



“The National Co-op Challenge”

OFFICIAL CONTEST RULES

The Co-operators Group Limited

(the “Sponsor”)

The Contest opens May 5, 2014 at 8:00 am ET

and ends on October 1, 2014 at 5:00 pm ET.

(the “Contest Period”)

1. CONTEST PERIOD:

The National Co-op Challenge (the “**Contest**”) begins on May 5, 2014 at 8:00 am Eastern Time (“**ET**”) and ends on **October 1, 2014** at 5:00 pm ET (the “**Contest Period**”).

2. ELIGIBILITY:

Only organizations incorporated as co-operatives in Canada are eligible to apply (“**Entrants**”). Co-operatives who won any level of prizing in the 2012 or 2013 National Co-op Challenge are not eligible to apply. Scanned signed copies of the Certificate of Incorporation, Articles of Incorporation, Bylaws and Audited Financial Statements (where co-ops are exempt from formal audits, please submit latest year end statements) must be submitted with the application. Entrants cannot be Insolvent at the time of application or at any time during the contest period. Entrants are defined as emerging or expanding Canadian co-operatives and have:

- less than \$5 million in assets
- less than \$2 million in revenue, and
- less than 20 employees

By participating in this Contest, Entrants agree to be legally bound by the terms and conditions of these Official Rules and Regulations (the “**Rules**”).

For the purpose of these rules the term Insolvent shall mean: any Entrant that files a petition in bankruptcy, files a petition seeking any reorganization, arrangement, composition or similar relief under any federal, provincial or local law regarding the insolvency or relief for debtors or makes an assignment for the benefit of creditors, or if a receiver, trustee or similar officer is appointed for the business or property of the Entrant, or if any involuntary petition or proceeding under bankruptcy or insolvency laws is instituted against the Entrant.

3. HOW TO ENTER:

NO PURCHASE NECESSARY.

The Contest has Three (3) Phases:

Phase One – May 5, 2014 at 8:00 am ET – May 30, 2014 at 5:00 pm ET

Entrants who meet the eligibility criteria may submit an electronic application for consideration to be selected as a finalist. Applications must be received by May 30, 2014 at 5:00 pm ET (the “**Application**”).

All Entrants must complete a detailed project budget with their application. Details are as follows:

- A detailed budget outlining the financial requirements of their project and how the prize funds would be allocated. **Not Eligible for Funding:** Travel, conferences, deficit reduction, capital acquisitions unrelated to the project in the application, political activities (as defined by Canada Revenue Agency), religious activities, fundraising initiatives, membership fees and pre-existing operational expenses (such as insurance, staff salaries and other administrative expenses).
- Entrants cannot be Insolvent at the time of application or at any time during the contest period.

Phase Two – June 27, 2014 at 5:00 pm ET – August 18, 2014 at 5 pm ET

Based on the eligibility requirements, quality of the project application, and geographical diversity, a group of representatives from the Sponsor will review and validate the applications and select the finalists, which will consist of four (4) Entrants from each of the four (4) regions across Canada; West (includes British Columbia, Alberta, Saskatchewan, Manitoba, Yukon, Northwest Territories, Nunavut), Ontario, Quebec and East (includes New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador). Entrants with a presence in multiple provinces will be deemed to be located in the province that their registered head office is based. Finalist Entrants will be notified the week of June 23, 2014.

The selected sixteen (16) finalist Entrants must create and provide the Sponsor with a video (“**Entry**”) no more than ninety (90) seconds in length that highlights their co-operative, shows their commitment and enthusiasm for co-op growth, and explains what the cooperative business model means to them. Additional requirements are set forth in Rule 4. Videos must be submitted by email to: nationalcoopchallenge@cooperators.ca by August 18, 2014 at 5:00 pm ET.

Phase Three – September 3, 2014 at 8:00 am ET – October 1, 2014 at 5:00 pm ET

The general public will access the contest and vote for their preferred co-operative from the dedicated English or French websites. The Co-operators will launch two contest websites, one in English and one in French, where all Entrant videos will reside until the Contest Period closes on October 1, 2014 at 5:00 pm ET. Voters can vote once per day for the duration of the contest on each of the two websites.

Based on the highest number of votes received, the top two (2) Entrants will be selected as regional winners in each of the four (4) regions.

