

2010 WALMART BETTER LIVING BUSINESS PLAN CHALLENGE
OFFICIAL RULES

1. **INTRODUCTION:** The Walmart Better Living Business Plan Challenge (“Challenge”) is designed to recognize and award grants for outstanding student entrepreneurship in the area of environmental sustainability. Undergraduate and Graduate students (“Researchers”) under the guidance of professors (“Faculty Advisors”) from colleges and universities are invited to submit Plans for environmental business projects (“Plans”) in accordance with the requirements set forth below. Grant award(s) (“Grants”) will be awarded for the best Plans as determined by the Judges in accordance with the Evaluation Criteria. Plans must be submitted by eligible Researchers in conjunction with a Faculty Advisor. Each Researcher may submit only one Plan; however, Faculty Advisors may work on multiple Plans with different Researchers.

2. **ELIGIBILITY:**

- A. Researchers must be students in the pursuit of an undergraduate or graduate degree at a college or university in the fifty United States and the District of Columbia and Faculty Advisors must be employed by the same college or university as the Researchers.
- B. Researchers and Faculty Advisors must be of the legal age of majority in their state of legal residence and residents of the fifty United States and the District of Columbia. Void where prohibited by law.
- C. Employees of Wal-Mart Stores, Inc. (“Sponsor”) and its affiliates and subsidiaries, participating advertising and promotion agencies and members of their immediate family, defined as parents, children, siblings and spouse, regardless of where they reside, and/or those living in the same household are not eligible.
- D. A majority of Researchers participating on the same Team may not be employed by the same corporate employer. Researchers performing research and/or working for the same college or university are exempt from this prohibition. Teams of one researcher are exempt from prohibition.
- E. Researchers must have access to the Internet and a valid email address in order to submit a Plan.

3. **PLAN SUBMISSION INSTRUCTIONS:**

- A. Plans must be submitted by a team comprised of one Faculty Advisor and at least one Researcher (individually, “Team Members”; collectively, the “Team”). All Team Members must meet the eligibility requirements listed above. Each Team must designate one individual member of the Team as the Team Leader for contact purposes. The Team Leader is responsible for submitting the Plan on behalf of the team. The Team will first compete in its own school-wide competition (the “First Round”). Each finalist chosen from each First Round will then compete in the regional competition in its region, hosted by one school in the region (the “Second Round”). Each finalist chosen from each Second Round will compete in the SemiFinal Round (the “Semi Finals”). The finalists chosen in the Semi Finals will compete in the Final Round (the “Finals”). Judges in the Finals will select a winner for the Grand Prize, a winner for the First Prize and a winner for the Second Prize. All finalists and winners are selected on the basis of the Evaluation Criteria set forth below. The First Round, Second Round, Semi Finals and Finals are collectively referred to as the “Rounds.” Details of the Rounds are as follows. Failure to meet deadlines will result in

disqualification. Judges will receive copies of the Plans for review in advance of the competition.

B. First Round:

1. Judges will be selected by the school's faculty/administration advisors (other than the participating Faculty Advisors) for the First Round competition ("School Judges").
2. Send your Plan by email to your School Judges in MS Word format (2007 preferred but 97-2003 accepted) by the deadline established by the respective participating School.
3. Each Team will have no more than 15 minutes to present their Plan (the "Presentation"), followed by answering the School Judges' questions for no more than 15 minutes. School Judges have 10 minutes to confer and break between each Presentation. Each Team has five minutes to set up their Presentation.
4. School Judges must select one Team to win the First Round and must send the name of such winning Team to the Sponsor and/or NetImpact representative at its earliest convenience or by the deadline established by the Sponsor, whichever is earlier.

C. Second Round:

1. Each Team selected from each First Round is invited to compete in the Second Round. Second Round will take place at a host school selected by Sponsor (the "Host School"). There will be one Host School per region. Sponsor, at its discretion, will divide the United States into eight (8) regions. Sponsor will provide and send the Judges for the Second Round (the "Host Judges"). Teams are responsible for travel and related costs to compete in the Second Round. Faculty Advisor is encouraged to attend, but is not required to do so.
2. Host School must provide: a designated faculty/administrative advisor, a designated room with a projector for the duration of the day; a designated room where "on deck" Teams can wait, an on-site concierge-type contact to assist traveling Teams with local information; designated lunch space (and food if possible); and a date in February 2010 ("Date Range") for the Second Round to take place. Host School should ask Teams for their availability during the Date Range. However, the selected date is within the discretion of Host School, provided the date is within the Date Range.
3. The Team Leader from the winning Team of each First Round must send his or her Team Plan by email to the designated School representative in MS Word format (2007 preferred but 97-2003 accepted) by the deadline established by the respective participating School. Plans will then be forwarded to the Host Judges before Teams present them.
4. At the Host School, each selected Team will have no more than 15 minutes for their Presentation followed by answering the Host Judges questions for no more than 15 minutes. Host Judges have 10 minutes to confer and break between each Presentation. Each Team has five minutes to set up their Presentation.
5. Host Judges must select one Team to win the Second Round.

