

NIKE DESIGN WITH GRIND CHALLENGE OFFICIAL RULES

The following terms and conditions (the “Official Rules”) govern the submission of a proposal (“Entry”) to the Nike Design with Grind Challenge (the “Challenge”), sponsored by NIKE, Inc. (“Nike”) and administered by IDEO LP (the “Administrator,” and collectively with Nike, the “Sponsors”). The Official Rules incorporate by reference any additional terms specified at: <https://nikeinnovationchallenge.com/design> (the “Challenge Website”). **BY SUBMITTING AN ENTRY, YOU AGREE TO BE BOUND BY AND COMPLY WITH THESE OFFICIAL RULES. THESE OFFICIAL RULES SUPERSEDE ANY OTHER RULES AND TERMS & CONDITIONS ON THE CHALLENGE WEBSITE TO THE EXTENT OF A CONFLICT. THIS CHALLENGE IS VOID WHERE PROHIBITED BY LAW. NO FEE OR PURCHASE IS REQUIRED TO PARTICIPATE.**

CHALLENGE DATES

The Challenge begins February 27, 2018 and the deadline for submitting an Entry is May 1, 2018 at 5:00pm EDT. Sponsors reserve the right to terminate, modify, or suspend the Challenge and these Official Rules, for any reason, at any time and without any liability.

ELIGIBILITY

Eligible: The Challenge is open only to (1) legal residents of the Permitted Countries who are aged eighteen (18) or older on the date of Entry (“Individual Participant”); and (2) entities that (a) are validly formed under the laws of the Permitted Countries with a principal place of business in the Permitted Countries, (b) are in good standing in their place of formation and principal place of business, and (c) have proper corporate authorization and approval pursuant to such entity’s governing documents to enter this Challenge in accordance with these Official Rules (“Business Entity Participant”).

Permitted Countries are: United States of America, Canada (except the province of Québec), Mexico, United Kingdom, France, Germany, Belgium, Netherlands, Denmark, Sweden, Norway, Finland, Spain, Italy, Austria, Japan, China, Indonesia, Vietnam, & Australia. Submissions from additional countries not on this list may be considered on a case by case basis.

Not Eligible: The Challenge is not open to Individual Participants who are: (1) individual employees or contractors of Nike, Administrator, or their affiliates; (2) Nike-sponsored athletes; (3) the immediate family members or members of the same household of any such individual employee, contractor or Nike-sponsored athlete; (4) employed by an employer whose guidelines, policies or regulations do not allow entry in the Challenge or acceptance of the award(s); and/or (5) employees or contractors of a government entity and who are acting on such entity’s behalf or within the scope of their employment or contract with such entity.

Teams: Individual Participants may elect to form a team (“Team”) of multiple people to submit an Entry. Each individual member of the Team (“Team Member”) must meet the eligibility requirements of an Individual Participant as set forth in these Official Rules and each Team Member must accept these Official Rules. The person who submits the Entry will be deemed as the proposal point of contact (“Team Leader”). Teams must list each Team Member. The Team Leader is responsible for submitting the Entry on behalf of the Team and is the contact for all communications between Sponsors and Team. By submitting an Entry on behalf of the Team,

the Team Leader represents and warrants that each Team Member has reviewed and accepts these Official Rules. A Team may not change its Team Members after the Entry has been submitted.

Student Athletes: You understand and agree that if you are, or may become, a student-athlete you are responsible for your own eligibility and/or amateur standing. You are aware of, and agree to comply with, all applicable rules, regulations, and bylaws of your state, territory, and national associations, the National Collegiate Athletic Association (NCAA) and any other governing bodies that may be applicable to you. You understand the consequences of any failure to comply with such rules, including but not limited to, loss of your eligibility to participate in future athletic contests in any sport. Nike is not responsible or liable for your participation in this Challenge resulting in your ineligibility as an amateur athlete.

General: Each Individual Participant, Business Entity Participant, and Team is referred to as “Entrant” or “you”.

HOW TO ENTER

Submission Form: The Challenge Website includes further instructions and the required submission form (“Submission Form”) that you must follow and use to submit an Entry. Please be sure your Entry is complete and final before submitting it. You may not revise your Entry once it has been submitted.

Account: As part of completing your Submission Form, you will provide registration information for [IDEO’s OpenIDEO platform <https://www.openideo.com/challenge-briefs/nike-design-with-grind> (“Account”). You represent and warrant that all registration information associated with your Account is complete, accurate and truthful.

Entries: As used herein, “Entry” includes all information and materials submitted through the Submission Form or otherwise submitted to Sponsors in connection with the Challenge, including the submission content, original ideas, documents, drawings, graphics, videos, prototypes or any other materials or information you submit.

