

REGULATIONS

on holding the Vernadsky Challenge Competition

1. GENERAL PROVISIONS

1.1. The scope of Regulations:

This Regulation establishes the conditions for holding the Vernadsky Challenge Competition (hereinafter referred to as "the Competition") as initiated and organized by the NGO NOOSPHERE ASSOCIATION (hereinafter the "Organizer").

1.2. Main definitions used in these Regulations

Challenger — an individual of 18 years and older who has applied to take part in the Competition;

Participant — a challenger whose application has been accepted by Expert Committee to participate in the Competition;

Expert Committee (hereinafter referred to as "the Committee") — the skilled professionals in defined scope of work responsible for evaluating applications to the Competition.

Finalist — a participant whose application was selected by the Committee to take part in the finals.

International Panel of Judges (hereinafter referred to as "the Judges") — the group of people who conduct the final assessment of the applications and determine the winner from the Finalists of the Competition.

Winner of Competition - Finalist who claims to receive a founder's or partner's Grant Certificate/Grant or other prize (according to the Judges' assessment as well as organizational and financial conditions);

Grant certificate - a certificate, awarded to the Winner of the Competition, for financing and creating of a prototype/sample and/or further development of the project.

By the decision of the Judges and/or Partners of the competition, finalists and Winners may be awarded with other awards.

Grant - financial sponsorship investment/support provided to the Winner of the Competition for the creation of a prototype/sample and/or further development of the project.

By decision of the Judges and/or Partners of the competition, finalists and Winners may be awarded with other prizes/awards.

Founder - Public organization "ASSOCIATION OF NOOSPHERE", initiator (founder), ideologist and organizer of the Competition;

Partner - The company that provides the informational or organizational support for the Competition.

The Organizing Committee of the Competition (hereinafter referred to as the Organizing Committee) is a group of people who organize the work of the Competition.

1.3. Grant Certificate/Grant:

In accordance with the organizational and managerial decisions/circumstances, the founder/Organizing Committee determines the form of the prize (bonus) of the Winner of the Competition - a Grant Certificate/Grant annually (each time) before the specific next Competition.

In accordance with the nomination, the Winner of the competition is awarded with the Grant certificate/Grant.

The amount of funding for creating of a prototype/sample and/or further development of the Winner's project under a Grant Certificate/Grant is determined by decision of the founders and/or the Organizing Committee for each individual year of the Competition.

The amount provided by the Grant Certificate is not issued in cash to the hands of the Winner.

The amount provided by the Grant is transferred to the winner's bank account in cashless form, unless otherwise provided by the concluded civil law agreement.

The procedure for the providing/conducting financing the creation of a prototype/sample and/or the development of the project under a Grant Certificate/Grant is established by this Regulation, concluded civil law agreements between the Winner and the Founder of the Competition and necessarily involves the following steps:

- making civil law agreements with the Founder of the Competition by the Winner;
- receiving a Grant Certificate/Grant by the Winner;
- in accordance with the terms of the concluded civil law agreements/contracts, the creation of a prototype/sample and/or further development of the project, according to the plan for financing the prototype/sample of the project (or without it) agreed by the Parties, is carried out within 1 (one) year from the moment of victory at a competition and/or signing relevant civil law agreements/agreements between the Winner and the Founder, unless otherwise provided by the content of such agreements/contracts. In the future, this period may be revised depending on the interest and capabilities of the Parties.

The grant covers expenses for participation in niche conferences (the purchase of tickets to the event and payment of booth space), legal fees, equipment purchases, advertising campaigns, etc. The list of directions and the procedure for financing, as well as other conditions for using the Grant Certificate, are indicated in civil contracts concluded between the Winner and the Founder of the Competition.

Grant certificate financing implies the following expenses:

- generated/resulted expenses during the creation/preparation of the sample/prototype and/or project at the stage of preparation for participation in the Competition, the passage of its stages and in accordance with the victory in the competition;
- expenses for salaries, travel costs, including those for the purpose of business development,

- hospitality organization in negotiations, unless otherwise provided by the concluded civil law contracts/agreements.

The grant fully covers Winner's expenses for the creation of a prototype/sample and/or further development of the project, taking into account the civil agreements/contracts concluded between the Winner and the Founder of the Competition.

