

SUBMISSION CATEGORY LEGAL TERMS & CONDITIONS

NOVEMBER 5, 2015

By submitting your design (the “Design”) to Utmosatmos.com you express your intention to use the services offered by Utmos Atmos, LLC, its affiliates and parents (collectively “Utmos Atmos”), which include the marketing and advertising of your Design, and the manufacturing, distribution, and sale of your Design on physical products, and you agree to the following terms and conditions (the “Design Submission Terms and Conditions”):

1. The Design is your own original work and does not contain any trademarks, logos, copyrighted material, any other intellectual property belonging to any third party, or content subject to a third party’s right of publicity or privacy.
2. The Design does not infringe any rights (including but not limited to copyright) of any third party.
3. This is a legal, binding agreement. You represent and warrant that you have the full right, power and authority to enter into this agreement, agree to the Design Submission Terms and Conditions, and that your agreement to them does not violate any other agreement you have entered into with a third party. If you have entered into an agreement with any third party concerning the Design you must advise UtmosAtmos immediately by emailing: art@utmosatmos.com.
4. As between you and UtmosAtmos, you own and will maintain ownership of the Design. UtmosAtmos does not and will not own the Design because of your submission of the Design.
5. By submitting the Design, you hereby grant UtmosAtmos a worldwide, irrevocable, non-exclusive, right and license to use, upload, modify, reproduce, copy, exhibit, create derivative works of, distribute, sell, advertise, and display the Design, in any manner now known or hereafter devised. This license may be sub-licensed by UtmosAtmos to others. You waive any “moral rights” you may have in the Design.

6. You also grant UtmosAtmos a worldwide, irrevocable, non-exclusive, right and license to use, portray, display and publish your name, appearance, voice, likeness, photographic image, and biographical information, in any and all media now known or hereafter devised. This license may be sub-licensed by UtmosAtmos to others.
7. You also understand that UtmosAtmos is acting as an independent contractor for you, and will market and advertise the Design to the public, and obtain orders from customers for the purchase of products featuring the Design. UtmosAtmos will, and will arrange for third parties to, fulfill customer orders by facilitating payment for the manufacture, distribution, and delivery of products featuring the Design.
8. UtmosAtmos understands that circumstances may change and recognizes that, on a rare occasion, you may need to request a revocation of one or both of the irrevocable licenses you granted to UtmosAtmos in paragraphs 5 and 6 above (the "Non-Exclusive License(s)"). On such a rare occasion you can make this request by emailing art@threadless.com. Your e-mail must have "Request for Revocation" in the subject line, include the title of the Design, and explain the basis for the request. You understand and agree that UtmosAtmos is not obligated to revoke a Non-Exclusive License and that, if UtmosAtmos does revoke a Non-Exclusive License, it may do so with certain conditions, for example, preserving its or its sub-licensees right to sell through any items bearing the Design, and advertise and promote the same, until all inventory is exhausted.
9. UtmosAtmos also may terminate the Non-Exclusive Licenses by providing written notice to you, at the email address provided by you, of UtmosAtmos election to terminate a Non-Exclusive License. Upon such notice, the Non-Exclusive Licenses shall terminate; provided, however, UtmosAtmos and any sub-licensees and wholesale parties that sell the Design under UtmosAtmos' authorization, may, at their discretion, sell through any items in their possession bearing the Design and advertise and promote the same, until such time as the inventory of such products is exhausted.
10. If UtmosAtmos is able to facilitate the sale of products featuring the Design via the Utmosatmos.com website, you authorize UtmosAtmos to collect and

hold the retail price (“Retail Price”) of the products from customers per the terms of this Paragraph 9. The Retail Price charged to customers who purchase your product includes the (i) manufacturing fees, (ii) UtmosAtmos fee for hosting the marketplace and facilitating the transaction (the manufacturing fees and UtmosAtmos fee are referred to collectively, and inclusive of tax, as the “Base Fee”), (iii) your compensation (the “Artist Compensation”), (iv) any relevant tax (such as Sales Tax, GST, VAT, etc), and (v) shipping charges. You authorize UtmosAtmos to deduct both (i) the Base Fee and (ii) any shipping charges from the Retail Price of the product(s) featuring your Design(s) before distributing the remainder (i.e., the Artist Compensation and tax where relevant), to you.

