

The Animation Race 2012

(herein, the "Competition", or the "Contest")

"<http://www.filmracing.com>" (the "Contest Website")

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"OFFICIAL RULES"

The 2012 Official Rules For The Animation Race, And The Participation Agreement

This Agreement, comprised of the Official Rules of the Contest as set forth herein, is made and entered into by and between the individual representing the participating filmmaking team (hereinafter, the individual and the participating team collectively referred to as the "Entrant"), on the one hand; and NYC Midnight Movie Making Madness, LLC (hereinafter, the "LLC"), on the other hand. By clicking on the button marked "I have read, understood and agree to the terms listed above (GO TO STEP 2)," the Entrant indicates that the Entrant accepts the terms and conditions in the Official Rules as set forth herein. This Agreement and the Official Rules shall govern Entrant's participation in "The Animation Race 2012," and the creation by Entrant of a short movie as described below, pursuant to the provisions set forth herein. For One Dollar (US\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged as received in full by all Entrants hereto, the parties hereto hereby further agree as follows:

1. All Contestants Bound By These Rules - Entrant hereby agrees to take part in The Animation Race 2012, which will be conducted by the LLC and is currently scheduled to take place between February 23, 2012 and March 6, 2012. These Official Rules apply to The Animation Race 2012; to each and every participating team ("Team[s]") of filmmakers, actors, crew members and all other players in and contributors to (collectively, "Contributor[s]", "Contestant[s]", "Entrant[s]", or "Team Member[s]") any film or other piece entered into this Contest ("Film", "Entered Film", or "Entry(ies)"); and these Official Rules also apply to each and every such Contributor individually.

2. Rules and Communications - Any Contributor or Team that enters a film in this Contest or otherwise communicates with NYC Midnight Movie Making Madness, LLC (the "LLC") regarding this Contest, shall be deemed to have carefully read, reviewed, and specifically agreed to all of the text of these Official Rules; and also to any prior, other, and further writings including without limitation future rules and postings relating to The Animation Race 2012 (collectively, "Communications") which the LLC may in the past, present, or future issue, distribute, post, or otherwise make available (collectively, "Communicate") to prospective Contest entrants by e-mail, by mail, by hand, by fax, via Internet posting, and/or otherwise in any other manner. E-mail alone shall suffice so as to constitute notice from the LLC to any Entrant and to any Team, if and in the event that such method is elected for notice purposes by the LLC for any specific Communication. Notwithstanding the foregoing, the LLC does not and shall not solicit any Entries by the mail or by other electronic means; and rather, relies upon word-of-mouth within the film community so as to foster further recognition of the Contest and a resulting adequacy of the number of quality Entries.

3. Discrepancies With Prior Writings, If Any. It is the responsibility of each individual Entrant to carefully review and compare these Official Rules as against any predecessor text, and make specific note of any changes and clarifications thereto. In the event of any discrepancy whatsoever between these Official Rules on the one hand, and any other communication on the other hand, then these Official Rules (as may be amended by the LLC from time to time up to and including the date of the determination of the Winners) shall govern. No Entrant may claim to be relying upon previously-posted text which is or may be argued to be contradictory to any provision included in these Official Rules, and any Entrant doing so may be disqualified from the Contest at the LLC's election.

4. Entry Fee & Entry Deadline - The Entry Fee is US\$95 per team on or before the final entry deadline of Wednesday, February 22, 2012 ("Final Entry Deadline") The entry fee must be **received** in full by the LLC on or before the Final Entry Deadline of Wednesday, February 22, 2012 to participate in the Animation Race 2012. The Entry Fee must be paid online at www.filmracing.com. After paying the Entry Fee, the Entrant must complete their

team's information on the online team registration form. Once the registration is completed online and Entry Fee are received in full and in proper order by the LLC, a confirmation e-mail will be sent to the one (1) Team Representative identified in The Animation Race 2012 team registration form, to the e-mail address identified in The Animation Race 2012 team registration form, confirming the corresponding Team's registration in the Competition.