D. Semi Finals

1. Each Team selected from each Second Round is invited to compete in the Semi Finals. Third Round will take place at the Doubletree Hotel, Bentonville, Arkansas (the "Semi Finals Location") in April 2010. Sponsor will provide the Judges for the Semi Finals (the "SF Judges"). \$3,000 travel stipend will be provided to each semi-final team. Faculty Advisor is encouraged to travel with the Team, but is not required to do so.
2. Plans will then be forwarded to the SF Judges before Teams present them.
3. At the Semi Finals Location, each selected Team will have no more than 15 minutes for their Presentation, followed by answering the SF Judges' questions for no more than 15 minutes. SF Judges have 15 minutes to confer and break between each Presentation. Each Team has 5 minutes to set up their Presentation. Each Team must be in the designated waiting area at least 15 minutes before their scheduled prep time for Presentation.
4. SF Judges must select two (2) Teams to win the Semi Finals.

E. Finals

1. The Teams selected from the Semi Finals are invited to compete in the Finals. The Finals will take place at Walmart offices (exact location to be decided), Bentonville, Arkansas (the "Finals Location") in April 2010. Sponsor will provide the Judges (the "Final Judges"). Sponsor will provide a set stipend to the Team which the Team may use towards the costs required to travel to the Finals. Faculty Advisor is encouraged to attend the Finals, but is not required to do so.
2. Plans from the winning Team of the Semi Finals will then be forwarded to the Final Judges before Teams present them.
3. At the Finals Location, each selected Team will have no more than 15 minutes for their Presentation, followed by answering the Final Judges' questions for no more than 15 minutes. Final Judges have 15 minutes to confer and break between each Presentation. Each Team has 30 minutes to set up their Presentation. Each Team must be in the designated waiting area at least 15 minutes before their scheduled prep time for presentation.
4. Final Judges will select one (1) Grand Prize Winner, one (1) First Prize Winner, and one (1) Second Prize Winner based on the Evaluation Criteria set forth below. Prize Winners will be notified at the Finals. Sponsor retains the sole discretion to award additional winners.

FOR ALL ROUNDS: Each Team must bring their own laptop and a flash drive with their Presentation. Each Team will be provided an LCD projector, screen, and monitor.

4. PLAN REQUIREMENTS:

- A. The Plan must consist of a sustainable, profitable business plan for a new product or business process with a measurable positive environmental benefit. The environmental benefit must include at least one of the following: preserving clean air, water, and/or soil; reducing waste; improving energy efficiency or developing renewable energy ideas; or promoting healthy living for people and/or communities. The Plan must quantify its ability to provide such an environmental benefit.

B. Plan must be in English and must be no longer than 20 pages in length; typed and double-spaced, using 12-point font. Margins must be 1" on all sides. Spreadsheets and appropriate appendices are permitted, but the entire Plan with such appendices must not exceed 30 pages. Please note that the text portion of the Plan is the most essential part, and time may not permit the Judges' careful study of any spreadsheets or appendices. All necessary information should be stated in the text portion of the Plan and any spreadsheets and appendices should be included only for justification or illustration purposes.

C. The Plan should cover the following:

1. Executive Summary
2. Company Overview
3. Product or Service
4. Market and Marketing Strategy
5. Operations and Management Structure
6. Financials

D. The Plan must also include the following documentation:

1. The name of the Team's university or college;
2. The full name of each Team member, the Faculty Advisor and the Team Leader.
3. Email address, telephone number and postal address of the Team Leader.
4. A budget for the Plan.
5. Proof of university or college affiliation for both the Faculty Advisor and Researchers, which may include, for the Faculty Advisor a link to the Faculty Advisor's webpage, and for the Researchers, a copy of the student's transcript. Sponsor reserves the right, in its sole discretion, to accept or reject as sufficient proof of university or college affiliation provided by Researchers and Faculty Advisor.
6. An image file of a scanned document listing all Team Members, the signatures of all team members (including Faculty Advisor and Researchers), and the percentage of the potential Grant to be awarded to each Team Member. Teams are solely responsible for determining distribution of Grant and for ensuring Grant is distributed according to their initial determination. Sponsor is not responsible for any disputes resulting therefrom.

