

NFT Owner Agreement

This NFT Owner Agreement (“Owner Agreement”) is entered into by and between Subjects Corp. (“Subjects”) and the individual or entity that obtains a limited license in and to a Subjects™ NFTs (as defined below) (the “Owner”), and is effective as of the date that the limited license rights in and to the Subjects™ NFTs are transferred to the Owner (the “Effective Date”). This Owner Agreement shall be deemed incorporated into the Subjects Website Terms and Conditions (“Site Terms,” and together with this Owner Agreement, the “Agreement”), as made available on the Subjects website located at www.subjectsworld.com (the “Site”); *provided, however*, to the extent that anything in this Owner Agreement is inconsistent with the Site Terms, this Owner Agreement shall take precedence.

OWNER ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THE AGREEMENT, AND AGREES TO BE BOUND BY ITS TERMS, IN THEIR ENTIRETY. **OWNER’S ACCEPTANCE OF A SUBJECTS™ NFTS SHALL BE DEEMED OWNER’S ACCEPTANCE OF, AND CONSENT TO BE GOVERNED BY, THE TERMS OF THE AGREEMENT. IF OWNER DOES NOT AGREE TO BE BOUND BY THE TERMS OF THE AGREEMENT IN THEIR ENTIRETY, THE LICENSE CONTEMPLATED HEREUNDER SHALL AUTOMATICALLY TERMINATE.**

In consideration of the premises and the mutual covenants set forth below and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be bound, the parties hereto agree as follows:

1. Minting, Licenses & Restrictions.

- 1.1. Subjects™ NFTs. The “Subjects™ NFTs” that Owner “mints” for free, or that are otherwise sold or transferred to Owner pursuant to the Agreement, are non-fungible tokens, the ownership of which are registered on a blockchain. Subjects shall determine on which blockchain the Subjects™ NFTs reside. Subjects may change the blockchain applicable to Subjects™ NFTs, including to a separate fork of an existing blockchain, at any time, with or without notice to Owner. Each Subjects™ NFT is associated with a single instance of a digital art file (“Digital Object”), as created by artist Baby Teeth (“Baby Teeth”). As detailed below, Owner may own a token, but shall have a license to the Digital Object, subject to the restrictions, terms and conditions of the Agreement. Owner must ensure that she/he/it obtains and maintains a functioning Coinbase®, MetaMask® and/or WalletConnect® wallet (each, a “Wallet”) capable of accessing the Subjects™ NFTs, as well as any cryptocurrencies used to mint and/or sell the Subjects™ NFTs including, where applicable, Ether (“ETH”).
- 1.2. Digital Object. The Digital Object is subject to copyright and other intellectual property protections, as set forth herein.
- 1.3. Minting; Gas Fees; Payment Terms. Where a user who has access to a minting event wishes to mint a Subjects™ NFTs, that user MUST: (a) first connect her/his/its Wallet to the designated area of the Site while supplies of the Subjects™ NFTs last; and (b) then, click the applicable “minting” button, which will result in that user’s Wallet being charged the applicable Gas Fees to mint the Subjects™ NFTs. For purposes of the Agreement, the “Gas Fees” shall mean the amount of “ETH” cryptocurrency charged by Ethereum. Gas Fees are determined by the then-current demand on the Ethereum blockchain, at the time of a given transaction. All Gas Fees are payable in ETH. While users that gain access to a minting event may obtain one Subjects™ NFTs free of charge (**other than Gas Fees**) via the Site, such users will also have the opportunity, during the same transaction, to purchase a second Subjects™ NFTs for 0.089 ETH. If you choose not to purchase the second Subjects™ NFTs during the initial minting event, that offer will permanently expire upon completing the minting of your free Subjects™ NFTs. By minting a Subjects™ NFTs, Owner: (i) represents that she/he/it is authorized to use the Wallet utilized in connection therewith and that any Wallet information provided is true and accurate; and (ii) authorizes the Gas Fees and, if applicable, purchase price to be charged to the applicable Wallet. Any attempt to defraud Subjects through the use of any Wallet, regardless of the outcome, or any failure by Owner to honor legitimate charges or requests for payment, will result in immediate termination of Owner’s right in and to the applicable Subjects™ NFTs. **ALL GAS FEES AND PURCHASE FEES ARE FINAL AND NON-REFUNDABLE.**
- 1.4. No Entitlements. Owner acknowledges and agrees that the Subjects NFTs are solely pieces of art, and neither Subjects nor any third party offers any road map, entitlements, utilities, services, promotional offers and/or other ancillary benefits in conjunction with the Subjects™ NFTs. Where Owner purchases or otherwise obtains a Subjects™ NFTs, Owner is not entitled to anything other than the Subjects™ NFTs so acquired.
- 1.5. License. Upon a valid transfer of a Subjects™ NFTs to Owner, Subjects grants Owner, during the Term only and subject to Owner’s compliance with the terms and conditions of the Agreement including, without limitation, the restrictions contained