5. Exercise Of Skill. This Contest requires an exercise of skill, only, and is NOT a game of chance in any respect whatsoever. The manner of division of prize monies, if any, amongst Team Members shall also be a result of each Team Member's exercise of skill - that skill being any such Entrant's selection of, and choice of affiliation with, a Team small enough in number of persons, such that the division of any prize monies won by such Team and distribution thereof to Team Members shall be a meaningful reward for said of exercise of skill. There is no minimum size of Team in terms of number of Team Members; and, while the LLC may believe such is unlikely to occur, a Team may in theory be comprised of as little as one (1) and only one (1) individual.

6. Non-Union Pictures Only. All Animation Race 2012 Film Entries must be NON-union productions. The LLC will not knowingly accept or knowingly consider ANY Animation Race 2012 Entries which include, for example, any SAG-member or AFTRA-member acting performances, any DGA-director directing work, any WGA-member writing services, or any other union-member's contribution. The LLC is not and has no current intention of becoming a signatory to any collective bargaining agreement with any guild or union. Accordingly, it is the strict responsibility of each Entrant to ensure that, in connection with this Contest, no SAG actors are used, no DGA directors are used, no WGA writers are used, and no other union members are used. Any film discovered by the LLC to be in violation of this provision of the Official Rules, or any other film to which any union may object, shall be disqualified by the LLC.

7. Taxes. Taxes on prizes awarded in the Contest, if any, are the sole responsibility of the winner or winners, and the LLC shall bear no liability with respect to same. It is in every Team Member's interests to ensure that all taxes on any awarded or otherwise delivered or received sums or other consideration, if any, are fully and correctly paid; including without limitation any federal or state taxes which are required to be deducted from any awarded monies, and each Team Member indemnifies and holds harmless the LLC therefor pursuant to the indemnity provisions of these Official Rules per **Paragraph 12 hereinbelow**. In addition, all Entrants acknowledge that the LLC may require signed tax forms and/or withhold taxes from any forwarded monies if the LLC is instructed to do so by any appropriate authority, including without limitation any taxing authority and the LLC's own tax advisor(s).

8. Theme, Character, and Object Assignment. At 12:00PM EDT sharp on Thursday, February 23, 2012, via e-mail, the theme ("Theme"), character ("Character"), and object ("Object") which **MUST** be used in each the creation of each Animation Race 2012 Film will be assigned to each participating Team. All teams will be assigned the same Theme, but the Characters and Objects may vary.

9. Theme, Character, and Object Required. In order for a Team to qualify as a potential "Winner" of The Animation Race 2012, each Team's Entered Film's plot must revolve around the assigned **Theme**. The assigned **Character** must be incorporated into the film as a major or main character and the assigned **Object** must be incorporated into the film so that it is integrated with the plot or storyline. All decisions as to compliance with the assigned Theme, Character, and Object are in the sole discretion of the LLC; and any such decisions by the LLC are final, conclusive, and binding upon all Teams and Entrants.

9A. Animation Requirement. The completed Film must be animated. The acceptable forms of animation include, but are not limited to, 2D, 3D, stop-motion, and rotoscoping. All decisions as to compliance with the Animation Requirement is within the sole discretion of the LLC; and any such decisions by the LLC are final, conclusive, and binding upon all Teams and Entrants. If you have a question as to what is an acceptable form of animation, please send your question in an e-mail to contests@filmracing.com.

10. Film Submission Deadline. The completed Film **must be uploaded** on filmracing.com. Mailed entries will no longer be accepted. In order for the submission to be considered on time, the file must **BEGIN** the upload process by 11:59PM (NYC Time) on March 6, 2012. It is acceptable if the finished file does not finish uploading until after the submission deadline, but it must **BEGIN** before the deadline to be considered on time and eligible for prizes.

11. Film Upload Site. The films must be uploaded through the upload form provided on www.filmracing.com. The link will be e-mailed to all registered teams when the competition begins and will also be posted on the Animation Race 2012 official website.