5. **EVALUATION CRITERIA:** Plans (and their Presentation) will be judged by a panel of judges (all judges hereunder in the various Rounds collectively referred to as the "Judges"), based on the following evaluation criteria:

A. Market Opportunity (10 points): The Plan must present a clear market need as well as a way to take advantage of that need.

- B. Distinctive Competence (10 points): The Plan provides something novel/unique/special that gives it a competitive advantage in its market.
- C. Management Capability (10 points): The Team can effectively develop the Plan and handle the risks associated with the venture.
- D. Sustainability (35 points): Execution of the Plan improves the environment by at least one of the following benefits: preserving clean air, water, and/or soil; reducing waste; improving energy efficiency or developing renewable energy ideas; or promoting healthy living for people and/or communities. The Plan must quantify its ability to provide at least one benefit in at least one (or more) of the above areas.
- E. Financial Understanding (10 points): This team has a solid understanding of the financial requirements of the Plan.
- F. Profitability (25 points): The Plan represents a real profit opportunity.
- G. Sponsor reserves the right to consider other factors in addition to the above criteria.

6. AWARD PROCEDURES:

- A. Sponsor plans on providing the following in Grants: First Grant: \$20,000 (for the first prize winner of the Finals); Second Grant: \$10,000 (for the second prize winner of the Finals); and Third Grant: \$5,000 (for the third prize winner of the Finals.) The Grants may be used towards execution of the Plan. Sponsor will provide the pro rationed amount of the Grant to each Team Member according to the Team's initial determination of the Team Members. TAXES ARE THE SOLE RESPONSIBILITY OF THE TEAM MEMBER.
- B. Final Judges reserve the right to award no Grants, if in their sole and absolute discretion, they do not receive any qualified Plans. All members of the Team selected (collectively, the "Grantee" or "Grantee Team" and individually the "Grantee Members"), will be required to execute a Grant Award Agreement which will detail the terms and conditions of the Grant. Any Grantee Member who fails to sign will be disqualified and his or her portion of the Grant will be awarded equally among the remaining members of the Team. If, however, the Agreements are not signed by the Faculty Advisor and at least one Researcher, the entire Team will be disqualified. (Ex. A Team consists of one Faculty Advisor and three Researchers. If the Faculty Advisor fails to sign the Agreements, but all three Researchers sign the Agreements, the Team, in its entirety will be disqualified. If the Faculty Advisor signs the Agreements, but no Researchers signs the Agreements, the Team will be disqualified in its entirety. If the Faculty Advisor and at least one of the Researchers sign the Agreements, the Grant will be awarded to the two who have signed, and those who have failed to sign the Agreements will be disqualified.) Grant Award checks will be distributed to the Grantees upon the Grantee's submittal of the appropriate tax forms and the execution of the required documents and Grantee Award Agreement. All Grants will be paid in U.S. Dollars. All costs associated with currency exchange are the sole responsibility of the Grantee. ALL TAXES ARE THE SOLE RESPONSIBILITY OF EACH GRANTEE MEMBER.

- 7. CONDITIONS OF PARTICIPATION:** Submission of Plan into this Challenge constitutes each Team Member's agreement to be bound by the terms of these Official Rules and by the decisions of Sponsor, which are final and binding on all matters pertaining to this Challenge. In addition to the Grant Award Agreements required above, each Potential Grantee Member may be required to sign and return a Declaration of Eligibility/Liability and where legally permissible, a Publicity

Release (“Required Documents”) within 15 days following the date of the Finals. Any Potential Grantee Member who fails to sign and return the Required Documents will be disqualified, and his or her portion of the Grant will be awarded equally among the remaining members of the Team. If, however, the Required Documents are not signed by the Faculty Advisor and at least one Researcher, the entire Team will be disqualified. Team Members retain copyright ownership, if any, in their Plan and Presentation. However, all Team Members hereby grant Sponsor a royalty free license, without geographic or time limitation, to use and display their Plan and the Presentation for promotional or advertising relating purposes in any and all media. Sponsor’s use of the Plan and/or Presentation after the Challenge for advertising and promotional purposes may or may not include the Team Member’s name(s). After the Challenge concludes, Sponsor reserves the right to modify or edit the Plan or Presentation, in whole or in part, for content, clarity or any other reason, and all Team Members waive any and all “moral rights” in and to their Plan and Presentation. Winners agree to sign any documents that may be necessary to affect the assignment of the licensing rights set forth hereunder. Acceptance of the Grant constitutes permission for, and Researcher and Faculty Advisor’s consent to, Sponsor and its agencies to use the Team Member’s name, likeness, Plan, photograph, biography, film and video for advertising and promotional purposes without additional compensation, unless prohibited by law. To the extent permitted by law, Team Members agree to hold Sponsor and each of its parent, subsidiaries, agents, directors, officers, employees, representatives, and assigns harmless from any injury or damage caused or claimed to be caused by participation in the Challenge and/or use or acceptance of any Grant award. Sponsor is not responsible for any typographical or other error in the advertising of this Challenge, administration of the Challenge or in the announcement of the Grant(s). A Team Member may be prohibited from participating in this Challenge if, in the Sponsor’s sole discretion, it reasonably believes that the Team Member has attempted to undermine the legitimate operation of this Challenge by cheating, deception, or other unfair playing practices or annoys, abuses, threatens or harasses any other Team Member, the Sponsor or associated agencies. Due to the unique nature and scope of this Challenge, Sponsor reserves the right to alter or modify this Challenge or these Official Rules at any time.