in Section 1.6 below, an exclusive, perpetual, irrevocable (except as set forth in Section 5 below) worldwide license solely for the following purposes: (a) to, for personal and commercial uses, use, distribute, reproduce, display, perform, modify, and create derivative works from the Subjects™ NFTs; *provided, however*, that Owner is not permitted, under any circumstances, to mint new NFTs that are derivatives of a Subjects™ NFTs, change the original Subjects™ NFTs, or mint another NFT using a Subjects™ NFTs in any way; (b) without limiting the foregoing, display as a profile picture, display on products or services using the Digital Object or Digital Object Derivatives (as defined below), display on sold merchandise, use in Owner’s original content and/or to display in a physical or digital museum; (c) to list the Digital Object for resale or trade as part of a marketplace that permits the purchase and sale of the Subjects™ NFTs; *provided, that* the marketplace cryptographically verifies each Subjects™ NFTs Owner’s rights to display the Digital Object associated with the Subjects™ NFTs to ensure that only the actual Owner can display the Digital Object; and/or (d) as part of a third party website or application that permits the inclusion, involvement, or participation of Subjects™ NFTs; *provided, that* the website/application cryptographically verifies each Subjects™ NFTs Owner’s rights to display the Digital Object associated with the applicable Subjects™ NFTs to ensure that only the actual Owner can display the Digital Object; and *provided, further, that* the Digital Object is no longer visible once the Owner of the applicable Subjects™ NFTs leaves the website/application (the “Owner License”). The Owner license is non-transferable, except that it will automatically transfer in connection with a Permitted Transfer (defined below) of the applicable Subjects™ NFTs. Upon expiration of the Term (as defined below) or breach of any condition of the Agreement by Owner, all license rights shall immediately terminate.

Without limiting the foregoing, Owner shall be permitted to create derivative works of the Digital Object (“Digital Object Derivatives”); *provided, however*, that Owner acknowledges and agrees that: (i) the subsequent lawful owner of the applicable Subjects™ NFTs may create its own derivatives of the Digital Object; and (b) other owners of their own Subjects™ NFTs and the associated artwork, images, video, content or other works of authorship linked to such Subjects™ NFTs (“Other Digital Object”) may also create their own derivatives of the Other Subject Digital Object (each of them “Other Digital Object Derivatives”). These Other Digital Object Derivatives may be similar or identical to Owner’s Digital Object Derivatives. Accordingly, on behalf of Owner and her/his/its heirs, successors and assigns, Owner irrevocably covenants and agrees not to assert or bring any suit, claim, demand or challenge against: (A) any Covered Party (as defined below) or its past, present and future parents, affiliates or licensees (or any of their partners, members, employees, officers, directors, contractors, agents and equity holders) in connection with their use, distribution, reproduction, display, performance, modification and/or creation of derivative works of any Digital Object or any of their own Other Digital Object Derivatives; or (B) any other Subjects™ NFTs owner or her/his/its past, present and future parents, affiliates or licensees (or any of their partners, members, employees, officers, directors, contractors, agents and equity holders) in connection with the use, distribution, reproduction, display, performance, modification and/or creation of derivative works of the Other Digital Object or any of their Other Digital Object Derivatives. The foregoing is the case even if such Other Digital Object or Other Digital Object Derivatives is similar to or the same as any Digital Object Derivatives that have been created by Owner.

