

# DIGITAL NEWS INNOVATION CHALLENGE

## PROGRAM REQUIREMENTS

### 1. INTRODUCTION

- (a) Ryerson University (the “Sponsor”) and Facebook Inc. have collaborated to create this Digital News Innovation Challenge. The Sponsor, through the Sponsors’ university incubator the DMZ has launched ‘Digital News Innovation Challenge’ to find and support leading digital news ideas and early-stage tech companies driving innovation in journalism and news organizations and to establish a customized incubation program (the “Program”).

### 2. APPLICATION OPEN PERIOD

- (a) Applications for the Program will be accepted between the period of January 25, 2018 and 11:59 p.m. on March 9, 2018 (the “Application Open Period”). To be considered, your Application (defined below) must be submitted during the Application Open Period.

### 3. APPLICANT ELIGIBILITY

- (a) The Program is open to individuals, teams or start-up businesses (each an “Applicant) who meet the eligibility requirements set out in this Section.
- (b) If the Applicant is an individual or team, each individual must:
  - (i) be a resident of Canada;
  - (ii) be of the age of majority in their province of residence at the time of submission of the Application; and
  - (iii) be willing to incorporate a business if selected as a Program Participant.
- (c) If the Applicant is a start-up business, the Applicant must:
  - (i) Have prior year annual revenue of less than \$100,000 for the business that is the subject of the Application;
  - (ii) Have at least one dedicated full-time founder who is able to bind the start up business and who is resident of Canada and the age of majority in their province of residence at the time of submission of the Application (the “Representative”);
  - (iii) be incorporated or willing to incorporate the start-up business if selected as a Program Participant; and
  - (iv) not have any bankruptcy, insolvency or other similar proceedings brought by creditors or government agencies pending against the business.

- (d) An individual, team or start-up business is not eligible to have any Application considered if the individual, any team member or any directing mind (founder, co-founder, CEO, president, officer, director) of the start-up business is: a) an employee (except an employee who is also a student of Ryerson University), officer, director, governor, representative or agent of either Ryerson University or Facebook, including each of their subsidiaries, affiliates or related companies (the “Sponsor Parties”).
- (e) Applicants must,
  - (i) Have a driven and coachable leadership team;
  - (ii) Have a robust lean canvass business model;
  - (iii) Plan to solve a compelling problem within the Canadian digital news and journalism landscape; and
  - (iv) Have an idea that has a technological component at its core.

#### **4. HOW TO APPLY?**

- (a) An Applicant may apply for entry into the Program anytime during the Application Open Period by completing and electronically submitting the application form available at: <https://dmz.ryerson.ca/digital-news-innovation-challenge/> (the “Application Form” and once submitted, the “Application”).

#### **5. CONDITIONS TO APPLICATION**

- (a) There is a limit of one (1) Application per Applicant (individual, team or business) during the Application Open Period. If it is discovered that any Applicant attempted to submit more than one Application, that Applicant (including all individuals associated with the Applicant) may be disqualified from consideration for the Program.
- (b) All Applications are confidential and will be used by the Sponsor (and any other company or individual engaged in the provision services related to this Program, including judges and mentors) for the sole purpose of administering and judging the Application. Applications will not be returned to the Applicants.
- (c) By submitting an Application, the Applicant agrees as follows:
  - (i) to comply with these Program Requirements and with the decisions of the Sponsor, which are irrevocable and are binding in all matters related to the Program;
  - (ii) the Application, including the technological solution developed or conceptualized by the Applicant does not violate the rights of any third party (for example, it does not defame, infringe or violate publicity or privacy rights or any person, living or deceased, or otherwise infringe upon any person’s, entity’s, or organization’s personal or property rights, including but not limited to, intellectual property rights); and

- (iii) if selected as a Program Participant:
  - (A) the Applicant (including the team) must be willing to locate at the Sandbox by DMZ during the 5 month incubation period starting on or about April 23, 2018, exceptions will be at the discretion of the Sponsor;
  - (B) the Applicant must sign a Program Participant Agreement that includes performance based targets for access to seed capital;
  - (C) a member of the Applicant (the individual, team member or Representative) must be present at one of the four weekly meetings with the Entrepreneurs in Residence at the DMZ in Toronto, Ontario;
  - (D) the Applicant must be present in person on demo day, on or about September 28, 2018; and
  - (E) the Applicant must be present or have a virtual presence for in-progress demos during up to three (3) public events during the Program.