8. **NO RECOURSE TO JUDICIAL OR OTHER PROCEDURES:** To the extent permitted by law, the rights to litigate, to seek injunctive relief or to make any other recourse to judicial or any other procedure in case of disputes or claims resulting from or in connection with this Challenge are hereby excluded, and any Team Member expressly waives any and all such rights. In the event that a court of competent jurisdiction finds the foregoing waiver unenforceable, Team Members hereby consent to the jurisdiction and venue residing exclusively within the federal or state courts in the state of Arkansas, United States and agree that any and all disputes, claims, and causes of action arising out of or connected with this Challenge or any prize awarded shall be resolved individually, without resort to any form of class action. Team Members agree that these Official Rules are governed by the laws of Arkansas.
9. **WARRANTY AND INDEMNITY:** Team Members certify that their Plan and Presentation is original and Team Members can legally grant the rights set forth herein. Each Team Member agrees not to submit any Plan or make any Presentation that (1) infringes any 3rd party proprietary, intellectual property, industrial property, personal rights or other rights, including without limitation, copyright, trademark, patent, trade secret or confidentiality obligation; or (2) otherwise violates applicable law in any countries in the world. To the maximum extent permitted by law, each Team Member indemnifies and agrees to keep indemnified the Sponsor at all times from and against any liability, claims, demands, losses, damages, costs and expenses resulting from any act, default or omission of the Team Member and/or a breach of any warranty set forth herein. To the maximum extent permitted by law, each Team Member indemnifies and agrees to keep indemnified the Sponsor at all times from and against any liability, actions, claims, demands, losses, damages, costs and expenses for or in respect of which the Sponsor will or may become liable by reason of or related or incidental to any act, default or omission by a Team Member under this Challenge, including without limitation resulting from or in relation to any breach, non-observance, act or omission whether negligent or otherwise, by a Team Member.

10. **ELIMINATION:** Any false information provided within the context of the Challenge by any Team Member concerning identity, postal address, telephone number, ownership of right or noncompliance with these rules or the like may result in the elimination of the Team Member. Sponsor further reserves the right at any time, including after announcement of Grantees to disqualify any Plan that it believes in its sole and unfettered discretion infringes upon or violates the rights of any third party or otherwise does not comply with the terms of these Official Rules.
11. **INTERNET:** Sponsor is not responsible for electronic transmission errors resulting in omission, interruption, deletion, defect, delay in operations or transmission. Sponsor is not responsible for theft or destruction or unauthorized access to or alterations of Plan materials, or for technical, network, telephone equipment, electronic, computer, hardware or software malfunctions or limitations of any kind. Sponsor is not responsible for inaccurate transmissions of or failure to receive Plans by Sponsor on account of technical problems or traffic congestion on the Internet or at any Web site or any combination thereof. Sponsor reserves the right to select Grantees from eligible Plans received as of the termination date. Sponsor further reserves the right to disqualify any individual who tampers with the Plan or Presentation process. Caution: Any attempt by a Team Member to deliberately undermine the legitimate operation of the Challenge is a violation of criminal and civil laws and should such an attempt be made, Sponsor reserves the right to seek damages from any such Team Member to the fullest extent of the law.
12. **SEVERABILITY:** If any provision(s) of these Official Rules are held to be invalid or unenforceable, all remaining provisions hereof will remain in full force and effect.
13. **GRANTEE'S LIST:** For name(s) of Grantee(s), please go to Walmart Challenge website at <http://www.netimpact.org/walmartchallenge> for the list which shall be updated after the Final round of competition.

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