- 1.6. License Restrictions. The Digital Objects provided pursuant to the Agreement are licensed, not sold, and Owner receives no title to, or ownership of, the Digital Object(s) or any associated intellectual property rights thereto. Without limiting the foregoing, the license to the Digital Object does not grant Owner any right, title or interest in or to the individual layered files, traits or digital works associated with same (collectively, the “Layered Files”). Except for the express license granted to Owner by the Owner License, no other rights (express or implied) to the Digital Object are granted and all rights that are not specifically granted to Owner are reserved by Subjects. These reserved rights include, but are not limited to, the logos, brand names and trademarks associated with Subjects, Baby Teeth and the Subjects™ NFTs. Without limiting the generality of the foregoing, Owner shall not, nor authorize, permit, or assist any third party to, do or attempt to do any of the following: (a) use and/or display the Digital Object other than as expressly licensed in Section 1.5; (b) use a Subjects™ NFTs or Digital Object in connection with any material, venture, product and/or service which is unlawful, fraudulent, libelous, defamatory, obscene, pornographic, profane, threatening, abusive, hateful, offensive, objectionable, unreasonable or that infringes upon any intellectual property rights, proprietary rights or confidentiality obligations, as determined by Subjects in its reasonable discretion; (c) attempt to register any trademark, copyright, or otherwise acquire additional intellectual property rights in or to a Digital Object; (d) use a Digital Object to create, sell or attempt to create or sell any new cryptographic token; or (e) fractionalize, pool, rent or stake a Subjects™ NFTs or Digital Object, unless done so in compliance with all applicable jurisdictional laws, rules or regulations; *provided, further*, that if Owner fractionalizes a Subjects™ NFTs into smaller ownership interests (which may be represented by other tokens), the rights licensed hereunder do not transfer to each of the owners of such fractionalized interests in the Subjects™ NFTs, but are only granted to those who own all fractionalized interests in a Subjects™ NFTs or as may otherwise be agreed to by the owners of such fractionalized interests if each of such owners agree that: (i) the owner is not a Restricted Party (as defined below); and (ii) the owner accepts the Agreement, in its entirety. Moreover, Owner agrees not to: (i) remove any copyright or other legal notices associated with a Subjects™ NFTs or Digital Object; or (ii) remove or alter any metadata of a Subjects™ NFTs including, without limitation, any link or other reference to the Agreement. Failure to comply with the conditions set forth in Sections 1.5 and 1.6 hereof constitutes a material breach of the Agreement.



- 1.7. **Transfers.** Subject to the transfer restrictions set forth herein, and payment to Subjects of the Resale Royalty (defined below), Owner may transfer ownership of a Subjects™ NFTs, including, without limitation, the Owner License, to a third-party (a “Secondary Acquirer”); *provided that*: (a) Owner has not breached the Agreement prior to the transfer; (b) the Owner License has not otherwise expired or been terminated for any reason; (v) Owner notifies the Secondary Acquirer that any sale of the Subjects™ NFTs by the Secondary Acquirer shall be subject to the Resale Royalty; (d) such transfer is conducted through a marketplace or other platform that cryptographically verifies that the Owner is the actual, current owner of the Subjects™ NFTs; (e) such transfer complies with all applicable laws, rules, regulations, regulatory guidance, and terms of the marketplace or other platform on which such sale or transfer takes place; and (f) Owner ensures that the Secondary Acquirer is made aware of the Agreement and agrees to be bound by its obligations and restrictions (a “Permitted Transfer”). Upon conclusion of a Permitted Transfer, including acceptance of the Agreement, Secondary Acquirer shall be deemed the Owner for purpose of this Owner Agreement. For clarity, only a single individual/entity may own a Subjects™ NFTs at any time, and only that individual/entity has the Owner License. As used herein, the term “Resale Royalty” means the royalty amount Subjects shall receive for any sale of a Subjects™ NFTs by the Owner, equal to seven percent (7%) of the purchase price, taken from the sales proceeds of the Owner and any and all Secondary Acquirers who become Owners. Owner shall pay any and all transaction fees, payment transfer fees and taxes (other than taxes on Subjects’ net income) associated with the Permissible Transfer and shall not deduct any such amounts from the amount paid to Subjects as the Resale Royalty. To the extent a smart contract associated with the Subjects™ NFTs is programmed to automatically transfer the Resale Royalty to Subjects, payment shall be deemed made when and if such Resale Royalty is actually paid to Subjects.
- 1.8. **Restricted Parties.** If: (a) Owner is an individual, Owner agrees on her/his own behalf; and (b) if Owner is an entity, Owner agrees that neither the entity nor any of its owners or investors or any of their directors, officers, employees, agents or affiliates acting on her/his behalf: (i) is related in any way to, the governments of, or any persons within, any country or jurisdiction under a U.S. embargo enforced by the Office of Foreign Assets Control (“OFAC”), or any persons who are named on any list of sanctioned individuals or entities; (ii) is (or has ever been) prohibited from the transaction pursuant to U.S. anti-money laundering, anti-terrorist, economic sanctions and asset control laws; and (iii) is resident in a country or jurisdiction under a U.S. embargo enforced by OFAC (“Restricted Parties”).
- 1.9. **Forward Looking Statements; Termination of Subjects™ Offerings.** While the Subjects™ NFTs will remain on the applicable blockchain for the duration of that blockchain’s existence as currently contemplated, Subjects reserves the right to cease providing any and all other Subjects™ Offerings (as defined in the Site Terms) at any time, in its sole and absolute discretion, with or without notice to Owner. The Agreement contains certain forward-looking statements. These statements are based on current intentions and made to the best of Subjects’ present knowledge. Such forward-looking statements are subject to risks, uncertainties and other factors which could result in actual developments differing materially from, and being worse than, those expected or assumed or described in these forward-looking statements. Nothing contained in the Agreement should be relied on as a promise or representation as to future performance of Subjects, the Subjects™ NFTs and/or any other Subjects™ Offerings. In addition, the Covered Parties do not assume any obligation to update any forward-looking statements nor to conform any forward-looking statements to actual events or developments.