4. VIDEO ENTRY REQUIREMENTS:

- a) Video must be no more than 90 seconds in length.
- b) Video must not contain any third party copyrighted or proprietary material (including but not limited to literary works of any person other than the Entrant, corporate names, trademarks, slogans, images, music or lyrics) or otherwise infringe on the intellectual property or other rights of a third party.
- c) Video must be Entrant’s own original and individual creation.
- d) Video must not have been previously entered, and may not in the future be entered, into any other contests or competitions (including the 2012 or 2013 National Co-op Challenge), or have won any other awards.
- e) Video must not depict Sponsor negatively and must be in keeping with Sponsor’s desired image.
- f) Video must not mention any products that are competitive to or incompatible with Sponsor’s products, and must not contain any commercial, political, religious, or other third party advertising or messaging. The video may mention Sponsor’s products, provided it does so in a positive manner.
- g) Video must, in the Sponsor’s sole discretion, be suitable for general audiences and must not contain any of the following content: (i) defamatory words or statements, including words or symbols that are

considered offensive to individuals of a certain race, ethnicity, gender, religion, sexual orientation or socioeconomic group; (ii) any lewd or sexually explicit suggestive content; (iii) any content that promotes illegal activity, tobacco, firearms/weapons, or any violent, unsafe or dangerous behaviour, activities or situations; (iv) the direct consumption of alcohol, (v) threats to any person, place, business or group; (vi) profanity or obscenity; (vii) anything that would disparage or offend persons or organizations associated with Sponsor; (viii) anything which incites, encourages or depicts dangerous conduct, stunts or tricks, or behaviour or acts that are unsafe, wrongful or immoral; or (ix) anything that violates federal, provincial or municipal laws and regulation.

- h) Sponsor reserves the right in its sole discretion, and at any time during the Contest, to disqualify and remove from the Contest Website (or not to post at all) any video that, in its sole opinion, does not comply with these requirements or these Official Rules.

5. PUBLIC VOTING:

Beginning on September 3, 2014 at 8:00 am ET and ending on October 1, 2014 at 5:00 pm ET (the “**Public Voting Period**”), members of the general public can vote on the dedicated English and French contest website for the posted videos/Entrant who they would like to receive funding to develop their organization. The two (2) Entrants from each region who receive the most votes during the Public Voting Period will be selected as the regional winners (subject to verification) in each of the four (4) regions. For situations where there is tie, the Sponsor will make the final decision as to the regional winner. It is the sole responsibility of each Entrant to acquire public votes through their own methods of promotion.

All votes to be eligible must be from individual members of the public who are natural persons and must not be electronically or mechanically produced or entered. Only one vote per person/per day for the duration of the Contest Period on each of the two contest websites will be permitted. The general public will be provided with a link to a dedicated contest website with access to all videos and have an opportunity for voting. Individuals will only be able to cast their vote for one video per day for the duration of the contest. Duplicate votes will not count towards the final numbers and will be removed at the end of contest period.

Votes submitted through or obtained by or through voting bots, automated voting systems, vote exchange systems (whether on Facebook or otherwise) or any similar or like methods shall be void. Entrants who use or attempt to use such methods will be disqualified from the Contest and will not be eligible for any of the prizes to be awarded.

6. WINNER ANNOUNCEMENT: The winners for each region will be contacted by a representative of the Sponsor and announced on the Contest Website by October 17, 2014.

7. DESCRIPTION OF PRIZE:

There will be eight (8) prizes of \$25,000 in cash funding for the finalist regional winners (two per region).

There will be eight (8) consolation prizes of \$500 in cash funding for those finalists that do not win (two per region).

There will be a consultation session delivered to all sixteen (16) finalists with the purpose of providing expert knowledge on topics that will assist with the development of these emerging cooperatives.

Funding must be accepted as awarded and is not transferable. No substitutions except at Sponsor's option. Sponsor reserves the right, in its sole discretion, to substitute the Prize or a component thereof with a prize of equal or greater value.

8. CONDITIONS OF FUNDING:

Project funds will be used by December 31, 2015 (i.e. funding period of December 2014 – December 2015). Any funds that are not used by December 31, 2015 will be returned to the Sponsor.

Winners will sign an agreement provided by the Sponsor in its sole discretion outlining the implementation objectives of the project and the winners' commitment to use funds appropriately and in a manner consistent with their application.

Finalists awarded consolation prizes or who attend the consultation session are not required to sign an agreement or prepare any final reports on funds.

