

PUBLIC NOTICE

TO IDENTIFY BUSINESS INITIATIVES AIMED AT EXPLOITING “RADIXGEL”, A RESULT OF THE “SAFECROP” RESEARCH PROJECT .

Whereas:

- a) the SafeCrop project (Centre for research and development of systems for plant protection having low impact on the environment and on consumer health) of the Istituto Agrario di San Michele all’Adige, known today as the Fondazione Edmund Mach (hereinafter referred to as “the Foundation”), launched in mid-June 2003 and completed on 31st December 2007, funded entirely by the Autonomous Province of Trento (through Provincial Council Resolution no. 664 dated 21/3/2003) produced a number of different research findings, including Radixgel, a radican gel which offers countless benefits to the nursery industry (hereinafter referred to as “the Invention”);
- b) ownership of the Invention rests entirely with Trentino Sviluppo S.p.A. (hereinafter referred to as “Trentino Sviluppo”);
- c) Trentino Sviluppo, a company in which the majority shareholder is the Autonomous Province of Trento, and which is managed and coordinated by the Province in accordance with article 2497b. of the Civil Code), has received from the Autonomous Province of Trento a mandate to manage the “Patent Fund”, in accordance with the provisions of Provincial Council Resolution no. 1877 dated 8/9/2006 pursuant to article 25 of Provincial Law 14/2005;
- d) the Invention was assigned to said Patent Fund by the Autonomous Province of Trento under Provincial Council Resolution no. 1949 dated 7/9/2007;
- e) in accordance with Section IV of the Agreement dated 14th October 2009, file no. 039022, document no. 5556 CONV, signed by the Autonomous Province of Trento and by

Trentino Sviluppo to define the procedures for managing said “Patent Fund”, and pursuant specifically to article 34 of said Agreement, Trentino Sviluppo is obliged to exploit the Invention “preferably in order to encourage business initiatives on the territory of the Province” and in any case by means of special procedures designed to ensure adequate advance publicity;

- f) in order to provide interested parties with a reference parameter for estimating the value of the Invention, Trentino Sviluppo, in accordance with article 33 of the Agreement referred to in the previous paragraph, has made an internal estimate of the value of the Invention and reserves the right to divulge it only to those who have expressed their interest;

the following public notice is hereby issued:

Article 1

Subject

1.1 The subject of this public notice is the granting either of the right to use the Invention under exclusive licence or of the right to own it. For the purposes of this public procedure, the expression “**exclusive licence**” is understood to mean a licensing agreement which grants the licensee the right to use the Invention in exchange for payment of a fee and prohibits the owners from granting a licence to any other parties or from using the Invention on their own account.

1.2 Radixgel is a hydrogel formula which can facilitate radication of cuttings, thus increasing the success rate in creating new plants and reducing nursery installation running costs.

The principal radicant products on the market consist of rhizogenous hormones which are mixed with talc or with alcohol and water to obtain powder or liquid formulations, which can, however, lead to absorption problems. The formulation chosen for Radixgel is hydrogel, because it makes it possible to solubilize in the product phytohormones, inorganic mineral elements and organic compounds which are necessary for root development, and makes them rapidly absorbable by the cuttings. The gel can be manufactured with different hormone and chemical compound concentrations as determined by the requirements of the species being reproduced.

The product is applied by immersing the base of the cuttings about 2 cm into the gel before placing them on the radication beds.

By reducing cutting radication time, Radixgel makes it possible to contain greenhouse running costs, especially during the winter season: the cuttings are able to develop stronger rootage which enables them to withstand lower temperatures, thus reducing the need to heat their environment.

The compound was tested in 2006 and 2007 at a nursery on a number of different species of ornamental plants (Olea Fragans, Jasminum Officinale, Photinia Serrulata, Mahonia Aquifolium etc.), and achieved excellent results.

The formulation of the compound is extremely simple and requires minimum equipment (dosing conveyor and horizontal mixer).

1.3 Interested parties may submit to Trentino Sviluppo an expression of their interest in acquiring the right to use the Invention under exclusive licence or the right to own it in accordance with the procedures set out in detail below.

Article 2

Requisites for expression of interest

Expressions of interest may be submitted, in accordance with the criteria and procedures described in this public notice, by individuals who intend to conduct business activities, companies conducting business activities, joint-stock companies, consortia of companies and other consortium type bodies, cooperative societies, free-lance professionals, public and private research organizations, foundations, public participation companies and public corporations.

Expressions of interest may also be submitted by intermediation and brokering organizations working in the technology transfer field, on condition that they undertake to submit to Trentino Sviluppo a list of potentially interested parties on whose behalf the expression of interest is submitted, specifying whether or not such parties are willing to undertake to operate on the territory of the Autonomous Province of Trento, and/or whether they are prepared to undertake to operate in the biological, biotechnological, agricultural or pharmacological sectors.

This public notice is **not** intended for those parties who are interested in obtaining the licence to use the Invention or the right to own it because they intend to transfer the Invention to so-called patent funds or portfolios designed to create dominant positions, or to other similar organizations. This public notice is not intended for those parties who are interested in obtaining the licence to use the Invention or the right to own it because they intend to use it in areas of technology involving organisms that are genetically modified for food purposes or in the production of illegal substances of whatever nature.

