



VALEO INNOVATION CHALLENGE CONTEST RULES

27 September 2016

Presentation of the contest Valeo Innovation Challenge Context, challenges and aims

The aim of the contest is to reward an innovative automobile-related project (technological innovation or idea for a new way to use cars) that is the product of the imagination of students worldwide.

Valeo launched the 4th edition of its contest, the "Valeo Innovation Challenge 2017", which offers students from around the world and their academic teachers the opportunity to become players in automotive innovation. They are required **to come up with an innovation which would, between now and 2030, make the car and the way it is used more intelligent, clean, intuitive, green and fun.** Participants are being asked to develop bold solutions for the society of tomorrow.

Through this contest, Valeo is showing that innovation lies at the core of its DNA and that Research and Development is a priority for the Group. It is the guiding force behind the 11,000 engineers who innovate each day while inventing the car of tomorrow.

The Group is seeking to raise student awareness of the challenges that careers in the automotive industry can offer them.

The selection criteria for the projects are:

- Bold, innovative and original idea of the project ("Best Innovation" category / "Best Idea for a new way to use cars" category);
- Challenges and relevance of the problem dealt with and factoring in of society's expectations;
- Knowledge of technical / related matters;
- Feasibility and construction of proof of concept;
- Quality of presentation.

The **24 projects** selected for the proof of concept phase will receive financial assistance in accordance with the contents of article 12 below.

A first prize of €100,000 will be awarded on completion of the contest in each of the following categories:

- **The innovation prize for the best technological innovation;**
- **The best idea prize for a new way to use cars.**

The second prize for each in these two categories is €10,000. The deadline for submitting entries is Tuesday January 31, 2017 at 12 noon, Paris time.

HOW TO ENTER

Documents relating to the contest and the on-line entry information are available on the site:

<https://valeoinnovationchallenge.valeo.com>



ARTICLE 1. ORGANIZER

The organizer of the contest is **VALEO**, a limited liability company with a share capital of 238,387,620 euros, headquartered at 43 rue Bayen 75848 Paris Cedex 17 (552 030 967 RCS Paris), hereafter “the organizer”.

ARTICLE 2. OBJECT OF THE CONTEST

The challenge: **“Become an automotive innovation player: come up with an innovation which would, between now and 2030, make the car and the way it is used more intelligent, clean, intuitive, green and fun”.**

ARTICLE 3. ELIGIBILITY AND ENTRY REQUIREMENTS

The contest is open to students worldwide who have completed their high school education and their academic teachers (maximum of one teacher per team), with one entry per person (same name and same e-mail address).

Contest entrants must be able to travel outside their country of residence and possess, by October 2017, a passport that is still valid for six months after the date scheduled for the prize giving (October 2017).

Each team leader must plan to collate all of the original banking information and documents that will be required prior to payment of the financial support in phase 2 – creation of proof of concept (see article 12): IBAN, SWIFT numbers, letter from bank certifying that entrant is an account holder.

The following people may not enter the contest:

- Employees of the organizer, of any company that it controls, that controls it or that is under joint control with it, and their children.
- People who have been involved in organizing the contest, and their children.
- People who have a conflict of interest (especially interns, apprentices and PhD students still working for the company).

ARTICLE 4. SUBMISSION DEADLINE

The contest starts on **October 14, 2016** and the deadline for entries is **Tuesday January 31, 2017 at 12 noon, Paris time.**

The prizes will be awarded in mid-October 2017 in Paris, France

The organizers reserve the right, in the event of *force majeure* or for any reason that is beyond their control, to modify the contest dates. They cannot be held liable in this regard.

ARTICLE 5. HOW TO ENTER

To enter the contest, complete the on-line form on the Internet site:

<https://valeoinnovationchallenge.valeo.com>

Any entry form that is incomplete or that contains inaccuracies will not be taken into account and will result, automatically and *ipso jure*, in the disqualification of the team in question.

Entrants are required to compete using their true identities. The organizer reserves the right to carry out all checks that may be necessary.

Entrants must compete in **teams made up of between two and a maximum of five people** (and may include an academic teacher). The constitution of the team shall only be considered definitive on completion of the registration phase. During this phase (from October 14, 2016 to January 31, 2017 noon, Paris time) it will be possible to change the members of the team as well as the project. Once this phase has been completed, no more changes will be accepted. If however a member decides to



leave the team after this phase, the team cannot remain in the running if it has fewer than two members.

Each team must appoint a leader who will represent it and who must be one of the students in the team. The leader will be the Valeo contact person. The leader must act as coordinator with the other team members and personally handle the use and possible division of Valeo's financial participation in the project expenses (see article 12). Valeo shall not accept any claims in this regard.