Entrants are responsible for all expenses associated with preparing and submitting an Entry.

All Entries must be in English. By submitting an Entry, Entrant represents and warrants that:

- the Entrant is not submitting any confidential, proprietary, or trade secret information and you understand that your Entry will not be treated as confidential by Sponsors;
- the Entrant is not submitting any content that contains software viruses, Trojan horses, worms, time bombs, bots or any other computer code or files that are designed to disrupt, damage, or limit the functioning of any software or hardware;
- you have the right to license and/or sell the Entry to Nike;
- the Entry does not, to your knowledge, violate any applicable law, statute, ordinance, rule or regulation, or any agreement with any third party;
- the Entry does not, to your knowledge, infringe upon or violate intellectual property rights held by any third party; and
- if you are participating in the Challenge as a Business Entity Participant, you: (1) are an authorized representative of such Business Entity Participant (“Business Entity Contact Person”); (2) are submitting the Entry on behalf of such Business Entity Participant; and (3)

have obtained all necessary approvals from the Business Entity Participant, as an organization, to enter the Challenge and submit the entity's intellectual property or other information, as contemplated under these Official Rules.

Do not submit confidential information. Your Entry will not be treated as confidential.

Sponsor may disqualify any Entry that, in its sole discretion, violates these Official Rules or any applicable laws, statutes, rules, or regulations.

JUDGING CRITERIA

Nike is seeking solutions that can incorporate surplus materials from the manufacture of Nike products into new products.

Entries will be evaluated using at least the following criteria ("Judging Criteria"):

- Proposed solution incorporates a significant amount of Nike Grind materials into new or existing products
- Proposed solution represents a significant advance in the way waste materials can be repurposed into new, valuable products
- Proposed solution can be produced as a tangible proof of concept during the refinement phase.
- Proposed solution can demonstrate an achievable path to commercial scale
- Inspiration behind proposed solution.

Entries that include the following will not advance:

- New design considerations for athletic footwear or apparel.
- Approaches that are not compatible with environmental responsibility principles.
- Approaches that do not adhere to the highest possible product safety standards,

PHASES AND AWARDS

Phase One: A voting panel that may include Administrator, Nike executives, scientists, community leaders, and others will select up to thirty (30) Entrants as potential finalists based on the Judging Criteria. Potential finalists will be notified in or around May 2018. Advancing to Phase Two is contingent on eligibility verification (including presenting photo identification); your consent to, and Sponsors' evaluation of, a background check (as permitted under applicable law); your confirmation of compliance with these Official Rules (in the case of a Team, each Team Member is subject to this section); and executing the [Terms of Participation](#). The [Terms of Participation](#) have important additional terms including with respect to confidentiality and an exclusive evaluation period.

Phase Two: Entrants that advance to Phase Two ("Finalists") will be invited to demonstrate proofs of concept for their proposed solutions. Finalists will each receive material samples. Finalists may be publicly announced.

Awardees and Winners: Up to four (4) awardees ("Awardees") and one winner ("Winner") will be selected from the Finalists based on the Judging Criteria. The Awardees and Winner will be notified in or around July 2018 Awardees will receive a cash award of five thousand (5,000) US dollars, and the Winner will receive a cash award of thirty thousand (30,000) US dollars.

This is a voluntary challenge of skill and innovation and no fee is required to enter. Whether or not your Entry is determined as a Winner depends on how your Entry compares to the other Entries submitted in the Challenge when evaluated based on the Judging Criteria within the sole judgment of the Sponsors. Sponsors' decisions will be final and binding on all matters relating to this Challenge. Entrants are responsible for all tax reporting obligations and all tax payments as applicable. Finalists and Winners must provide a W-8 and/or W-9 if requested by Nike.

NOTIFICATION AND PRIZE DISTRIBUTION

Finalists and Winners will be notified by the e-mail address provided in the Entry. If a selected Finalist or Winner cannot be contacted, is ineligible, fails to claim a prize or fails to sign the [Terms of Participation](#), the prize may be forfeited and an alternate Finalist or Winner may be selected from remaining valid, eligible entries timely submitted. In the event of a dispute regarding who submitted an Entry, the Entry will be deemed submitted by the authorized holder of the applicable Account.

For Teams and Business Entity Participants, the prize amount will be distributed to the Team Leader or the Business Entity Contact Person. The Team Leader and the Business Entity Contact Person will have sole responsibility for further distribution of any cash prize among Team Members or within the Business Entity Participant that has submitted an Entry through that representative, respectively. Sponsors are not responsible for and will have no involvement and/or liability regarding resolution of any disputes among Team Members or stakeholders of Business Entity Participants.