2. Warranty; Disclaimers and Assumption of Risk.

- 2.1. **Owner Warranty.** Owner represents and warrants that Owner: (a) is at least the age of majority in Owner’s jurisdiction of residence (which is typically eighteen (18) years of age) and has the legal capacity to enter into the Agreement; (b) will use each Subjects™ NFTs, including the Digital Object associated therewith, only for lawful purposes and in accordance with the Agreement and all applicable laws, rules and regulations; and (c) will not use the Subjects™ NFTs, including the Digital Object associated therewith, to violate any law, regulation or ordinance or any right of Subjects or any third party, including, without limitation, any right of privacy, publicity, copyright, trademark and/or patent.
- 2.2. **DISCLAIMER; ASSUMPTION OF RISK.** THE SUBJECTS™ NFTS AND ASSOCIATED DIGITAL OBJECTS ARE PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS, WITHOUT WARRANTY OR SUPPORT OF ANY KIND. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, SUBJECTS, SUTTER SYSTEMS LLP, BABY TEETH AND THEIR RESPECTIVE SHAREHOLDERS, MEMBERS, OFFICERS, EMPLOYEES, DIRECTORS, SHAREHOLDERS, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, AND SUBJECTS (COLLECTIVELY, “COVERED PARTIES”) DISCLAIM ANY AND ALL WARRANTIES, CONDITIONS, AND REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING THOSE RELATED TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT AND NON-INFRINGEMENT AND ANY WARRANTIES ARISING OUT OF COURSE OF DEALING OR USAGE OF TRADE.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, AND TO THE MAXIMUM EXTENT PERMITTED



BY APPLICABLE LAW, SUBJECTS MAKES NO WARRANTY THAT A SUBJECTS™ NFTS AND/OR THE ASSOCIATED DIGITAL OBJECT WILL MEET OWNER'S REQUIREMENTS OR BE AVAILABLE ON AN UNINTERRUPTED, SECURE, OR ERROR-FREE BASIS. FURTHER, SUBJECTS PROVIDES NO WARRANTY REGARDING, AND WILL HAVE NO RESPONSIBILITY FOR, ANY CLAIM ARISING OUT OF: (a) A MODIFICATION OF A SUBJECTS™ NFTS AND/OR THE ASSOCIATED DIGITAL OBJECT MADE BY ANYONE OTHER THAN SUBJECTS, UNLESS SUBJECTS APPROVES OF SUCH MODIFICATION IN WRITING, IN ADVANCE; (b) OWNER'S MISUSE OF, OR MISREPRESENTATION REGARDING, A SUBJECTS™ NFTS AND/OR THE ASSOCIATED DIGITAL OBJECT; (c) THE FLUCTUATION IN VALUE OF A SUBJECTS™ NFTS; AND/OR (d) ANY TECHNOLOGY THAT FAILS TO PERFORM OR CEASES TO EXIST.

