

Rules of the Elisa Innovation Challenge

The Elisa Innovation Challenge is a six-month product development competition with the goal of creating new products, solutions and/or services for the Internet of Things for consumer and/or customer segment. The competition will be open for entries on 28. April and ends on 30. November 2017. The competition begins with an initial phase where the candidates may propose solution ideas. These ideas shall be submitted to Elisa by 28. June 2017 at 16.00 (EET).

Elisa's jury will select 10 of the most interesting ideas from the proposals submitted by the deadline. These will enter the competition proper. To turn their ideas into solutions, the groups whose ideas were selected will be offered coaching support and optional use of the Elisa IoT™ development environment and the Thingworx platform free of charge. During the challenge Elisa will provide with guidance and support regarding the platform. Elisa will provide the Thingworx IoT PaaS platform free of charge to every competitor. To turn their ideas into solutions, the groups whose ideas were selected will be offered coaching support and use of the **Elisa IoT PaaS development environment** free of charge. Usage on Elisa IoT PaaS platform is not necessary.

The competition is destined to individuals, groups of individuals, educational institutions, organizations and companies. In case the participant is educational institutions, organizations or companies, please be informed that participation requires the innovation or solution idea being originated by the participating individuals. The ideas must be solutions or services that can be developed into commercially usable products. The participating groups must present their own original ideas that offer clearly definable customer value.

The idea is to find Products/ Solutions/Services:

- For corporate customers (but the end user can be a consumer)
 - that improve the process quality or throughput
 - that create competitiveness
 - that enable new business opportunities through innovations
- For consumer customers
 - solve everyday challenge(s) for regular consumers (in Finland and abroad)
 - are easy to install and use
 - offer a highly attractive value/price-ratio

Participating in the competition

Individuals, group of individuals, educational institutions, organizations and companies are all eligible to participate in the Elisa IoT Innovation Challenge. In case companies, educational institutions or organizations are participating in the competition, please notice that the awards shall be eligible to the participated quarters, not to the representing individuals. Further, all competitors must be at least 18 years old at the time of their participation.

Elisa personnel or the personnel of Elisa subsidiaries are not eligible to participate. By participating, the teams agree to follow the rules of the competition.

To participate, the necessary contact details and a description of the idea must be submitted to Elisa

by the deadline. The competitors are responsible for not exceeding the deadline with their submissions. You are free to submit your solution in any way you wish (e.g. PowerPoint, Word, webpage). The submitted material should be in English.

Irrelevant, inadequate or late submissions will not be processed.

The submission application must contain at least the following information:

- Include in the email subject: customer segment you target (B2B, B2C or B2B2C), the name of your team or idea
- The name of your team
- The name of educational institutions, organizations or companies and the business identify code (only if you represent said organization)
- A clear and concise description of your solution, idea, service
 - A definition of the problem you will solve, your idea
 - Potential customers and users, how to make business
 - Business model canvas is a preferred model to summarize your thinking
- Short summary about your team skills and advantages
- Contact details for contact person and team participants (first name, last name, email address, phone number).
- What kind of ThingWorx PaaS platform training would your team request?

Elisa reserves the right to send participants emails regarding the competition. Elisa will not divulge participant contact details to third parties, unless separately agreed. Submissions must arrive by 28. June 2017 at 16.00 (EET). Any ideas received after the deadline will not be eligible for the competition.

Elisa reserves the right to remove a participant from the competition at any time with no prior notice.

One participant may submit multiple ideas for the competition. Each idea must be an original idea of the participant. The participant must own all the rights to the idea and the participant must be eligible to use any and all materials related to the idea. The participant shall guarantee that the information they present in their submission application and during the competition is true, and that the idea as a whole has not been commercialized or sold prior to the start of the competition, and that no third party holds any rights to the idea.

Elisa shall receive the right to use the idea for the duration of the competition for the purpose of evaluating the idea, the feasibility of its implementation, and use as a product and/or service.

The process and criteria for choosing a winner

The winner of the competition is chosen in three stages:

- 1) Elisa's jury will select 10 of the most interesting ideas from the proposals submitted by the deadline. These will enter the final stage of the competition. The Elisa IoT platform will be provided to the 10 chosen participants as well as user training from Elisa for the use of the platform.
- 2) Elisa's jury will choose and announce three finalists on 2.-3. October 2017.
- 3) Elisa's jury will announce the winner between 30. November and 1. December 2017.

The contacts of the chosen participants will be notified by email as the competition progresses.

Elisa reserves the right to announce the initial participants, chosen participants, finalists and winners on Elisa's competition website and at external events (team name and the name of their company or school, if given).

The characteristics of a winner:

- 1) The idea offers significant benefits for the customer, solves a relevant problem for them, and has significant potential for commercialization
- 2) The idea is innovative and feasible to implement, with a significant target market size
- 3) The solution is well-suited for sales and promotion through Elisa's channels
- 4) B2B2C or B2B or B2C solution
- 5) Other factors considered relevant by the Elisa jury as they make their choice.

Testing intensive approach and utilizing Lean Startup methodologies are seen as a strong and preferred approach. Making small-scale market tests during the competition is allowed and recommended.

The prize

The winner of the competition will be awarded **50,000.00 euros**. The award will be paid by Elisa. The award is taxable income of the competition and the winner shall finally be responsible for all taxes related to the above-mentioned award.¹

Should the winner refuse to accept the prize, Elisa's jury may choose a new winner from the three finalists. For the best solution(s) Elisa will also offer a contract to finalize the product or service for commercial provision utilizing Elisa processes and sales channels.

The winner shall be announced between 30. November and 1. December 2017 in a separate ceremony. The three finalists agree to participate in the announcement ceremony, the time and location of which shall be determined later by Elisa.

Copyrights of the executed Ideas in the competition will remain in hold of the competitors. The IPRs of the competition entries and designs are the property of the participants. IPR protection (e.g. patenting, trade mark registration) is solely responsibility of the competitor. All the IPRs of development platform belong to Elisa or third parties that have made all the necessary license and user rights agreements.

Submitting an idea to competition does not prevent Elisa to make commercial or other use of similar ideas and concepts than submitted to the Competition in its businesses.

The prize will only be awarded if Elisa determines that the competition has received a sufficient number of quality ideas from different participants, and that they adhere to the criteria set by Elisa's jury (see 'the characteristics of a winner'). Elisa's jury reserves the right to refrain from awarding the prize with no explanation or notice.

¹ The given awards are gross incomes. Please notice that according to the Finnish Income Tax Act (30.12.1992/1535) 85 § the awards in question are taxable incomes for the award winners (individuals, educational institutions, organizations or companies). Therefore, Elisa will submit information regarding the award incomes and withhold taxes to the Finnish Tax Authorities via annual notification.

The award winners are finally responsible for all taxes and other related payments in respect of the gross income awards. In case the award winner is not registered into the Finnish Preliminary Registration, Elisa shall withhold taxes as prescribed in the Finnish Preliminary Tax Law (20.12.1996/1118). The award winners are obliged to submit the proposed documents (i.e. tax card or other certifications) to Elisa's as requested. In case the award winner is individual(s) and requested documents are not submitted as requested by Elisa, Elisa shall withhold taxes as amount of 60% of the respective award price.