12. Indemnification. Each Entrant, each Team Member, and each Team, hereby indemnifies, releases, discharges, defends, and holds the LLC (and its owners, managers, members, employees, agents, attorneys, representatives, contractors, vendors, successors and affiliates) harmless from and against any and all claims, losses, damages, obligations, expenses, penalties, settlements, litigations, judgments and any other liabilities of any kind whatsoever (including without limitation attorney's fees and costs incurred by the LLC), arising out of, from, or otherwise related to the development, creation, production, or other making or use of Entrant's entry, and any other activities which at all relate to any Entry, any Entered Film, this Contest, or these Official Rules, including, but not limited to: (A) any third-party or other claim of any ownership right or interest in, or otherwise relating to, any Entered Film; (B) any third-party or other claim of violation of any personal right or proprietary right in connection with the Entered Film, such as defamation, libel, trade libel, slander, "name and likeness" rights, right of privacy, right of publicity, "moral rights", unauthorized exhibition, breach of contract copyright infringement, trademark infringement, and any other right or claimed right of any other kind or nature; (C) any claims for negligence, injury to persons (including wrongful death), injury to property, or any other injury which may arise out of, result from, or occur, directly or indirectly, in any way in connection with this Contest or any Entered Film; (D) any breach or other violation of these Official Rules or any other LLC Communication; and (E) any other activities by or relating to any Entered Film, Entrant, Team or third-party in connection with this Contest, and any other liability of any kind or nature arising out of any participation in the Contest.

13. Production Work. All production and creative work (collectively, "Production Work") relating to any Entered Film, must take place ONLY during the (approximate) 300-hour period between the Theme Announcement and the Submission Deadline (hereafter, the "300-hour Window"). Production Work includes, but is not limited to, writing and/or improvising the script or screenplay, rehearsing, shooting, editing, animation, special effects, music and music design, sound, artwork, and titles and credits. NO Production Work may commence prior to the Theme Announcement! All Production Work shall be conducted at the sole cost and expense of the Teams and the Entrants responsible therefor, respectively, and the LLC shall have absolutely no liability therefor.

14. Preparations. The ONLY work that may take place on any Animation Race 2012 Film PRIOR to the date and time of the Theme Announcement is: (A) the organizing of cast members and crew members; (B) the securing of equipment; (C) the scouting and securing of locations; (D) costume and set design; and (E) the preparation, execution and submission of required documents to the LLC.

15. Disqualification For Exceeding The 300-hour Window. The LLC reserves the right to: (A) determine whether any Production Work takes place or has taken place at any time other than within the required 300-hour Window; (B) monitor, audit, and otherwise make inquiry of the making of any Animation Race 2012 Film for compliance therewith; (C) require signed written certification and re-certification from any Team and Team Member with regards to compliance with the 300-hour Window; and (D) disqualify and reject, upon written notice to the Team Representative, any Entry which does not so comply, or which the LLC has reason to believe does not so comply, in whole or in part.

16. Maximum Length. The finished Animation Race 2012 Film must be a MAXIMUM of three minutes and thirty seconds (3:30) in duration (when played at its normal and viewer-discernible speed, as determined by the LLC in its sole discretion), from picture start to picture end. The maximum length of credits is thirty seconds (0:30). Credits are not considered part of 3:30 duration of the film mentioned above. **So, a film can be three minutes and thirty seconds long (3:30) with an additional thirty seconds (0:30) of credits, for a total running time of four minutes (4:00).** There is no minimum length for Animation Race 2012 Films. The determination of a particular Entered Film's running time by the LLC, is final and binding upon the submitting Team and upon all Entrants.

17. Format Requirement. The finished Animation Race 2012 Film MUST be submitted in one of the acceptable formats and adhering to the specs listed at <http://www.filmracing.com/animation/upload.htm>.

18. Aspect Ratio. All films will be streamed in **16:9 aspect ratio**. Teams may shoot in other aspect ratios, but it is highly recommend letterboxing or pillarboxing the film to 16:9 so it won't appear distorted online.