FURTHER, OWNER UNDERSTANDS AND AGREES THAT OWNERSHIP OF, AND TRANSACTIONS INVOLVING, A SUBJECTS™ NFTS MAY REQUIRE OR RELY ON THIRD-PARTY TECHNOLOGY AND/OR PLATFORMS INCLUDING, WITHOUT LIMITATION, DIGITAL WALLETS, BLOCKCHAINS OR RELATED TECHNOLOGY, SMART CONTRACTS, INTERNET SERVICE PROVIDERS, MARKETPLACES, EQUIPMENT OR OTHER INFRASTRUCTURE (COLLECTIVELY, "THIRD PARTY TECHNOLOGY"). OWNER UNDERSTANDS AND AGREES THAT THE EXISTENCE AND PERFORMANCE OF THIRD PARTY TECHNOLOGY ARE OUTSIDE OF SUBJECTS' CONTROL. TO THE MAXIMUM EXTENT PERMISSIBLE UNDER APPLICABLE LAW, SUBJECTS DISCLAIMS ALL LIABILITY FOR THE USE, UNAVAILABILITY AND/OR FAILURE OF ANY THIRD PARTY TECHNOLOGY.

The Subjects™ NFTs are not intended as investment vehicles. Subjects makes absolutely no promise or guarantee that the Subjects™ NFTs will increase in value, or maintain the same value as the amount Owner paid to purchase same (where applicable). Owner understands and agrees that the Subjects™ NFTs have no inherent monetary value. Please be aware that the prices of Subjects™ NFTs are extremely volatile, and price fluctuations in ETH could impact the value of Subjects™ NFTs, both positively and negatively. Given this volatility, the Subjects™ NFTs should not be considered investments. Owner assumes all risks in connection therewith. No information and/or content made available by and/or through the Site or otherwise by Subjects is or should be considered advice or an invitation to enter into an agreement for any investment purpose.

Further, no element of the Subjects™ NFTs qualifies or is intended to be an offering of securities in any jurisdiction, nor does it constitute an offer or an invitation to purchase shares, securities or other financial products. Owner is solely and exclusively responsible for assuring that the minting, purchase and sale of Subjects™ NFTs, and the use of cryptocurrencies in connection with same, complies the with laws and regulations in Owner's jurisdiction.

Owner assumes all risks associated with using ETH, an Internet-based cryptocurrency, and the risks associated with owning an NFT that resides on a blockchain including, but not limited to, the risk of hardware, software and Internet connections, the risk of malicious software introduction, the risk of hacking, and the risk that third parties may otherwise obtain unauthorized access to Owner's: (i) Wallet; (ii) Subjects™ NFT(s); and/or (iii) cryptocurrency.

NFTs, cryptocurrencies and blockchain technology are relatively new and the regulatory landscape is unsettled. New regulations could negatively impact such technologies which may, in turn, impact the value of Owner's Subjects™ NFTs. Owner understands and accepts all risk in that regard. Without limiting the foregoing, Owner assumes all responsibility for any adverse effects of disruptions or other issues impacting ETH, the Ethereum platform, any applicable blockchain and/or any other Third Party Technology.

3. Limitation of Liability.

3.1. Liability Cap. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE COVERED PARTIES' CUMU-



LATIVE LIABILITY UNDER THE AGREEMENT, FOR ALL CAUSES OF ACTION AND ALL THEORIES OF LIABILITY, WILL BE LIMITED TO AND WILL NOT EXCEED ONE HUNDRED DOLLARS (\$100).

