In-person finals where the participants will pitch their proposal to the Jury and the audience during the CEE Block.

3.2. Registration forms sent by postal mail will NOT be accepted.

4. Evaluation criteria

4.1. Projects will be assessed by a jury of the Contest (the "Jury") at its sole discretion and the audience at the CEE Block in accordance with fixed criteria including but not limited to:

4.1.1. Innovation: The degree of innovation shown by the overall business concept

4.1.2. Market fit and potential: Financial impact of the business, indicating chances of long-term success

4.1.3. Social Impact: Effect of the business on society, in terms of jobs created or its effect on the immediate or broader environment.

4.1.4. Team capacity: The number of people working in your team and their skills and qualifications.

4.1.5. Business model overview, including but not limited to the following sections:

- Problem – list your top 1 – 3 problems that you are solving currently
- Customer Segments – list your target customers and users
- Unique value proposition – describe how you solve the problem in a unique way and how blockchain technology will improve it
- Solutions – outline solutions per problem
- Channels – list how you reach your customers
- Revenue streams – list your sources of revenue
- Cost structure – list your fixed and variable costs
- Key metrics – list the key metrics that you are using to monitor your business

4.1.6. Overall quality and clarity of the Project presented



4.2. The vote of the Jury forms 70% of the assessment and the vote of the audience at the CEE Block forms 30% of the assessment.

5. Winner selection and notification

- 5.1. The participants will be required to send at least one representative to the CEE Block to participate.
- 5.2. The participants will need to cover their own transportation, lodging and meals during their stay.
- 5.3. The winner will be announced at the end of the CEE Block, but instructions on how to claim the prize will be sent to the winner separately during the days after the CEE Block event.
- 5.4. In the event of a tie between any participants, an additional judge will break the tie based on the judging criteria described above. The decisions of the Jury are final and binding.
- 5.5. If there are not enough Projects meeting the entry requirements, Opremedia may, at its discretion, select not to give the award.

6. Award

- 6.1. The winning participant will receive:
 - 6.1.1. EUR 250,000 as convertible debt from Telelink Group (pursuant to due-diligence and agreement between parties). See “additional prize terms and conditions” below;
 - 6.1.2. Business coaching by Lyubomir Minchev, CEO & Founder of Telelink Group.
- 6.2. The grand prize includes an investment in the winning company by Telelink Group under the following additional prize terms and conditions:
 - 6.2.1. The investment will be in the form of a Convertible Loan Agreement (CLA);
 - 6.2.2. The CLA will have a cap of no more than 3x the last post money valuation or a discount of 25% to the round price per share at the sole discretion of Telelink Group.
 - 6.2.3. The loan will be automatically convertible to equity under a round of at least EUR 2,000,000 equity financing from a new investor (“Qualified Round”).
 - 6.2.4. Telelink Group will have the right to convert the loan to equity under the same conditions even if the round is not a Qualified Round.



- 6.2.5. In case of a company sale, IPO or liquidation (“Exit”) before a conversion has been made, Telelink Group’s investment shall convert based on the most recent valuation prior to winning the prize.
- 6.3. Opremedia will only award one prize per company. No substitution, transfer, or assignment of prize permitted, except that Opremedia reserves the right to substitute a prize of equal or greater value in the event the offered prize is unavailable.
- 6.4. Taxes on the prize, if any, are the sole responsibility of the winner, who is advised to seek independent counsel regarding the tax implications of accepting a prize.

7. Odds

The odds of winning are based on the number of eligible participants.

8. Disqualification

- 8.1. By entering the Contest each participant accepts all the conditions set-out in these Rules of Participation, agrees to be bound by the decisions of the Jury and warrants that it is eligible to participate in the Contest. In addition, each participant certifies that its entry does not violate any of the Rules of Participation or third party rights as describe above. Opremedia reserves the right to disqualify any participant discovered to be ineligible, with no refund of entry fees, costs or other expenses.
- 8.2. Furthermore, participants will at all times desist from all practices which may lead to criminal liability due to fraud or embezzlement, insolvency crimes, unfair competition, guaranteeing advantages, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by them or other third parties.
- 8.3. Consequently, Opremedia reserves the right, at its sole discretion, to disqualify any participant from the Contest in the event of fraud or misconduct which affects the integrity of the Contest.
- 8.4. In addition, a participant may be disqualified:
 - 8.4.1. if Opremedia has reasonable grounds to believe the participant has breached any portion of the Rules of Participation including any of the organizational measures as set out in the website; and/or
 - 8.4.2. if a participant is found to be acting in an inappropriate, disruptive or unsportsmanlike manner; and/or



8.4.3. if there is any attempt by any participant to deliberately damage or undermine the legitimate operation of the Contest.