In order to be eligible to receive a prize or consolation prize the recipient must not be Insolvent at the time the prize is given to the Recipient. Entrants who are declared a prize winner or a consolation prize winner but who become Insolvent prior to the payment of such prize or consolation prize are disqualified from receiving a prize or consolation prize as the case may be.

9. GENERAL CONDITIONS:

Each Entrant acknowledges and agrees that its Entry becomes the property of the Sponsor, which thereby has the right to edit, adapt, modify, reproduce, promote and otherwise use Entries in any way it sees fit in connection with advertising or promoting the Sponsor and its products in any medium, throughout the world, in perpetuity. Entrant shall have no right to review or approve edits, alterations or modifications, and the Entrant waives the benefit of any provision of law known as "moral rights". By submitting an Entry, Entrant represent: (a) that the Entry is your own original work that has not previously been published or publicly shown or won a prize or award; and (b) any and all rights to the Entry belong to the Entrant and the Entry does not infringe, misappropriate or violate the rights of any third party. Further, any Entries that Sponsor, in its sole discretion, deems to be inappropriate for publication will not be considered. The Sponsor assumes no responsibility for lost, delayed, incomplete, incompatible or misdirected Entries. This Contest is subject to all applicable federal, provincial and municipal laws. The decisions of the Sponsor with respect to all aspects of this Contest are final and binding on all Entrants without right of appeal, including, without limitation, any decisions regarding the eligibility/disqualification of Entries and/or Entrants. The Sponsor will not be liable for: (i) any failure of the Contest Website during the Contest; (ii) any technical malfunction or other problems relating to the telephone network or lines, computer online systems, servers, access providers, computer equipment or software; (iii) the failure of any Entry to be received by the Sponsor for any reason including, but not limited to, technical problems or traffic congestion on the internet or at any website; (iv) any injury or damage to an Entrant's or any other person's computer or other device related to or resulting from participating or downloading any material in the Contest; and/or (v) any combination of the above.

All Entries and Applications are subject to verification. The Sponsor reserves the right, in its sole discretion, to require proof of identity and/or eligibility (in a form acceptable to the Sponsor) to participate in this Contest. Failure to provide such proof in a timely manner may result in disqualification. The sole determinant of the time for the purposes of a valid Entry in this Contest will be the Contest server machine(s).

No Entry or Application will be returned to the Entrant.

Any attempt to deliberately damage any website or to undermine the legitimate operation of this Contest in any way (as determined by Sponsor in its sole and absolute discretion) is a violation of criminal and civil laws and should such an attempt be made, the Sponsor reserves the right to seek remedies and damages to the fullest extent permitted by law. The Sponsor reserves the right to cancel or suspend this Contest, or to amend these Rules, without prior notice or obligation, in the event of any accident, printing, administrative, or other error of any kind, or for any other reason.

By entering this Contest, each Entrant expressly consents to the Sponsor, its agents and/or representatives, storing, sharing and using the personal information submitted with his/her Entry only for the purpose of administering the Contest and in accordance with Sponsor's privacy statement (available at: www.cooperators.ca/en/PublicPages/Privacy.aspx), unless the Entrant otherwise agrees.

The Sponsor reserves the right, in its sole and absolute discretion, and without prior notice, to adjust any of the dates and/or timeframes stipulated in these Rules, to the extent necessary, for purposes of verifying compliance by any Entrant or Entry with these Rules, or as a result of technical problems, or in light of any other circumstances which, in the opinion of the Sponsor, in its sole and absolute discretion, affect the proper administration of the Contest as contemplated in these Rules.

Entrants agree to be legally bound by the terms and conditions of these Official Rules and Regulations.

For Quebec residents: Any litigation respecting the conduct or organization of a publicity contest may be submitted to the Régie des alcools, des courses et des jeux for a ruling. Any litigation respecting the awarding of the prize may be submitted to the Régie only for the purpose of helping the parties reach a settlement.

10. INTELLECTUAL PROPERTY

All intellectual property used by the Sponsor in connection with the promotion and/or administration of the Contest, including, without limitation, all trade-marks, trade names, logos, designs, promotional materials, web pages, source code, drawings, illustrations, slogans and representations are owned (or licensed, as the case may be) by the Sponsor and/or its affiliates. All rights are reserved. Unauthorized copying or use of any such intellectual property without the express written consent of its owner is strictly prohibited.