Article 3

Expression of interest and letters of invitation to bid

3.1 Interested parties should submit to Trentino Sviluppo S.p.A. an “expression of interest”, **which must, under pain of exclusion, be received no later than 6.00 p.m. on 12th February 2010.** This “expression of interest” must be delivered to Trentino Sviluppo either by registered recorded delivery mail or by special courier, and must be addressed to:

Trentino Sviluppo S.p.A. – via F. Zeni, 8 – 38068 Rovereto (Trento).

It may also be delivered by hand to the above address on working days from 8.00 a.m. to 1.00 p.m. and from 2.00p.m. to 7.00 p.m.

Under pain of exclusion, the expression of interest must include the following information, and it is to be considered as a declaration in lieu of a sworn affidavit if delivered together with a photocopy of an identification document of the signatory, in accordance with articles 38, 46 and 47 of Presidential Decree no. 445/2000):

1) In the case of individuals:

- applicant’s personal details;
- tax code number;
- declarations stating that:
 - the applicant is fully entitled to exercise civil and political rights;

- the applicant is not subject to any impediments under current anti-mafia legislation;
- the applicant has not been convicted of any criminal offence such as to disqualify him/her from negotiating with the public administration, in accordance with current legislation on the matter;

2) In the case of companies, organizations and legal persons:

- a. business name, registered office, tax code number, VAT code number and date, personal details of the person empowered to represent the company (and of the partners, in the case of a partnership of persons) and the powers concerned;
- b. a declaration stating that the company, its legal representatives (and the partners, in the case of a partnership, or the owner in the case of a sole proprietorship) are not subject to any impediments as contemplated by current Italian anti-mafia legislation;
- c. a declaration by the applicant that he/she is the owner of the firm or the legal representative of the company, firm or organization and is empowered to enter into undertakings on its behalf;
- d. a declaration stating that the applicant is not in one of the situations referred to in Article 38, sub-paragraph I of Italian Legislative Decree no. 163/2006, and is not the subject of winding-up proceedings, bankruptcy or arrangement with creditors.

Under pain of exclusion, the expression of interest, whether submitted by an individual or by a legal person, must also be accompanied by:

- 1) **(MANDATORY)**: a description of the field of activity and the reasons for the interest in using the Invention;
- 2) **(OPTIONAL)**: if not already resident or having a registered office within the Autonomous Province of Trento, a declaration undertaking to establish within the Autonomous Province of Trento an operating base from which to exploit the Invention, within 120 consecutive

calendar days of the date of notification of the granting of use. **This declaration is optional and not essential, although it may constitute a preferential factor for the person expressing interest, in accordance with Article 4 below.**

- 3) **(OPTIONAL):** a declaration undertaking to operate in the biological, biotechnological, agricultural or pharmacological sectors. **This declaration is optional and not essential, although it may constitute a preferential factor for the person expressing interest, in accordance with Article 4 below.**

3.2 Trentino Sviluppo S.p.A. will advise applicants as to the admissibility of their expressions of interest by approximately **26th February 2010**. In the same communication, **Trentino Sviluppo will invite those expressing their interest to submit a bid together with a business plan for exploitation of the Invention, this plan to be drafted in accordance with the model enclosed with the communication.**

3.3 From **1st March 2010** to **30th July 2010**, those who have expressed interest, and whose expressions of interest have been considered admissible by Trentino Sviluppo, may evaluate the Invention for themselves, subject to prior signature of a confidentiality undertaking to be drawn up in accordance with the facsimile attached to the communication referred to in sub-para 3.2 above

3.4 **No later than 15th September 2010**, those invited to bid under sub-para 3.2 above must submit their bids in accordance with the procedures which will be provided in the communication referred to in sub-para 3.2 above. Trentino Sviluppo reserves the right to define, in the letter of invitation to bid referred to in sub-para 3.2 above, evaluation criteria on which, in the event of a number of expressions of interest, to base the definition in comparative terms of the most economically advantageous bid, awarding qualifying points to the credibility and the economic and financial sustainability of the business plan submitted together with the bid.

The bid may envisage the assumption of a right of pre-emption in favour of the potential licensee.

3.5 In addition to this public notice, the technical documentation relating to the Invention, which can be found on website www.trentinosviluppo.it, will also constitute official tender documentation.

Article 4

Preferential factors

4.1 In Trentino Sviluppo's assessment of admissibility for the purpose of determining to which parties to send the communication referred to in sub-para 3.2 above, **the following factors will be considered as preferential, in the order shown:**

- ✓ the fact that the party expressing interest operates or intends to operate on the territory of the Autonomous Province of Trento in order to exploit the Invention, "exploitation" being taken to mean any activity of research, development and/or industrialization required in order to arrive at a product suitable for the market. The undertaking to operate on the territory of the Autonomous Province of Trento in the event of being awarded use of the Invention means the obligation to actually establish an operating base within 120 consecutive calendar days of the date of notification of the granting of use.
- ✓ the fact that the party expressing interest operates in the biological, biotechnological, agricultural or pharmacological sectors.

The above preferential factors will be used in the sense that among a number of different expressions of interest received, Trentino Sviluppo will give first priority to parties operating or intending to operate on the territory of the Autonomous Province of Trento, and second priority to those operating in the biological, biotechnological, agricultural or pharmacological sectors for the purpose of exploiting the Invention, and will then select accordingly those parties who are to receive the communication referred to in sub-para 3.2 above.

Rovereto, 1st December 2009

TRENTINO SVILUPPO S.p.A.

The Chief Executive Officer

Alessandro Garofalo

A handwritten signature in blue ink, appearing to read "Alessandro Garofalo". The signature is written in a cursive style with a prominent initial 'A' and a long, sweeping tail on the 'o'.