- 3.2. **Excluded Damages.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL THE COVERED PARTIES BE LIABLE UNDER ANY CLAIM ARISING OUT OF OR RELATED TO THE AGREEMENT FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR OTHER NONDIRECT DAMAGES OF ANY KIND OR FOR ANY SPECIAL, PUNITIVE OR SIMILAR DAMAGES OR EXPENSES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR OTHER ECONOMIC LOSS, LOST REIMBURSEMENTS, LOST DATA, OR LOST SAVINGS), EVEN IF THE APPLICABLE COVERED PARTY(IES) WAS/WERE ADVISED OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES.
- 3.3. **Additional Terms.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE LIABILITIES LIMITED BY THIS SECTION 3 APPLY: (a) TO LIABILITY FOR NEGLIGENCE; (b) REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, STRICT PRODUCT LIABILITY, OR OTHERWISE; (c) EVEN IF THE APPLICABLE COVERED PARTY(IES) IS/ARE ADVISED IN ADVANCE OF THE POSSIBILITY OF THE DAMAGES IN QUESTION AND EVEN IF SUCH DAMAGES WERE FORESEEABLE; AND (d) EVEN IF OWNER'S REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE. WITHOUT LIMITING THE FOREGOING, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE COVERED PARTIES WILL NOT BE LIABLE TO OWNER FOR ANY USE OF A SUBJECTS™ NFTS AND/OR ASSOCIATED DIGITAL OBJECT INCLUDING, BUT NOT LIMITED TO, ANY LOSSES, DAMAGES OR CLAIMS ARISING FROM: (i) USER ERROR, SUCH AS FORGOTTEN PASSWORDS, INCORRECTLY CONSTRUCTED TRANSACTIONS, OR MISTYPED WALLET ADDRESSES; (ii) SERVER FAILURE OR DATA LOSS; (iii) CORRUPTED CRYPTOCURRENCY WALLET FILES; (iv) UNAUTHORIZED ACCESS TO A SUBJECTS™ NFTS AND/OR ASSOCIATED DIGITAL OBJECT; (v) ANY UNAUTHORIZED THIRD PARTY ACTIVITIES INCLUDING, WITHOUT LIMITATION, THE USE OF VIRUSES, PHISHING, BRUTE FORCING OR OTHER MEANS OF ATTACK AGAINST A BLOCKCHAIN NETWORK UNDERLYING A SUBJECTS™ NFTS AND/OR ASSOCIATED DIGITAL OBJECT; (vi) OWNER'S FAILURE TO MAINTAIN THE SECURITY OF HER/HIS/ITS WALLET'S PRIVATE KEY; (vii) ANY UNINTENDED TRANSFER OR LOSS OF A SUBJECTS™ NFTS AND/OR ASSOCIATED DIGITAL OBJECT; (viii) THE FAILURE TO REALIZE ANY SPECIFIC INVESTMENT INCOME, REVENUE OR OTHER FINANCIAL OUTCOME; (ix) THE USE, UNAVAILABILITY AND/OR FAILURE OF ANY THIRD PARTY TECHNOLOGY; AND/OR (x) OWNER'S INABILITY TO DEMONSTRATE OWNERSHIP AND/OR CONTROL OF A SUBJECTS™ NFTS AND/OR ASSOCIATED DIGITAL OBJECT. If applicable law limits the application of the provisions of this Section 3, Subjects' liability will be limited to the maximum extent permissible.

4. **Indemnity.** Owner shall indemnify, defend and hold harmless the Covered Parties from and against any and all claims, demands, causes of action, liabilities, damages, penalties, losses, fines, costs and expenses (including reasonable attorneys' fees, legal costs and court costs, which shall be reimbursed as incurred) arising out of, related to, or in connection with, or alleging: (a) Owner's breach of any provision contained in the Agreement, including, but not limited to, Owner's failure to comply with the licensing conditions set forth in Section 1 hereof; (b) Owner's use of a Subjects™ NFTs and/or associated Digital Object in any way that violates any applicable laws, rules or regulations; (c) Owner's unauthorized transfer, or purported transfer, of a Subjects™ NFTs and/or associated Digital Object; or (d) Owner's improper and/or unauthorized exercise of any license rights in and/or to a Subjects™ NFTs and/or associated Digital Object.

5. **Term & Termination**

- 5.1. **Term.** This Owner Agreement shall continue until terminated pursuant to the terms of this Owner Agreement (the "**Term**").
- 5.2. **Termination for Transfer.** The Owner License applies only to the extent that Owner continues to own the Subjects™ NFTs. If, at any time, the Owner sells, trades, donates, gives away, transfers, purports to transfer, or otherwise disposes of the applicable Subjects™ NFTs for any reason, this Owner Agreement, including, without limitation, the Owner License granted to Owner hereunder, will immediately terminate without the requirement of notice, and Owner will have no further rights in or to the applicable Subjects™ NFTs or associated Digital Object.
- 5.3. **Termination for Transfer.** Except for a Permitted Transfer effectuated in accordance with the terms of the Agreement, including, without limitation, Section 1.7 hereof, this Owner Agreement shall automatically terminate upon any purported transfer by the Owner. For clarification purposes, any transfer of a Subjects™ NFTs, other than a Permitted Transfer, terminates the Owner Agreement including, without limitation, the Owner License, in its entirety.
- 5.4. **Termination for Cause.** Subjects may terminate this Owner Agreement for Owner's material breach of any term of the Agree-