8.5. In addition, any substantial change in the Project may be a cause of disqualification.

8.6. The decisions of the Jury are final and binding.

9. Use of Projects

9.1. Opremedia is not claiming ownership rights to a Project. However, by submitting a Project, a participant grants Opremedia and Telelink Group a irrevocable, royalty-free, worldwide right and license to use, review, assess, test and otherwise analyze the Project and all its content in connection with this Contest and feature the Project and all content in connection with the marketing, sale, or promotion of this Contest (including but not limited to internal and external sales meetings, conference presentations, tradeshow, and screen shots of the Contest entry in press releases) in all media (now known or later developed). The participant will not receive any compensation or credit for use of the Project, other than what is described in these Rules.

9.2. By entering a participant acknowledges that Opremedia or Telelink Group may have developed or commissioned materials similar or identical to the Project and the participant waives any claims resulting from any similarities to the Project. Further a participant understands that Opremedia and Telelink Group will not restrict work assignments of representatives who have had access to the Project and the participant agrees that use of information in Opremedia or Telelink Group representatives' unaided memories in the development or deployment of their products or services does not create liability for Opremedia or Telelink Group under these Rules or copyright or trade secret law.

9.3. Opremedia or Telelink Group are not obligated to use a Project for any purpose, even if it has been selected as winning.

10. General

10.1. Payment of all and any taxes in relation to the award is the sole responsibility of the prize-winning participant.

10.2. Participants must be willing and agree to participate in publicity surrounding the Contest including the publishing of their



details, photographs and video footage, which will be made available in all media, including on the Internet, which will be done without compensation or restriction.

- 10.3. Opremedia also reserves the right, and the participants agree, to feature their names in future promotions and/or Contest.
- 10.4. Opremedia cannot accept any responsibility for any damage, loss, injury or disappointment suffered by any participant participating in the Contest or as a result of accepting any prize. Furthermore, Opremedia will not accept any responsibility resulting from any problems or technical malfunction of any telephone network or lines, computer on-line systems, servers, or providers, computer equipment, standard mail, etc. resulting in the failure to receive e-mails, telephone messages relating to the Contest and/or other correspondence. Nothing shall exclude liability for death and personal injury as a result of a negligence.
- 10.5. Opremedia reserves the right to cancel, change or suspend the Contest for any reason, including cheating, technology failure, catastrophe, war or any other unforeseen or unexpected event that affects the integrity of this Contest, whether human or mechanical.

11. Data Protection

- 11.1. All participants are required to read and accept the special Data Protection Statement applicable to their participation.
- 11.2. Data protection statement

INFORMATION AND STATEMENT OF CONSENT REGARDING THE PROCESSING OF PERSONAL DATA: APPLICANTS MUST READ THIS STATEMENT BEFORE SUBMITTING INFORMATION ABOUT THEMSELVES and THEIR PROJECT.

Opremedia will collect certain personal information from participants' representatives and potential participants' representatives in order to manage and administer the Contest and communicate with participants.

Participants' representatives will be asked to provide certain personal information, including but not limited to, their name, nationality, postal address, email address, telephone number and other information requested in the registration form regarding current occupation, a resume, etc. (hereinafter referred to as "Personal Data").



Opremedia needs the Personal Data solely for the purpose of identification of the participants representatives, proper evaluation of their applications, administration of the application and Contest process, contact and correspondence with the participants, announcing and rewarding the winners. Therefore, the requested Personal data from participants is obligatory. Opremedia may reject applications if they are incomplete.

Opremedia will share participants' Personal Data with its affiliates and partners solely for the purpose of administration of the Contest. These affiliates and partners may be located outside Bulgaria and the European Union. In these cases Opremedia will take the appropriate measures to protect your Personal Data and your rights.

The participants must be willing to participate in publicity surrounding the Contest including the publishing of their details, photographs and video footage, which will be communicated and distributed in all media. Opremedia also reserves the right to feature the participants' name at future Contests.

Participants have the right to request access to any information held by Opremedia and to correct any inaccuracies. Participants can also object to Opremedia processing their Personal Data in some cases.

By completing the application, the participants' representatives provide their explicit, informed and unambiguous consent for the stated above purposes. The consent could be withdrawn in any time, however be advised that this would mean terminating your participation in the Contest.

Should participants have any queries about data protection, they should contact Opremedia at: office@ceeblock.eu or write to 31, Alexander Stamboliyski Blvd., Sofia, Bulgaria.

12. Applicable laws and jurisdiction

These Rules of participation and the Contest will be governed by the laws of Bulgaria, and any disputes arising out of this Contest shall be submitted to the exclusive jurisdiction and venue of the courts of the Bulgaria.