Grant funding does not include the following expenses:

- generated/resulted expenses during the creation/preparation of the sample/prototype and/or project at the stage of preparation for participation in the Competition, the passage of its stages and in accordance with the victory in the competition;
- expenses for salaries, travel costs, including those for the purpose of business development,
- hospitality organization in negotiations, unless otherwise provided by the concluded civil law contracts/agreements.

1.4. Competition mission:

- To promote the development of innovative business and venture business;
- To promote the development of talented businessmen and managers to help them reach their highest potential;
- To increase the competitive edge of Ukrainian businesses in the European and world markets.

1.5. Purpose and objectives of the competition

The purpose of the Competition is to:

- identify the top talent in design, engineering and writing of control programs;
- form a community of highly qualified engineering and technical personnel;
- support and develop a tradition of holding professional competitions for technical specialties;
- form innovative methods of interaction between business experts in the automotive, aeronautical and defensive industries and vocational-technical schools;
- create a forum where businesses and Winners/Participants who assess the skill level can communicate.
- promote, stimulate innovative and business activity of youth, including students and graduate students;
- create a database of breakthrough innovative ideas;
- examine the ideas of the youth and identify commercially promising ideas;
- identify and encourage the most effective creators of innovative projects
- provide an educational program for the creators of perspective projects;
- implement selected perspective ideas into projects that youth can present to potential investors for financing;
- promote the participation of youth innovation projects in support programs for small and medium-sized businesses to attract public funding to the projects.

1.7. Organization and management of the conference

Coordination for the Competition is entrusted to the Organizing Committee by the Founders. In addition, the Founder reserves the right to operational control of the preparation, organization and conduction of the Competition and/or the adoption of appropriate organizational and managerial decisions.

The Organizing Committee consists of 10 (ten) people who have appropriate organizational and managerial skills and are registered in the minutes of the Founders meeting. By decision of the Founder, the number of members of the Organizing Committee may be changed.

1.8. Openness:

These Regulations are available for review by any interested people applying for participation in the Competition.

These Regulations are also publicly available on the website of the Competition. Participants have the right to ask for explanations from the Organizing Committee about any paragraph of these Regulations.

2. GUIDANCE OF THE COMPETITION

2.1. Functions, rights, duties and responsibilities of the Founder:

2.1.1. Functions of the Founder:

- to announce the Competition;
- to advertise the Competition;
- to form the Organizing Committee.

2.1.2. Rights of the Founder

Founder is:

- entitled to use the materials of the Competition for promotional/informational purposes;
- entitled to has the preventive right to sign contracts with Participants/Winners of the Competition;
- is only entitled to keep the materials submitted to the Competition with the consent of the Participant. If a Participant of the Competition does not request the return of material submitted to the Competition within one month from the date of the announcement of the results, it is considered that the Founder has the right to retain possession of it and is assumed to take ownership of said material;
- entitled to refuse financing the Winner under the Grant Certificate/Grant, if the parties have not made civil law contracts/ agreements with the Founder for the implementation of the project;
- entitled to provide legal and technical support to the winner;
- entitled not to transfer funds in accordance with Grant/Grant Certificate in case of violation these Regulations by the Winner;
- in the case of force majeure, which resulted in a negative financial impact on the Founder, the latter has the right to refuse granting funds in accordance with the Grant/ Grant Certificate to the Winner unilaterally. In this case the Founder has to notify the winner in 72 (seventy two) hours prior to the suspension of the Prize payment.

2.1.3. Duties of the Founder:

- to conduct financing for the Winner of the Competition within 12 (twelve) months after the announcement of the winners or in accordance with the financing deadline mentioned in the civil law agreements/contracts made between the Winner and the Founder in accordance with the current Regulations.
- to return to the Participants of the Competition the materials submitted to the Competition.

2.2. Functions, rights, duties and responsibilities of the Organizing Committee.

2.2.1. Functions of the Organizing Committee:

- stipulation of the conditions of the Competition (order, date, application form for participation, evaluation criteria, stages, Final venue, etc.);
- appointment of the Judges and the Competition Committee;
- organizing of the Judges and the Competition Committee work;
- involvement of partners;
- preparation and conducting of the campaign in order to inform the largest possible number of the potential Participants to take part in the Competition;
- informing the Participants of the order and main stages of the Competition;
- providing the standard forms and samples of all documents required for participation in the Competition to the Challengers, including the application form;
- acceptance of applications for participation in the Competition and their subsequent processing;
- organization of the preliminary round and the final of the Competition;
- presentation of Grant Certificates/Grants, cups of the appropriate levels, and/or other prizes/gifts to the Winners of the Competition (unless the otherwise is established by Organizing Committee's decision taking into account organizational and financial conditions);
- approval of the budget estimate of the Final of the Competition.