19. Signed Releases. Each Team must obtain, and deliver to LLC, so as to be received by the LLC accompanying The Animation Race 2012 Film by the Submission Deadline, the following releases; A signed written "**Talent Release**" with respect to each and every person and entity who may be depicted or whose services, work product or property has been accepted or otherwise used in connection with any submitted Animation Race 2012 Film. A signed written "**Location Release**" with respect to each and every location which may be depicted, which may

appear, or which may otherwise be used in connection with any Animation Race 2012 Film, signed by the owner (not tenant) of such property location. A signed written “**Artwork Release**” with respect to any artwork, illustrations or animation used in connection with any Animation Race 2012 Film. A signed written “**Music Release**” with respect to all music which may appear, or which may otherwise be used in connection with any Animation Race 2012 Film. The LLC also reserves the right to require each Team and Team Member and any third-party to sign, properly execute, and deliver to the LLC such additional and further documentation as the LLC may deem appropriate with respect to any music rights, or any other matter relating to this Contest. A signed written “**Animation Race 2012 Participation Agreement**” with respect to each and every person and entity who may be depicted or whose services, work product or property has been accepted or otherwise used in connection with any submitted Grand Prix Film. No Animation Race 2012 Film Entry will be accepted by the LLC unless such signed documents have been submitted so as to be received by the LLC in appropriate form (as determined by the LLC in its sole discretion) by The Animation Race 2012 Submission Deadline. These releases are available on www.filmracing.com.

20. Signed Releases Submission Requirement. All signed releases must be faxed to the number provided in the theme assignment e-mail on February 23, 2012 or scanned and uploaded through the same upload form used for the films.

21. Prohibition On Explicit Sexual, Violent, and Illegal Content. While, subject to the Theme Announcement, the content of an Entered Film shall be at the discretion of the participating Teams, the LLC expressly reserves the right not to screen and/or disqualify from the Contest any film that, in the LLC’s sole discretion, is deemed to be pornographic, or that otherwise depicts hard-core or graphic sexual or violent activity. Furthermore, any Teams or Team Members foolish enough to depict individuals engaging in activities on camera which, when performed on camera, are also illegal in real-life (e.g., vandalism, robbery, drug use, assault) will be solely responsible for answering to law enforcement authorities for same and do so at their own sole risk. The LLC expects no one to be hurt or arrested while making any Entered Film, and apart from the other harsh consequences resulting therefrom, the LLC reserves the right to disqualify any Entry which relates to the occurrence of same!

22. Credits. The textual beginning and/or end credits for any Entered Film delivered to the LLC in the context of this Contest or otherwise created in whole or in part during the 300-hour Window, MUST include a separate-card credit reading:

“Created for The Animation Race 2012 - www.filmracing.com”.

This textual credit must be as prominent as any other production credit, and must be retained in connection with ALL future screenings and other exploitation and use of the subject film, commercial or otherwise, regardless of time, territory or medium; and must be used and retained on ALL paid or other advertising in connection with the film. Failure of any individual or entity to so maintain this textual credit shall result in the LLC taking all appropriate action which it deems necessary to protect its contractual right to this credit; including without limitation: (A) revocation of any prize; and (B) the initiation of legal proceedings with respect to breach of contract.

23. The Judges & Judging. The judges shall be individuals with experience in the motion picture industry, such that they are qualified to select winning films, as determined by the LLC in its sole discretion. The judges will be the sole arbiters deciding which Animation Race 2012 Entries receive awards. No one will be allowed to be a Judge if he/she has any demonstrable bias or conflict of interest with respect to any of the Contest Entrants, as determined by the LLC in its sole discretion. Entrants shall disclose in writing to the LLC any such bias or conflict of interest of which they are or become aware and which they believe may have a direct or indirect effect on Contest results, and any Entrant failure to do so may result in disqualification of the Entrant, his/her Team, and/or the Team’s Entry.

24. Judging Criteria. The fixed standard and criteria (“Judging Criteria”) used by each of the Judges shall be instructed by the LLC to the Judges, and shall be as follows:

- 30% Story (Writing, Originality, Character, and Plot Development);
- 25% How The Story Is Told (Directing, Editing, and Cinematography);
- 25% Production Value (Effects, Technical Ability Including Sound and Lighting, and Music Design); and
- 20% Acting.

Each Judge shall assign a score within each of the above listed criteria to each Animation Race 2012 Film. (For example, a film may receive 27 out of a possible 30 points for “Story” if its “Writing, Originality, Character, and Plot

Development” merit same score in the determination of a Judge). Each Judge shall then total all scores for each Animation Race 2012 Film so rated, and shall then share his/her rulings with the other Judges.