11. If UtmosAtmos is able to facilitate the sale of products featuring the Design outside of the UtmosAtmos.com website, UtmosAtmos will pay the Artist an amount that is 20% of its “net receipts.” "Net Receipts" are the profits from the sale of the Design minus all costs, returns and allowances (including cash or credit refunds made to customers, rebates, and other allowances off the actual sale price). UtmosAtmos shall be entitled to retain a reasonable reserve for returns, provided that such reserve will not exceed 10% of the payment owed to Artist in a month, and UtmosAtmos will not withhold such sums for more than three (3) months.
12. On certain limited occasions UtmosAtmos may include the Design in miscellaneous items such as, without limitation, stickers or books that promote the UtmosAtmos brand or community, and Artist will not be owed or paid any amounts or payments for such use.
13. Subject to these Design Submission Terms and Conditions, all payments for Threadless.com sales will be made on a monthly basis within 7 days after the end of each month, following a one month 'pending' period, via Paypal, except certain partnership and wholesale program payments, which will be made on a quarterly basis within 45 days after the end of each quarter ending March 31st, June 30th, September 30th, and December 31st of each year, beginning with the first quarter in which payments become due. You are required to provide UtmosAtmos with your Paypal account information. You will not be charged by Paypal for any payment made to you by UtmosAtmos. Please contact art@threadless if there are any questions or concerns in regard to payment.

14. On certain occasions, Threadless may award a cash prize (and/or other prize(s)) in addition to the payments discussed above when the Design is submitted in a Submission Category and selected. Information regarding any such prize will be published on UtmosAtmos.com. Payment of any cash prize will be on the same terms and conditions as, and subject to your agreement to, these Design Submission Terms and Conditions as well as the official submission category rules that apply to that Design Challenge.
15. UtmosAtmos' use of the Design and its payments to you are subject to your representation that you own the Design and that the Design does not infringe any third party's legal rights.
16. You alone will be responsible for the payment of any tax that arises as a result of receiving any payment from UtmosAtmos, its subsidiaries, related companies, partners, or licensors.
17. Pursuant to applicable U.S. law, payments under these Design Submission Terms and Conditions (or otherwise) will not be made to persons who reside in Cuba, Iran, Syria, North Korea, Sudan and Burma (Myanmar) or to select persons who are prohibited from receiving such payments.
18. You agree to defend, indemnify and hold harmless UtmosAtmos, including UtmosAtmos' sublicensees (each an "Indemnified Party") from and against any and all claims, damages, liabilities, costs and expenses (including without limitation reasonable attorneys' fees and court costs) arising out of or relating to an Indemnified Party's use of the Design (including reproducing, distributing, adapting, and displaying the Design) and/or a breach or alleged breach of the Design Submission Terms and Conditions by you.
19. The Design must not disparage any person; it must not be indecent, obscene, hateful, tortious, untruthful, inaccurate, defamatory, slanderous or libelous; it must not promote bigotry, racism, hatred or harm against any group or individual or promote discrimination based on race, gender, religion, nationality, disability, sexual orientation or age.
20. You acknowledge that UtmosAtmos may decline to render its services to you in connection with the Design by, for example, deciding not to market or

advertise the Design, or taking down the Design from UtmosAtmos.com, and that this can be done for any reason, at any time, and in UtmosAtmos' sole discretion. You agree that the decisions of UtmosAtmos are final and binding.

21. UtmosAtmos may, in its discretion, change these Design Submission Terms and Conditions at any time and such changes shall be effective immediately and incorporated into this Agreement. It is your responsibility to review any changes to the Design Submission Terms and Conditions. No modification of this Agreement shall be binding unless confirmed in writing by UtmosAtmos.

By submitting your Design, you acknowledge that you have read and agree to these Design Submission Terms and Conditions. Your agreement with UtmosAtmos is governed by the laws of the State of New York without regard to its conflict of law provisions. You agree to submit to the personal and exclusive jurisdiction of the courts located in Monroe County, New York, in connection with any dispute arising from this agreement.