2.2.2. Rights of the Organizing Committee:

Organizing Committee has the right:

- to decline a Challenger's application on the basis of noncompliance with Competition Regulations;
- to disqualify a Challenger for providing false information on the application form;
- to use the information about Participants for advertising purposes;
- to make other organizational managerial decisions that address challenges faced by the Organizing Committee and the Competition.

2.2.3. Duties of the Organizing Committee

The Organizing Committee should:

- create fair conditions for all Participants;
- ensure publicity of the Competition;
- prevent the disclosure of information on the results of the Competition sooner than agreed;
- hold the Competition in accordance with these Regulations.

2.2.4. The responsibility of the Organizing Committee

The Organizing Committee is responsible for the violation of these Regulations and procedures for the preparation and holding the Competition.

3. PARTICIPANTS AND CONDITIONS OF PARTICIPATION IN THE CONFERENCE

3.1. Participants have the right $\epsilon\omega$:

- obtain the information on conditions and order of the Competition;
- appeal to the Organizing Committee for explanations of clauses of these Regulations;
- direct the application for participation in the Competition;
- recall an application by way of a formal notification to the Organizing Committee not later than 10 (ten) calendar days before the receipt of applications deadline;

- participate in all events organized for Participants of the Competition in accordance with the stages of the Competition;
- receive the Grant Certificate/Grant and cup of the corresponding level and/or other prizes/gifts if they are chosen as the Winners (unless the otherwise is established by Organizing Committee's decision taking into account organizational and financial conditions).

3.2. Duties of Participants

Participants must:

- preview the Competition subject, study requirements imposed on participants in the
- Competition;
- submit timely the application in accordance with requirements of these Regulations;
- adhere these Competition Regulations;
- provide information support to the Competition and its Founders within a year after the Competition finals, namely to place references to the Competition and its Founders, while respecting the good name of the Founder and his business reputation, in:
 - Press releases, interviews, and other messages for Media
 - presentations, information brochures, leaflets, and other promotional materials including video;
 - public speeches, etc.

3.3. Responsibilities of Participants

Participants are responsible for:

- violation of the requirements for the accuracy of information included in the application;
- non-compliance of procedures and deadlines established by these Regulations;
- copyright/intellectual property infringement, including the preparation of materials, including the preparation of materials, as well as the conduction of other unlawful acts/omissions (including socially dangerous acts).

The Organizing Committee may revoke any Participant right to participate in the competition for any infringement of these responsibilities. A notice disqualification from the competition will be sent to the Participant to the e-mail specified in the application or in another way by decision of the Organizing Committee.

4. RIGHTS AND DUTIES OF THE COMPETITION WINNER

4.1 Rights of the Winner

The Winner is empowered by the rights of the Competition Participant in accordance with Section 3 of these Regulations. In addition, he has the right to ask the Founder to provide informational support to the Winner's project.

4.2 The winner should:

- enter into a civil contract/agreement, which are composed for further interaction by Founder or sign a protocol of intent within 72 (seventy two) hours after the final of the Competition for further interaction (in the case of Grant funding, the protocol of intent should not be signed). An agreement/contract and a protocol of intent are concluded with an individual, represents the project and is its owner without the participation of third parties;
- participate in conferences, seminars, scientific circles, writing articles in scientific journals, as well as while giving interviews, including radio and TV interviews, on the

Internet (including video platforms and social networks) the Winner should indicate that the project has been created with the help of the Founder.

- place the reference to the contest is, and its founder, while respecting their good name and reputation, in:
 - Press releases and other releases press
 - presentations, information booklets, leaflets, and other promotional materials, including video
 - public speaking, etc.
- arrange business plan for the Grant/ Grant Certificate spending within 30 calendar days after the recognition of the Competition Winner and send in written form it by mail with the notice for approval to representatives of the Founder by address: 103A Gagarina ave., 1410 office, Dnepropetrovsk, 49000 and/or via email mentioned on the Founder's official website if it is established by the signed civil law agreements.
- provide a report on the implementation of the Grant/Grant Certificate and to coordinate it with the representatives of the Founder in the way established by the civil law agreement.
- use the grant only for the Project realization.