25. Decision Of The Judges. Each of the Judges shall meet and confer with each other, share their respective rulings with each other, and thereafter advise the LLC in writing of the top ten (10) films, as well as the ‘Best Overall Film’, runner-up films, and any other awards as specified by the LLC. Unanimity of the Judge’s decision is not required, only a simple majority; The Judges will be specifically instructed that “ties” between any Entrants shall not be allowed, and the Judges shall not be discharged from their function until the top films as listed above are chosen and informed to the LLC. The decision of the Judges as informed to the LLC shall be final, conclusive, and binding. All awards for The Animation Race 2012 will be updated on www.filmracing.com.

26. The Prizes. Entrant hereby acknowledges that participation in The Animation Race 2012 is without remuneration or compensation of any sort. The sole exception to this rule shall be any awards / prizes that are announced on www.filmracing.com. Any awards / prizes will be given to the Team Representative for the winning Team or to such other payee as the LLC shall determine in its sole discretion, as long as the Official Rules have been adhered to in all respects by the winning Entrant.

27. Issuance Of Prizes. Any awards / prizes will be forwarded to the Team Representative of the winning Team within thirty (30) calendar days after the resulting decision of the Overall Judges communicated to the LLC. Any awards / prizes are ONLY intended to be awarded and delivered to the winning Team’s Team Representative, at the Team Representative’s mailing address as the Team may indicate in the Online Team Registration Form. It is the sole responsibility of the Team Representative to distribute any such prize evenly among the Team’s cast and crew. The date for the Animation Race 2012 Award Announcement and the date for the Overall Winners Announcement will be listed on www.filmracing.com.

28. Prize Follow-Up. No substitution or transfer of prizes of any kind, shall be permitted. No prizes in addition to the awards / prizes listed on www.filmracing.com will be made or awarded. The LLC reserves the right to require any and all Team Members of the Winning Teams, to execute one or more Affidavits of Eligibility in a form prescribed by the LLC. Failure of each Member of the Winning Teams to properly execute the Affidavit of Eligibility and return it so as to be received by the LLC within thirty (30) calendar days after the date that the Awards / Winners are announced, shall constitute grounds for disqualification. The LLC reserves the right to award prizes to an alternate winner, in the event of any failure of any winner to accept an award / prize within thirty (30) calendar days of the LLC’s attempt to forward it to the Team Representative, or any failure to submit a timely and properly-executed Affidavit of Eligibility, for reason of Team Representative or Team Member unavailability or otherwise.

29. Consideration. The consideration which Entrant receives in exchange for entering into this Agreement, and that received by all Members of his/her Team, is simply: (A) the screening of the Team’s completed Animation Race 2012 Entry in compliance with the Official Rules; (B) the possibility that the LLC will show the Entry in future screenings or in other venues (without obligation therefore on the part of the LLC); and (C) the opportunity for publicity or exposure arising out of participation in the Contest (again, without obligation therefor on the part of the LLC). The consideration which the LLC receives for entering into this Agreement consists of all of the rights to the Entry as set forth hereinabove and otherwise granted to the LLC herein.

30. Void Where Prohibited, And Applicable Laws. This Contest Is Void Where Prohibited. This Contest Is Governed By The Laws Of The United States, And All Applicable Laws Govern. No one under the age of Eighteen (18) years may enter The Animation Race 2012 (absent appropriate parental written consent and good cause shown therefor in the LLC’s sole discretion); nor may any person enter this Contest who does not have the legal right or capacity to specifically agree to and contract with the LLC with respect to the Contest and these Official Rules. By entering this Contest, each Entrant warrants and represents to the LLC that he/she is under no legal or other impediment which would prevent or restrict his/her ability to enter and engage in activities relating to this Contest. Accordingly, it is each Entrant’s responsibility to ensure that: (A) the applicable laws, regulations, requirements, and rules of his/her home state or other jurisdiction allow and permit the Entrant’s entry into this Contest; and (B) there is no contractual or other legal obligation or other issue that would militate against the entry of the corresponding Entered Film into this Contest, or against such Entrant in engaging in activities relating to this Contest.