Entry in the contest implies the unreserved acceptance of these regulations in full, rules of compliance, and laws, regulations and other legislation applicable in France.

The organizer shall not be bound to return the entries presented, once the contest is over.

ARTICLE 6. CONTEST PROCEDURE

The selection process is as follows:

PHASE 1: CALL FOR ENTRIES AND REGISTRATION PHASE

From October 14, 2016 to January 31, 2017, 12 noon – Paris time

During the call for projects phase, and following the announcement of the launch of the project in mid-October 2016 (through the press, Internet site, social networks, emails), the organizer shall inform eligible participants of the contest, on the one hand through their schools / universities and on the other hand through its own communication channels.

Students will be invited to form teams made up of two to five people (which may include an academic teacher), to register for the contest via the Internet site <https://valeoinnovationchallenge.valeo.com> and to submit their projects no later than January 31, 2017 in one of the following categories: “best technological innovation” or “best idea for a new way to use cars”.

During this phase, the teams may modify the content of their entries, whether this involves the team members, the content of their projects or chosen category. The organizer reserves the right to change the category chosen by the team, or even to enter the project in both categories.

The specifications defined by the organizer for this phase will be put on line on the site <https://valeoinnovationchallenge.valeo.com>

INTELLECTUAL PROPERTY

Entrants shall guarantee, on their honor, that they are the creators of their projects, that their projects have not already been disclosed (partially or fully) and that they are not the result of plagiarism. No claims may be made in relation to the development of projects previously presented to Valeo Innovation Challenge, when these are based on general scientific principles.

The organizer shall not be held responsible for any disagreements that may arise among the members of a team or between different teams and accordingly, cannot intervene.

SELECTION OF PROJECTS

From February 1, to March 17, 2017

The organizer, assisted by Valeo's Marketing and R&D Experts networks along with independent external experts, will select the 24 best projects received.

Valeo will announce which projects have been selected to all of the candidates. A list of the 24 selected teams will be published on line on the Internet site

<https://valeoinnovationchallenge.valeo.com> and on the social networks, on March 17, 2017.



The judging panel is sovereign and is not required to provide reasons for its decisions. Accordingly, no claims shall be accepted with regard to the selection.

PHASE 2: CREATION OF PROOF OF CONCEPT PHASE

From March 17, 2017 to July 7, 2017, 12 noon–Paris time

The 24 selected teams will have 15 weeks to work on their projects (file and proof of concept). The specifications defined by the organizer will be published on-line on the site:

<https://valeoinnovationchallenge.valeo.com>

Payment of financial support for the proof of concept phase will be made on April 17, 2017 at the latest (see article 12)

After the judging panel has reached a decision, the 24 teams still in the running will be informed by email of the result of the contest, at the latest on September 13, 2017.

At the same time, a list of the 8 teams selected to present their projects to the judging panel in Paris will be published on line on <https://valeoinnovationchallenge.valeo.com> and on the social networks on 13 September 2017.

The judging panel is sovereign and is not required to provide reasons for its decisions.

Accordingly, no claims shall be accepted with regard to the selection.

PHASE 3: AWARDS

The winning team in each of two categories and the two runners up will be named and will receive their prizes in October 2017.

Reminder: **the judging panel is sovereign and is not required to provide reasons for its decisions.** Accordingly, no claims shall be accepted with regard to the selection.

ARTICLE 7. PROJECT REQUIREMENTS

The projects submitted must meet the following criteria and technical constraints:

- Documents must be drafted in English
- **Phase 1** - Presentation of the project (5 pages maximum) with illustrations authorized (photos, diagrams).

Criteria taken into account:

- Bold, innovative and original idea of the project (50%);
- Challenges and relevance of the problem dealt with and factoring in of society's expectations (20%);
- Knowledge of technical / related matters (10%);
- Feasibility of proof of concept (10%);
- Quality of presentation (10%).

Details will be available on the Internet site

<https://valeoinnovationchallenge.valeo.com>

- **Phase 2** – Creation of a proof of concept and/or any other communication media to render the technological Innovation or the idea (a new way to use cars) concrete, along with a 20-page written document.

The following formats are accepted:

- files (.pdf)
- videos;
- websites;
- applications;
- physical software;
- font: Arial;
- font size: 10.



Criteria taken into account:

- Bold, innovative and original idea of the project (50%) project (“Best Innovation” category / “Best Idea for a new way to use cars” category);
- Challenges and relevance of the problem dealt with and factoring in of society’s expectations (10%);
- Knowledge of technical / related matters (10%);
- Creation of proof of concept (20%);
- Quality of presentation (10%).

The organizer shall define the specifications of the file to be submitted for the launch of phase 2 in accordance with a format which will be disclosed to the **24 selected teams on March 17, 2017**.