5. PARTICIPATION IN THE COMPETITION

5.1. According to the conditions of Competition, only Projects that are free of financial liabilities with a third parties can participate in the Competition, the rights and interests in respect of which are not violated by third parties and is the Participant's exclusive idea, can be accepted for participation.

5.2. Projects are accepted for participation in the Competition at any stage of development from an idea to an implemented project.

5.3. The competition is open. Individuals of 18 years and older are invited to participate.

5.4. Promising directions of the Competition

Priority is given to applications with an engineering focus. The innovative component of a project is given extra weight. The Organizing Committee has the right to determine promising directions (including exclude/add new directions) of the Competition for the current period (year) of its holding. The main, but not exclusive, directions of the Competition are:

- space technology;
- active bioelectronics;
- medicine.

6. PROCEDURE FOR SUBMITTING APPLICATIONS AND HOLDING THE COMPETITION

6.1. The competition is divided into two stages:

- the preliminary stage (selection of Applications by the Organizing Committee, evaluation of Applications by the Committee)
- final stage (final).

The preliminary stage including the creation of the Committee and Judges is organized by the Organizing Committee according to the Regulations of the Competition.

6.2. It is necessary to complete and send in an application form, that is posted on the official website of the Competition vernadskychallenge.com (hereinafter referred to as "the Application") for participation in the Competition. The application is considered automatically accepted for consideration if the Organizing Committee within 5 working days does not

inform the Participant feedback or does not ask for additional data on the application. The Participant has the right to ask an acknowledgment of receipt of the Application from the Organizing Committee by email or phone.

6.3. Applications for participation in the Competition should be sent in such way that they reach the Organizing Committee no later than the date specified on the official website vernadskychallenge.com. The time is fixed by Kyiv time, the date changes at 00:00. Applications received after this time will not be considered.

6.4. Finalists of the Competition will be determined by the Committee after evaluating the entries.

Within 30 (thirty) calendar days after the deadline, the Committee produces a list of finalists, which is certified by the signatures of all members of the Organizing Committee.

6.5. Within 10 (ten) days after the determining of the Finalists, Finalists must submit their presentations. The organizing committee may provide recommendations on the design of presentations, and also, if necessary, additionally determine the deadline for providing such a presentation. If the presentation is not supplied in time, Finalist is not allowed to participate in the Final. Instead, the next Challenger in the list of recommended Finalists will participate in the Final.

6.6. The Committee may ask Participants additional questions as part of the evaluation.

6.7. The date and the venue of the final of the Competition:

The date and venue will be published on the official website of the Competition vernadskychallenge.com no later than 20 (twenty) days before the finals.

7. Method for evaluation of Entries

7.1. The selection of applications for participation in the Competition will follow formal criteria:

7.1.1. The evaluation by formal criteria is carried out by the Organizing Committee in terms of their compliance with the objectives of the Competition, as well as the reliability of the information provided in the Application.

7.1.2. The formal evaluation and selection of the Participants will conclude once each member of the Organizing committee has signed the list of Participants. This list is drawn up in any form or according to a template (if existed) and stored by the Organizing Committee in a paper/electronic form until the time (date) of the announcement of the Competition Winners.

7.2. Evaluation of the Applications by the Organizing Committee:

7.2.1. The evaluation of the submitted Applications is carried out by the Committee according to the requirements for the content and level of materials that are submitted on the Competition.

7.2.2. The criteria for the selection of the Finalists

The criteria for the selection of the Finalists are:

- project innovativeness;
- commercial potential of the project, description of the business model;
- description of direct competitors and similar solutions in the market;
- project team;
- project scalability, market segment, locations for which the project is designed;
- description of the stages of financing (business plan);
- level of quality of the project presentation for investors.

7.2.3. The functions of the Committee at the preliminary stage

The functions of the Committee at the preliminary stage include:

- evaluation of Applications selected by the Organizing Committee according to the developed selection criteria;
- determination of the Finalists of the Competition based on the results of voting.