31. Contest Changes, If Any. The laws, regulations, requirements, and rules of any state or other jurisdiction may be subject to change at any time, including without limitation such time as the activities relating to this Contest may occur. Accordingly, the LLC reserves the right to make such changes to this Contest and/or these Official Rules

and other Communications (“Contest Changes”) at any time and as the LLC may deem appropriate in its sole discretion, to the extent that the changes are made for the purpose of compliance with all such applicable laws, regulations, requirements, and rules; including without limitation termination of the Contest in the unlikely event that such drastic action is thereby made necessary. In the event of such termination, or of any claim made against the Contest or the LLC or any of its affiliates or affiliated parties by any Entrant or other person or entity, the LLC’s liability shall hereby be agreed to be limited to One Dollar (US\$1.00) per Team. Such Contest Changes by the LLC may be made in a manner in which the interests of justice so dictate, as determined by the LLC in the LLC’s sole discretion. The LLC shall endeavor to notify all Team Representatives of any such Contest Changes, if occurring. The LLC shall have the right, but not the obligation, to use Communication methods in addition to or in lieu of e-mail and the Internet, for any purpose under these Official Rules (provided that same is not specifically and expressly required to be disseminated in an alternate manner). The employees, families, and affiliates of the LLC, and its Members and Managers, may not enter this Contest.

32. Other Changes, And Additional Documents. In addition to the foregoing, in the event that, in the LLC’s discretion, circumstances so warrant, the LLC may change the Official Rules of this Contest so as to foster the interests of preserving as level a playing-field as possible for all Entrants and Entries. It is accordingly the sole responsibility of each Entrant and each Team to, throughout the full duration of the Contest, frequently check the Contest Website and its and their incoming e-mail, regular mail, and faxes, so as to ensure that any and all Communications from the LLC are received.

33. Disqualifications. The LLC reserves the right to disqualify any Team, Contributor, Entrant, or Entered Film that does not comply with the Official Rules and other Contest requirements from time to time Communicated by the LLC.

34. Rights, Clearances, and Costs. Each Entrant hereby acknowledges that he/she is individually responsible for obtaining and/or providing all crew, cast, equipment, sets, locations, and all other things necessary for participation in the Contest and in connection with any Entered Film. Each Entrant shall bear all costs and expenses relating thereto, and shall be strictly responsible for any and all damages and claims (if any) relating thereto. The LLC is only agreeing to provide the Official Rules and the Contest in which each Entrant is intending to take part. **Each Entrant hereby affirms that he/she has already obtained, or else will timely obtain, appropriate signed writings from all relevant rights-holders and other interested parties commemorating all rights to all images, sounds, music and all other material of any kind or nature used in or in connection with his/her Team’s Entry, including without limitation all required talent and location releases for all talent and locations used in any Entry. Each Entrant further affirms that true and complete copies of all such writings will be submitted to the LLC on or before the date of submission of the subject Entered Film to the LLC for the purposes of the Contest.**

35. Additional Documents. The LLC reserves the right to require each Team, Team Member, and any third-party to sign and properly execute and deliver to the LLC so as to be received by the LLC, such additional and Further documents as the LLC may require and deem appropriate with respect to any matter relating to the Contest. In order to have its Entry screened at the Screening Exhibition in connection with The Animation Race 2012, or in order to be named as a “Winner” of the The Animation Race 2012, each Team and each Team Member must follow all of the Official Rules set forth herein, and other requirements Communicated by the LLC. Failure to comply with all of the Official Rules and/or other LLC Communications will result in disqualification of the Team and its Entry, and forfeiture of any monies or other consideration paid or expended by the Team and/or any of its Members. Decisions regarding compliance with the Official Rules and any decision regarding disqualification will be at the sole discretion of the LLC, and will be final, conclusive, and binding upon all Teams and persons thereby affected (including without limitation those not disqualified).