Details will be available on the Internet site

<https://valeoinnovationchallenge.valeo.com>

- Phase 3 - Presentation of the project to the members of the Jury.

The presentation of the proof of concept will take place indoors. At least two team members must be present when the project is presented. When a teacher forms part of a team, the project must be presented by the students and not the teacher. The proof of concept shall remain the property of the team. The various members of the team may share the oral presentation which should last 20 minutes, including a five-minute Q&A session

ARTICLE 8. JURY MEMBERS

The composition of the jury is determined by the contest organizer.

The jury will be chaired by the Chairman & CEO of Valeo and made up of Valeo managers as well as experts from outside the Group, who are well known for their professional experience and competence (scientific, sociological, philosophical, etc.).

The jury panel’s purpose is to award the prizes to the two prize-winners and to the runners up.

Decisions made by the jury are sovereign and no claims about its decisions will be accepted.

ARTICLE 9. GRANT

The two teams awarded the first prize in each category (see Article 6), in accordance with the criteria set by Valeo, will each be given the amount of one hundred thousand euros (€100,000), divided equally among all of the team members, by bank transfer. The runners up will each receive the amount of ten thousand euros (€10,000), divided equally among all of the team members.

In the event of two teams tying for first place in a given category, the amount of one hundred thousand euros (€100,000) will be divided among the members of the two teams, i.e., fifty thousand euros (€50,000) for each team.

For the first time since the creation of the Challenge, Valeo will be offering the winning team (in the Technological Innovation category), the opportunity to join a business accelerator (HAX), a Valeo partner, in the aim of setting up a company.

The team will be given personalized support with the project for which it was selected, in a working environment dedicated to and in contact with other start-ups.

Accordingly, the team members will finalize their prototype, learn to value their business and develop their strategy with the help of a network of mentors. They will be given valuable information on how to manage a company in terms of manufacturing, supply chain management and distribution. Finally, they will be given coaching on how to present their new company in preparation for future meetings with investors and the press. Valeo will cover all costs relating to the business accelerator

In exchange, the accelerator and Valeo will each take a 9% stake in the new start-up.

Should the team take up this opportunity, it will have a period of one year from the date on which the prize is awarded by Valeo to join the accelerator.

ARTICLE 10. PATENT RIGHTS



Intellectual property rights will be allocated on a case-by-case basis, in agreement with the inventors and taking specific local legal rules into account.

Any patents that are filed will be followed up by Valeo as soon as this is necessary and especially on completion of proof of concept creation phase, in agreement with the team members.

ARTICLE 11. PUBLICITY AND IMAGE RIGHTS

Throughout the contest, Valeo will communicate on the identity of the teams and the progress of their projects. Accordingly, the teams undertake to provide biographical details and photographs requested by Valeo and agree to these being published on the Internet site:

<https://valeoinnovationchallenge.valeo.com> and on its social network accounts as part of the communication campaign for the contest, until the end of 2019.

The winners expressly agree to the free usage and publication of these data on any media and for any advertising or promotional campaign related to this contest, until the end of 2019.

All of the nominative information that the entrants provide when registering or during the contest are intended solely for Valeo which may share it internally and transfer it only to its technical service providers, for the smooth running of this Challenge.

In accordance with article 27 of the French Data Protection Act of 6 January 1978, the entrants shall enjoy a right of access, rectification or deletion of the data that concerns them and may object to the IT processing of this information by writing to the following address:

Valeo
Direction de la Communication
43, rue Bayen
75848 Paris Cedex 17
France

ARTICLE 12. FINANCIAL SUPPORT

The 24 teams selected on completion of phase 1 shall each be provided with an amount of five thousand euros (€5,000) for the purpose of putting their idea into practice and creating a functioning proof of concept (physical software, app, business model, websites, etc.). This amount will be paid by bank transfer, to the team leader before April 17, 2017 (on condition that the necessary banking details have been provided to Valeo) who should be the holder of a bank account by this date.

The organizer shall bear the cost of travelling to Paris (France) by the members of the eight finalist teams, including return tickets and accommodation, excluding meals, beverages, personal expenses, excursions, visits other than those planned by the organizer, the cost of which will be borne by the finalists.

ARTICLE 13. CANCELLATION – MODIFICATION

The organizer reserves the right, if justified by circumstances, of cancelling or postponing the contest. These regulations may be modified without notice during the course of the contest. In this event, participants will be informed on the Internet site and the modified regulations will be filed with SCP DARRICAU PECASTAING and will be published in the same way as the original version. No claims will be accepted in such circumstances.