7.2.4. The document confirming the evaluation of applications for the selection criteria is a list of Finalists signed by all members of the Organizing Committee. This list is drawn up in any form or according to a template (if existed) and stored by the Organizing Committee in a paper/electronic form until the time (date) of the announcement of the Competition Winners.

7.3. Evaluation of Applications by Judges

7.3.1. Judges determine the winners of the Competition at the final meeting (final stage), after reviewing the presentations of Applications (projects) during the grand finals of the Competition

7.3.2. Functions of the Judges during the third evaluation stage: include:

- evaluation of Applications selected by the Committee according to their compliance with the requirements for content and the level of materials that are submitted to the Competition, investment attractiveness, innovativeness and market potential, as well as the level of speaker;
- determination of the winners of the Competition;
- announcements of additional nominations, determination of the winners of these nominations.

7.4. Depending on the justified organizational, technical and other conditions of the Competition, the Organizing Committee has the right to change the method for evaluation of Applications (projects, entries, etc.), which participants are informed about in advance of the Competition.

7.5. The Founder/Organizing Committee, if there is interest in the development of the project (entry, etc.) at the request of the Participant, may admit or raise the issue of admission of such a participant to the Committee/Judges in the final in a special category/nomination.

8. MANDATORY AGENDA

8.1. On the final day the best projects will be presented to the Judges.

8.2. Each projects have no more than 10 (ten) minutes for their presentation.

8.3. All Finalists of the Competition have the opportunity to present their project to the Judges and potential investors at the exhibition during the Competition Finals. Finalists will present to the Judges and investors. Projects will be presented in Ukrainian, English or Russian.

8.4. The Judges are selected from the Organizing Committee to provide an independent and objective review of projects during the final part of the Competition. Ukrainian and foreign scientists, experts, potential investors and mentors invited by the Organizing Committee will form the panel of Judges.

8.5. The Judges will determine the Winners of the Competition at a meeting after the completion of the presentations by filling out evaluation forms. The evaluation results of the Judges will be added to the minutes of the Judges meeting. These minutes will be signed by all the Judges.

8.6. The Competition results will be announced by a representative of the Judges.

8.7. Finalists of the Competition will be awarded with Certificates of participation in the Competition unless otherwise specified by the Organizing Committee taking into account organizational financial conditions.

8.8. The relations of the Founder and the Winner of the Competition governed by the laws of Ukraine and civil law contracts, drawn up by the Founder for further cooperation with the Winner.

8.9. Special prizes of the Competition may be awarded on a case-by-case basis according to the decision of the Judges. The Winners and Finalists of the Competition also will be awarded with special prizes from Partners of the Competition.

9. USE OF INFORMATION ABOUT PARTICIPANTS FOR PROMOTIONAL/INFORMATIONAL PURPOSES

9.1. The Organizing Committee reserves the right to use names, logos, and a short description of the projects that take part in the Competition for promotional/informational purposes.

9.2. Participants agree, if needed, to give an advertising interview on radio and television, and other media (including the Internet) or participate in the photo or video session about their participation in the Competition for informational/promotional materials of the Competition without any remuneration as well as provide their consent on publishing such materials with them involved.

Participants also agree to receive leaflets/informational materials from the Organizing Committee that are related to the Competition and other initiatives/events held by the Founder (including events to be held in future). All rights for such materials will belong to the Founder of the Competition.

10. MATERIAL (FINANCIAL) PROVISION OF THE COMPETITION

1. Holding and organizing the Competition (including, but not exclusively, providing the Organizing Committee, the Commission, the Jury and volunteers, as well as other persons involved in the organization and conduct of the Competition with branded clothing with the logos of the Competition/Founder or other branded items/souvenirs, etc.) is financed/provided at the expense of the Founder's own funds and sponsorship/partnership contributions raised for the organization/conduct of the Competition, in accordance with the Statutory activities of the Founder.

After preview with these Regulations, Participants agree with the terms of the Regulation and undertake to comply with them.

In case of a violation of the Regulation, signed civil law agreements with the Founder of the Competition by the Participants and Winners and/or violation of the current law of Ukraine, Founder may cancel the cooperation/ interaction at any time.

Chairman of the Board
Ryabokon N.V.

Secretary of the board
Pikalov Yu.V.