36. No Responsibility For Electronic And Other Failures. The LLC is not and shall not be responsible for: (A) any lost, late, misdirected, mutilated, damaged, illegible, unintelligible, or otherwise ineligible entries; (B) any electronic mistakes or other mishaps including without limitation transmission errors which may result in omission of, interruption of, deletion of, defect in, delay in delivery of, theft or destruction of, unauthorized access to, or alterations of, any Entries or other materials furnished to the LLC in connection with this Contest, or any materials otherwise distributed to or intended to be distributed to or by Entrants and/or Teams in connection with this Contest; or (C) any network, telephone, electronic, computer, hardware or software, or other technical or machine-related malfunctions or limitations of any kind; or (D) any inaccurate transmissions of or failure to timely receive Entries or other material by the LLC or by any Entrant or Team on account of any technical problems or traffic congestion on the Internet or at any

website; or (E) any combination of the foregoing in whole or in part. If for any reason the Internet or e-mail communications relating to the Contest are not capable of running as planned, including infection by computer virus, “bugs”, tampering, unauthorized intervention, fraud, technical failures, “force majeure”, or any other causes beyond the control of the LLC, which corrupt or affect the administration, security, fairness, integrity, or proper conduct of this Contest, the LLC reserves the right at its sole discretion to disqualify any Entrant and/or Team that tampers with this Contest, its Official Rules, and/or its and their procedures; and the LLC may terminate, modify or suspend the Contest as a result.

37. Warning. Any attempt or action taken by any Entrant or other person or entity to damage any website, disrupt the process or progress of any e-mail, or otherwise undermine the legitimate operation of the Contest, may be a violation of criminal and civil laws; and, should such attempt be made or activity occur, the LLC reserves the right to disqualify such persons from the Contest, and seek damages and other legal and equitable relief from and with respect to any such person or entity to the fullest extent that the law will allow.

38. Monitoring. The LLC has the right but not the obligation to monitor the making and/or submission of any Entered Film for compliance with any of these Official Rules and other LLC Communications, and to effect any audit, interview, or other inquiry of any Team and/or Team Member so as to endeavor to confirm compliance with same. Any failure of any Team or Team Member to make itself/himself/herself available for same, shall result in disqualification of the corresponding Entry, at the LLC’s sole election.

39. Mistakes and Force Majeure. In the event of any instance in which the LLC has reason to believe that a mistake in the running of the Contest has occurred; or that one or more of the Entrants or Teams may have engaged in fraudulent activity or otherwise violated the Official Rules or other LLC Communications; or that one or more of the Entrants or Teams or other persons or entities are abusing the Contest and/or its Official Rules; or if a “force majeure” event occurs in whole or in part during the time periods cited herein, (for example but not by way of limitation, a failure of the Internet to allow for any Communication to be disseminated), which prevents or threatens to prevent the Contest from proceeding as planned, then: (A) at the LLC’s election, all Subsidies must be returned by the Entrants so as to be received in full by the LLC; (B) upon receipt of the returned Subsidies, if so required by the LLC, all entry fees received from the Teams participating in The Animation Race 2012, will be refunded to the Teams as originally paid by them; and (C) the LLC may take such other and further action as the LLC in its sole discretions sees fit. Any re-scheduling of The Animation Race 2012 competition and awards / prizes thereafter, if any, will be at the sole discretion of the LLC. Any entry fees paid or payable by any Team or Contestant are non-refundable, irrespective of. If there is any disagreement as to what constitutes a “force majeure” event, then the LLC’s determination shall be final, conclusive, and binding.

40. Administrator. The Administrator of this Contest is:

NYC Midnight Movie Making Madness, LLC
130 7th Avenue #358
New York, NY 10011 USA

The Administrator shall award all prizes and retain all records relating to the Contest. No walk-in visits to the LLC are encouraged or allowed, nor are any in-person communications with the LLC otherwise, except as specifically contemplated in the context of the two (2) events referenced hereinabove. A Winners List is expected to be posted on the Internet; and additionally, may be obtained by any interested party, when available (but in any case no later than thirty [30] calendar days after the date of the selection of the Winners), by forwarding an SASE with sufficient postage to the above address, provided that the SASE shall not be required from residents of any state or jurisdiction which would prohibit the requirement of same.

41. Not A Talent Agency. The LLC is an entity which conducts this competition, and is not a talent agency. The LLC shall not be characterized as soliciting employment for any filmmaker, Team Member, or other Contributor.