ment by written notice specifying in detail the nature of the breach, effective in fifteen (15) days unless the Owner first cures such breach, or effective immediately if the breach is not subject to cure.

- 5.5. Effects of Termination. Upon termination of this Owner Agreement, Owner shall cease all use of the Digital Object and delete, destroy, or return all copies of the Digital Object in its possession or control. Owner acknowledges that any use of the Digital Object upon termination of the Owner License shall be deemed intellectual property infringement. Any provision of this Owner Agreement that must survive to fulfill its essential purpose will survive termination or expiration.

6. Miscellaneous.

- 6.1. Independent Contractors. The parties are independent contractors and shall so represent themselves in all respects. Neither party is the agent of the other, and neither may make commitments on the other's behalf.
- 6.2. Force Majeure. No delay, failure, or default, other than a failure to pay fees when due, will constitute a breach of the Agreement to the extent caused by acts of war, terrorism, hurricanes, earthquakes, epidemics, other acts of God or of nature, strikes or other labor disputes, riots or other acts of civil disorder, embargoes, COVID-19 or any similar virus, disease and/or pandemic, as well as any private sector or governmental responses to any of the foregoing, or other causes beyond the performing party's reasonable control.
- 6.3. Assignment & Successors. This Owner Agreement is not assignable or transferable by Owner, except pursuant to a Permitted Transfer of ownership of a Subjects™ NFTs to a Secondary Acquirer, in which case the terms and conditions hereof will transfer and be binding upon and will inure to the benefit of the parties and their permitted successors and assigns. Any purported assignment or transfer by Owner in violation of this Section 6.3 is null and void.
- 6.4. Severability. To the extent permitted by applicable law, the parties waive any provision of law that would render any clause of the Agreement invalid or otherwise unenforceable in any respect. If any provision of the Agreement is held to be invalid or otherwise unenforceable, such provision will be interpreted to fulfill its intended purpose to the maximum extent permitted by applicable law, and the remaining provisions of the Agreement will continue in full force and effect.
- 6.5. No Waiver. Neither party will be deemed to have waived any of its rights under the Agreement by lapse of time or by any statement or representation other than by an authorized representative in an explicit written waiver. No waiver of a breach of the Agreement will constitute a waiver of any other breach of the Agreement.
- 6.6. Dispute Resolution Provisions:

The Agreement shall be treated as though it were executed and performed in New York, NY and shall be governed by and construed in accordance with the laws of the State of New York (without regard to conflict of law principles). **The parties (and Covered Parties) hereby agree to arbitrate all claims that may arise under and/or relate to the Subjects™ NFTs, Digital Objects and/or the Agreement. Without limiting the foregoing, should a dispute arise between the parties/any Covered Parties including, without limitation, any matter concerning the Subjects™ NFTs, Digital Objects, the terms and conditions of the Agreement or the breach of same by any party hereto: (a) the parties/Covered Parties agree to submit their dispute for resolution by arbitration before the American Arbitration Association (“AAA”) in New York, NY, in accordance with the then current Commercial Arbitration rules of the AAA; and (b) Owner agrees to first commence a formal dispute proceeding by emailing us an “Initial Dispute Notice” to: support@subjectsworld.com. The Initial Dispute Notice must contain the following information: (i) your full name, as well as the business entity's full legal name; (ii) your mailing address, as well as the business entity's mailing address; (iii) your preferred email address; (iv) a description of your claim/dispute; and (v) a description of the specific relief you seek. The Covered Party(ies) named in Owner's Initial Dispute Notice (collectively, the “Named Parties”) may choose to provide Owner with a final written settlement offer after receiving Owner's Initial Dispute Notice (“Final Settlement Offer”). If the applicable Named Party(ies) provide(s) Owner with a Final Settlement Offer and Owner does not accept it, or such Named Party(ies) cannot otherwise satisfactorily resolve Owner's dispute and Owner wishes to proceed, Owner must submit Owner's dispute for resolution by arbitration before the AAA, in Owner's county of residence, by filing a separate Demand for Arbitration, which is available [here](#). For claims of Ten Thousand Dollars (\$10,000.00) or less, Owner can choose whether the arbitration proceeds in person, by telephone or based only on submissions. If the arbitrator awards Owner relief that is greater than the applicable Final Settlement Offer, then the Named Party(ies) will pay all filing, administration and arbitrator fees associated with the arbitration and, if Owner retained an attorney to represent**