INTELLECTUAL PROPERTY RIGHTS

Entry Evaluation and License: For the purposes of the judging process in this Challenge and business evaluation, you provide Sponsors certain limited licenses. By submitting an Entry, you agree to grant and hereby do grant to the Sponsors a royalty-free, non-exclusive, irrevocable license to use any information, concepts, inventions, approaches, technology, designs, videos, drawings, graphics or prototypes arising from or contained, incorporated, or referenced in your Entry, whether or not protected by patent or copyright or other intellectual property rights, for purposes related to the Challenge or a future challenge including judging; review, testing and/or conducting experimental proof of concept tests to determine the commercial and technical feasibility of the Entry; promoting; and documenting the Challenge.

Your Information: By submitting an Entry, you consent to the use, by Sponsors and their affiliates, agents and representatives, of your name, likeness, image, biographical information, award information (if an award winner), your company or institution name and any trademarks or service marks, and any personal data submitted with your Entry, for any purposes related to the Challenge, a resulting product, or a future Challenge. For uses beyond the consent that you grant herein, you agree that Sponsors' use of your personal data will be governed by the Privacy Policy posted on the Challenge Website.

Sponsors' Intellectual Property: You agree that nothing in the Official Rules grants you the right or license to use any intellectual property of a Sponsor, including without limitation a Sponsor's trademarks or service marks.

PRIVACY

Sponsors may collect personal data about Entrants online, including, without limitation, through your Entry, in accordance with the Privacy Policy on the Challenge Website or as otherwise described in these Official Rules. By participating in the Challenge, you hereby agree to Sponsors' collection and use of your personal information and acknowledge that you have read and accepted these Official Rules and the Privacy Policy on the Challenge Website.

LIMITATION OF LIABILITY

You agree to release, indemnify and hold harmless, Sponsors and their respective affiliates, agents, representatives, officers, directors, shareholders, and employees (collectively, "Sponsor Entities") from and against any injuries, losses, damages, claims, actions and any liability of any kind (including attorneys' fees) resulting from or arising out of your participation in, association with, or submission to the Challenge (including any claims alleging that your Entry infringes, misappropriates, or violates any third party's intellectual property rights). Sponsor Entities are not responsible for any technical failures related to communication or submission failures, such as unavailable networks or server connections, or other failures related to hardware, software, viruses, or incomplete, late or misdirected Entries. Any compromise to the fair, proper and legal conduct of this Challenge may result in the disqualification of an Entry, the termination of the Challenge, or other remedial or legal action at the sole discretion of Sponsors.

IN NO EVENT WILL SPONSORS BE LIABLE TO YOU FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF USE, DATA, BUSINESS OR PROFITS) ARISING OUT OF OR IN CONNECTION WITH YOUR PARTICIPATION IN THE CHALLENGE, WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED UPON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, AND WHETHER OR NOT SPONSORS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages, so the above limitation or exclusion may not apply to you.

NO OBLIGATION

You acknowledge that multiple participants may submit Entries that contain designs, concepts, approaches, or technologies similar to your Entry and that a Sponsor, and/or its respective affiliates and business partners may already be investigating or developing technical solutions or have business activities that are related to or similar to those disclosed in your Entry. You acknowledge and agree that a Sponsor's actions with respect to another Entry or one of its own solutions, investigations, or business activities, even if similar to your Entry, will not create any liability, of any kind, by a Sponsor to you or others. Participation in this Challenge or acceptance of the cash award does not create an obligation on a Sponsor's part to enter into any business relationship with you or take any action with regard to your Entry.

APPLICABLE LAW

These Official Rules are governed by the law of the State of Oregon, USA, without reference to rules governing choice of laws. Any action, suit or case arising out of, or in connection with, this Challenge or these Official Rules must be brought in either the federal courts located in the District of Oregon or the state courts located in Multnomah County, Oregon, USA.

BY SUBMITTING AN ENTRY, YOU ARE ACCEPTING THE TERMS AND CONDITIONS

STATED IN THESE OFFICIAL RULES, AGREEING TO BE BOUND BY THE DECISIONS OF THE SPONSORS, AND WARRANTING THAT YOU ARE ELIGIBLE TO PARTICIPATE IN THE CHALLENGE AND HAVE ANY NECESSARY RIGHTS TO DO SO. IF YOU CAN NOT ACCEPT THESE OFFICIAL RULES, DO NOT SUBMIT AN ENTRY TO THE CHALLENGE.