42. Rights And Property. The LLC shall own the Theme Classifications, and shall also own the copyright and all other rights of any kind and nature, for all territories and media in perpetuity, in any and all Animation Race 2012 Entries and Animation Race 2012 Films produced in, in connection with, during, or for this Contest. These rights owned by the LLC shall include, without limitation: (A) the right to screen, show, sell, exhibit, broadcast, and disseminate each Team’s Animation Race 2012 Entry, in all manners, media, formats, and forms including without limitation theatrical release, broadcast television, cable television and/or the Internet; and (B) the right to publicize NYC

Midnight Movie Making Madness and the subject Entered Film using the name of and images and other material from the Entry, in any manner in which the LLC sees fit; and (C) the right to use the name and likeness of the Team Representative and all Team Members, and any trademark rights relating to the Team and the title or titles of the subject Film, in any manner in connection with the Contest as the LLC sees fit.

43. Sale of Film. The Entrant and LLC agree that the following terms shall apply should the sale of the Entrant's Film occur:

- *Individual Sale* : The Entrant will receive 90% of the total sale, and the LLC will receive 10%.
- *Group or Collection Sale* : Includes sale for broadcast, internet streaming and/or DVD-if Entrant's Film is included in the collection, the Entrant will receive a pro rata share of 50% of net proceeds. Pro ration will be dependent on number of Films included in the collection.

Important Notes: Net proceeds will be defined as gross proceeds minus all related and customary deductions as solely determined by the LLC. Broadcast (including cable) and/or streaming by any of the LLC Sponsors does not constitute a sale under the paragraph.

44. Documentary, If Occurring. Entrant hereby acknowledges that a "Making of The Animation Race 2012" (the "Documentary") may be shot during the Competition, and hereby agrees to allow camera crews to tape his/her Team and each individual Team Member during any development and production stage of the Competition; and further agrees to provide to the LLC a signed release for same for each of his/her participating cast and crew members, using an appropriate written release form, with the submission of The Animation Race 2012 Entry. However, the foregoing in no way obligates the LLC to make, exhibit, or otherwise exploit or use the Documentary. Furthermore, by entering into The Animation Race 2012, each Entrant and all Members of his/her Team expressly grant to the LLC the right to use any images (individual or collective) taken during the creation of the Entry and/or during any of the Competition events, as well as quotations from e-mail or any other written submissions or material, for use on the LLC's website, for promotional purposes, and for any other purposes of the LLC.

45. Other Festivals. Subject to the foregoing and subject to the remaining provisions of this Agreement, a Team may submit, and cause the exhibition of, its Entered Film at any other film festival. However, Entrant retains the right to submit its completed Animation Race 2012 Entry to other film festivals, and to screen it at such festivals, with the understanding that the credit referred to in Paragraph 22 hereinabove of these Official Rules MUST appear in and in connection with any such submission or screening. Any additional screenings, broadcasts, or other disseminations of The Animation Race 2012 Entry by Entrant, any member of Entrant's team, or by anyone else, are prohibited unless the express written consent of the LLC is obtained in advance on a case-by-case basis. Any tangible copy of any material delivered or otherwise forwarded to the LLC under these Official Rules or otherwise in connection with this Contest, shall automatically upon receipt become the sole and exclusive property of the LLC for all times and for all purposes, and cannot under any circumstances be returned. The LLC shall not be responsible for any lost, late, misdirected, mutilated, damaged, illegible, unintelligible, or otherwise ineligible Entries; or for communications or material placed in the mail or otherwise routed in transit, it being understood that any such material may in any event be discarded by the LLC in its sole discretion.

46. Privacy. The LLC shall take every possible action to protect the privacy of any Team Member, including e-mail addresses and removal of same from databases if requested, and any individual concerned about same can contact the LLC regarding same directly by e-mail.

47. DVD And Recognition. The LLC does not make any warranty or representation that any exhibition or DVD distribution of any Entered Film will actually occur, or that any Entered Film will actually generate any revenue or media or other recognition for any Team or Team Member. Prizes are only as specifically set forth in these Official Rules.

Entrant and all Team Members hereby acknowledge that they have each read, and each agree to abide by these 2012 Official Rules For The Animation Race 2012. The LLC reserves the right to review and accept only those movies and other submitted materials that comply in all respects with the Official Rules.