## 6. PROGRAM DETAILS

- (a) There are five (5) Program participant spots available for the Applicants that obtain the highest scores for admission judging in accordance with these Program Requirements.
- (b) The Program consists of:
  - (i) acceptance into a customized digital news incubation program for a period of five (5) months at the Sandbox by DMZ, including access to academic and business mentorship and workshops;
  - (ii) Sponsor and the Program Participant entering into the Sponsors Digital News Innovation membership agreement (the “Program Participant Agreement”), including performance based targets and milestones for the new business;
  - (iii) if necessary, establishment of a business entity for the Applicant; and
  - (iv) potential access to seed capital of up to \$100,000 (payable to the business entity only) if performance targets and milestones (as set out in the Program Membership Agreement) are met to the satisfaction of the mentorship team for the business.

## 7. PROGRAM PARTICIPANT SELECTION

### 7.1 Stage 1 - Shortlist

- (a) A panel of judges (the “Stage 1 Judges”) will be appointed by the Sponsors to judge each Application on the basis of the following criteria (“Stage 1 Criteria”):

	<b>Evaluation Criteria</b>	<b>Weight</b>
(a)	Business is scalable and has viability to solve a problem in digital news innovation (measured by size of market opportunity)	20%
(b)	Make innovative use of technology (software) as part of their business solution	20%
(c)	Quality of a lean canvas business model and, if applicable, prototype.	20%
(d)	Have an effective brand/business presentation	20%
(e)	Have evidence of a well--developed set of milestones and goals for the 5 month program	20%

- (b) Each Application will be given a score (the “Stage 1 Score”) by the Stage 1 Judges. Applications with the top ten (10) Stage 1 Scores will be selected as eligible shortlisted Applicants (“Eligible Shortlisted Applicants”). Judging is scheduled to be completed on or about March 16, 2018 (the “Stage 1 Selection Date”). In the event of a tie between two or more Applications based on the Stage 1 Score, the Application that receives the highest combined score in criterion (d) of the Stage 1 Criteria will be deemed to have the higher Stage 1 Score.
- (c) The Sponsor, or its designated representative, will make a maximum of three (3) attempts to contact the representative for the Applicant (as set out in the Application) of each of the Eligible Shortlisted Applicants by telephone or email (using the information provided on the Application) within three (3) days of the Stage 1 Selection Date. If the representative of the Eligible Shortlisted Applicant winner cannot be contacted within three (3) days of the Stage 1 Selection Date, or if there is a return of any notification as undeliverable, then the applicable Applicant will be disqualified, and the Sponsor reserves the right, in its sole and absolute discretion, to select an alternate Applicant as an Eligible Shortlisted Applicant. Eligible Shortlisted Applicants will be contacted on or about March 16, 2018. Once confirmed, the Eligible Shortlisted Applicant will become a “Shortlisted Applicant”.