Owner in connection with the arbitration, the Named Party(ies) will reimburse any reasonable attorneys' fees that Owner's attorney accrued for investigating, preparing and pursuing the claim in arbitration. Any award rendered shall be final and conclusive to the parties and a judgment thereon may be entered in any court of competent jurisdiction. Although the Named Party(ies) may have a right to an award of attorneys' fees and expenses if Named Party(ies) prevail(s) in arbitration, the Named Party(ies) will not seek such an award from Owner unless the arbitrator determines that Owner's claim was frivolous.

To the extent permitted by law, Owner agrees that Owner will not bring, join or participate in any class action lawsuit as to any claim, dispute or controversy that Owner may have against any of the Covered Parties. Owner agrees to the entry of injunctive relief to stop such a lawsuit or to remove Owner as a participant in the suit. Owner agrees to pay the attorney's fees and court costs that any Covered Party incurs in seeking such relief. This provision preventing Owner from bringing, joining or participating in class action lawsuits: (i) does not constitute a waiver of any of Owner's rights or remedies to pursue a claim individually and not as a class action in binding arbitration as provided above; and (ii) is an independent agreement. Owner may opt-out of these dispute resolution provisions by providing written notice of Owner's decision within thirty (30) days of the earlier date that Owner first mints and/or purchases a Subjects™ NFTs.

- 6.7. Entire Agreement. This Owner Agreement, together with the Site Terms and the documents referenced therein, sets forth the entire agreement of the parties and supersedes all prior or contemporaneous writings, negotiations, and discussions with respect to its subject matter. Neither party has relied upon any such prior or contemporaneous communications.
- 6.8. Amendment. The Agreement may not be amended in any way except through a written agreement by authorized representatives of Subjects and the Subjects™ NFTs Owner.
- 6.9. Headings. All section headings and captions have been inserted for convenience only and shall not affect the interpretation of the Agreement.
- 6.10. Drafting. Each party providing Electronic Acceptance (as defined below) to the terms of the Agreement agrees that it has fully participated in the drafting of the Agreement and that no party shall be deemed to be the drafting party of the Agreement.
- 6.11. Electronic Signatures. Owner acknowledges and agrees that Owner accepts the Agreement via electronic means rather than via traditional handwritten signature ("Electronic Acceptance"). Owner acknowledges and agrees that by clicking on the "submit" button, or taking such other action as may be designated by Subjects as a means of accepting the Agreement, Owner is submitting a legally binding electronic signature and is entering into a legally binding contract. Owner acknowledges that Owner's electronic submission constitutes Owner's agreement and intent to be bound by the Agreement. Pursuant to any and all applicable statutes, regulations, rules, ordinances or other laws including, without limitation, the United States Electronic Signatures in Global and National Commerce Act, P.L. 106-229 (the "E-Sign Act") and other similar state and federal statutes, OWNER HEREBY AGREES TO THE USE OF ELECTRONIC SIGNATURES, CONTRACTS, ORDERS AND OTHER RECORDS AND TO ELECTRONIC DELIVERY OF NOTICES, POLICIES AND RECORDS OF TRANSACTIONS INITIATED OR COMPLETED THROUGH THE SITE AND/OR ANY OTHER ONLINE PLATFORMS AND/OR SERVICES OPERATED BY SUBJECTS. Further, Owner hereby waives any rights and/or requirements under any statutes, regulations, rules, ordinances or other law in any jurisdiction which requires an original signature or delivery or retention of non-electronic records, or to payments or the granting of credits by other than electronic means. Owner acknowledges and agrees that it has the ability to print information delivered to Owner electronically, or otherwise knows how to store that information in a way that ensures that it remains accessible to Owner in unchanged form.