ARTICLE 14 – LIMITATION OF LIABILITY

The organizer shall under no circumstances be held liable for the following (non-exhaustive list):

- defectiveness of any reception equipment or lines of communication;
- the loss of any paper or electronic mail and, more generally, the loss of any data;
- forwarding problems;
- the consequences of any virus, computer bug, anomaly, technical defect;
- any damage caused to any participant's computer.



Participants are reminded of the limits of the Internet network, especially with regard to technical performances, response times for consulting or transferring information, the overloading of the network and the risks of contamination by virus. The organizer may not be held responsible for any material and immaterial damage caused to participants, to their IT equipment and there data stored thereon as well as for the consequences that may arise there from on the results of the participants in the contest or their personal or professional activities. It is up to participants to take all appropriate steps in order to protect their own data and/or software stored on their IT equipment against any form of hacking.

Connection to the Internet site

<https://valeoinnovationchallenge.valeo.com> and participation of the participants in the contest is carried out under their sole responsibility.

The organizer reserves the right to take legal action in the event of any cheating or attempt at cheating. However, the organizer shall bear no liability of any sort with regard to other participants in the event of any cheating.

The organizer shall under no circumstances be held liable for any physical injury which the finalists may suffer outside the premises where Valeo organizes the events.

When they come to Paris for the prize-giving, finalists must adopt appropriate behavior and take all necessary precautions, especially to prevent theft. The organizer shall under no circumstances be held liable for the theft of equipment or valuables wherever this may occur.

ARTICLE 15. APPLICABLE LAW – JURISDICTION CLAUSE

These regulations are subject to French law.

Any disputes that cannot be settled amicably shall be settled exclusively by the competent courts of Paris including, even if there is more than one defendant, including incidental claims and guarantees.

ARTICLE 16. CONFIDENTIALITY

Participants in the contest undertake not to disclose any information about the content of their projects before the announcement of the winners.

ARTICLE 17. REGULATIONS

These regulations have been filed with Maître Pecastaing – bailiff – 4 Place Constantin Pecqueur, 75018 Paris.

The regulations can be consulted on the firm’s Internet site at <http://www.etude-dp.fr> under the heading “contests” then “consult the regulations of contests”, as well as on the site:

<https://valeoinnovationchallenge.valeo.com> .

A copy of the regulations will be sent by post, free of charge, to any participant who requests one from the organizer Valeo Direction de la Communication – Concours Valeo Innovation Challenge – 43 rue Bayen – 75848 Paris Cedex 17 – France) mentioning his/her full personal details (surname, first name, postal address) before October 31, 2016 at midnight (as witnessed by the Post Office stamp). A single copy per participant will be provided.

ARTICLE 18. CONTACTS

Candidates may send in questions at any time to the following address:

questionsvaleoinnovationchallenge.mailbox@valeo.com

ARTICLE 19. REIMBURSEMENT OF PARTICIPATION COSTS (INTERNET CONNECTION COSTS)

Any participant in the contest who has complied with the access and participation terms and conditions for the contest, as set out in these regulations and by connecting to the Internet site <https://valeoinnovationchallenge.valeo.com> from a fixed Internet connection, may apply for reimbursement of these costs by writing to:

Valeo

Direction de la Communication

Concours Valeo Innovation Challenge



43, rue Bayen
75848 Paris Cedex 17
France

before January 31, 2017 midnight (as witnessed by the Post Office stamp) or at the latest, within ten (10) calendar days following the date on the invoice in question from the internet access supplier, if the participant receives it after the above deadline.

Any application for reimbursement of participation costs must include, in a legible manner, the following information:

- surname, first name and full postal address of the participant;
- the name of the contest and the site's URL;
- dates times of connections;
- an itemized copy of the access supplier's invoice to which the participant subscribes, showing the dates and times of connection that must be clearly underlined;
- bank account details of the participant stating the name of the bank, the country of residence, the IBAN and SWIFT numbers.

In order to claim reimbursement of connection costs, participants must access the contest using a modem and a telephone line invoiced according to the time of communication or by call exclusively (excluding free or lump sum connections such as cable, ADSL or special links). The reimbursement of connections will be made on the basis of an average Internet connection time of 3 minutes at a lump sum cost of €0.14 per minute i.e., €0.42 per connection. Postage costs for requesting reimbursement will be reimbursed, on written request with the request for the reimbursement of connection costs, at the current French postal rate (basis: 20g). Reimbursement will be made by bank transfer within a period of sixty calendar days as of receipt of the request for reimbursement and following verification of the request.

ARTICLE 20. HOSTING

The Valeo Innovation Challenge site

<https://valeoinnovationchallenge.valeo.com> is hosted by Prosodie, 150 rue Gallieni, 92100 Boulogne-Billancourt.