## 7.2 Stage 2 – Selection for the Program

- (a) The Shortlisted Applicants will be invited to make a twenty (20) minute in-person pitch to a separate panel of judges appointed by the Sponsor (the “Stage 2 Judges”) on March 27 and March 29, 2018. The Stage 2 Judges will judge each pitch on the basis of the following criteria (the “Stage 2 Criteria”):

	<b>Evaluation Criteria</b>	<b>Weight</b>
(a)	Size and importance of the problem addressed (economic or social).	20%
(b)	Quality of lean canvas business model (robust, well thought out).	20%
(c)	Uniqueness of the solution (relative to competitors and in terms of intellectual property).	20%
(d)	Clarity and effectiveness of the business presentation.	20%
(e)	Have a leadership team comprised of driven, coachable and collaborative people with some expertise in the area of focus.	20%

- (b) Each pitch will be given a score (the “Stage 2 Score”) by the Stage 2 Judges. Shortlisted Applicants with the top five (5) Stage 2 Scores will be selected as the eligible participants for the Program (“Eligible Program Participants”). Judging is scheduled to be completed on or about March 27 and March 29, 2018 (the “Stage 2 Selection Date”). In the event of a tie between two or more Shortlisted Applicants based on the Stage 2 Score, the Application that receives the highest combined score in criterion (d) of the Stage 2 Criteria will be deemed to have the higher Stage 2 Score.
- (c) The Sponsor, or its designated representative, will make a maximum of three (3) attempts to contact the representative for the five (5) Eligible Program Participants by telephone or email (using the information provided on the Application) within five (5) business days of the end of the Stage 2 Selection Date. If the representative cannot be contacted within five (5) business days of the end of the Stage 2 Selection Date, or if there is a return of any notification as undeliverable, then the applicable Applicant will be disqualified, and the Sponsor reserves the right, in its sole and absolute discretion, to select an alternate Applicant as an Eligible Program Participant in accordance with these Program Requirements. Eligible Shortlisted Applicants will be contacted on or about March 29, 2018.

## **8. DECLARATION OF PROGRAM PARTICIPANTS**

- (a) Before an Eligible Program Participant is declared a participant of the Program (after such declaration a “Program Participant”), the Eligible Program Participant must: A) sign and return a declaration of compliance and release of liability (the “Release”) for the Sponsor that requires the Eligible Program Participant to: i) to confirm compliance with these Program Requirements; ii) release the Sponsor Parties from any and all claims, damages, liabilities, costs, and expenses arising from any liability in connection with its participation in the Application process for the Program; iii) indemnify the Sponsor Parties against any and all claims, damages, liabilities, costs, and expenses arising from use of the Application including, without limitation, any claim that the Application or innovative business solution of the Applicant infringes a proprietary interest of any third party; (v) agree to the publication, reproduction and/or other use of the Applicant’s name (and its employees, officers and directors) name, address (province and city), statements about the Program and/or photographs or other likeness without further notice or compensation, in any publicity or advertisement carried out by or on behalf of the Sponsor or Facebook in any manner whatsoever, including print, broadcast or the internet; and B) sign the standard Program membership agreement on behalf of the Applicant (the “Program Membership Agreement”) which will include a requirement to establish key performance indicators that will be tied the availability of seed funding. If the Eligible Shortlisted Applicant fails to return the properly executed Program documents within 10 business days and/or cannot be a declared a Program Participant in accordance with these Program Requirements for any reason, then the applicable Applicant will be disqualified (and will forfeit all rights to be a Program Participant) and Sponsor reserves the right, in its sole and absolute discretion, to select the Applicant who received the next highest judged score to be an Eligible Program Participant (in which case the foregoing provisions of this section shall apply to such new eligible Applicant).

## **9. RIGHT TO SUSPEND/MODIFY/TERMINATE**

- (a) If for any reason the Program is not capable of running as planned, including but not limited to infection by computer virus, bugs, tampering, unauthorized intervention, fraud, technical failures, or any other causes which corrupt or affect the administration, security, fairness, integrity or proper conduct of the Program, the Sponsor reserves the right to cancel, suspend and/or modify the Program or the application period, or any part of it, and disqualify any individual or entity who is responsible for such action.

## **10. LIMITATIONS OF LIABILITY AND RELEASE**

- (a) No liability or responsibility is assumed by the Sponsor or the Sponsor Parties resulting from the any Applicant’s or individual’s participation in or attempt to participate in the application process for the Program or ability or inability to upload or download any information in connection with the Program. No responsibility or liability is assumed by the Sponsor or the Sponsor Parties for any of the following

occurrences which may affect the operation of the Program or the application process: hardware or software errors; faulty computer, cable, satellite, network, electronic, Internet connectivity or other online or network communication problems; errors or limitations of any Internet service providers, servers, hosts or other providers; garbled, jumbled or faulty data transmissions; failure of any online transmissions to be sent or received; lost, late, delayed or intercepted transmissions; inaccessibility of the Sponsor website in whole or in part for any reason; traffic congestion on the Internet or the Sponsor website; unauthorized human or non-human intervention of the operation of the Program or Sponsor Website, including without limitation, unauthorized tampering, hacking, theft, virus, bugs, or worms; or destruction of any aspect of the Program, or loss, miscount, misdirection, inaccessibility or unavailability of an email account used in connection with the Program. The Sponsor and the Sponsor Parties are not responsible for any printing, typographical, technical, computer, network or human error which may occur in the administration of the Program, the uploading, the processing of Application, the judging of Applications, the announcement of the Program Participants or in any Program-related materials. Use of the Sponsor website and on-line resources is at user's own risk. The Sponsor and the Sponsor Parties are not responsible for any personal injury or property damage or losses of any kind which may be sustained to user's or any other person's computer or video equipment resulting from application into or participation in the Program.

- (b) By submitting an Application, the all Applicants (including all individuals associated with any Applicant) agrees: (i) to release the Sponsor and the Sponsor Parties from any and all claims, damages or liabilities arising from or relating to such Applicant's participation in the application process or Program; (ii) under no circumstances will the Applicant (or any individual associated with the Applicant) be permitted to obtain awards for, and Applicant hereby waives all rights to claim, punitive, incidental, consequential, or any other damages, other than for actual out-of-pocket expenses; (iii) all causes of action arising out of or connected with the application process for the Program, or any selection as a Program Participant will be resolved individually, without resort to any form of class action; and (iv) any and all claims, judgments, and award shall be limited to actual out-of-pocket costs incurred, excluding legal fees and court costs.
- (c) By accepting selection as a Program Participant, recipient agrees that the Sponsor Parties will have no liability whatsoever for, and shall be held harmless by Program Participant against, any liability for injuries, losses or damages of any kind to persons or property resulting in whole or in part, directly or indirectly, from participation in the Program. The Sponsor and the Sponsor Parties are not liable in the event that any portion of the Program is canceled due to weather, fire, strike, acts of war or terrorism, or any other condition beyond their control.

## 11. **PRIVACY AND PUBLICITY RELEASE**

- (a) The Sponsor and its authorized agents will collect, use, and disclose the personal information provided upon application for the Program for the purposes of judging the Applicants and selecting Program Participants, in accordance with the Sponsor's privacy policy, available at <http://www.ryerson.ca/privacy>.

- (b) By accepting selection as a Program Participant, Program Participants (including the founder or any employee, officer or director of the Program Participant) consent to the publication and use of their name, address (city, province), voice, statements, photographs, image and/or likeness, logo, trademark in any form, manner or media whether now known or hereafter devised, including, without limitation, in print, radio, television and on the Internet for any purpose in connection with the Program including, without limitation, for the purposes of advertising and trade, and promoting the Sponsor, Facebook and /or Program, without further notice or compensation.

## **12. GENERAL**

- (a) The Program is governed in accordance with the domestic laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (b) 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 Program Requirements, to the extent necessary, for purposes of verifying compliance with these Program Requirements or for any other reason.
- (c) In the event of any discrepancy or inconsistency between the terms and conditions of these Program Requirements and disclosures or other statements contained in any Program-related materials (except the signed Release and the Program Membership Agreement) or the French version of these program requirements, the terms and conditions of the English version of these Program Requirements shall prevail, govern and control to the fullest extent permitted by law.