

Animation.com
Terms-of-Service Agreement

Last Updated: November 9, 2021

This terms-of-service agreement is between you (“User,” “Creator,” “Customer,” “Owner,” and collectively with others using the Website, “Users”), and Q Alpha, Inc., a North Carolina corporation (“Q Alpha,” “Company,” “we,” or “us”). This agreement governs your use of the website located at www.animation.com (“Website”) and all related tools, mobile applications, web applications, decentralized applications, smart contracts, and APIs located at any of Q Alpha’s websites, including without limitation, successor websites or applications to the Website (“Platform”).

1. Introduction

- 1.1. Welcome to Animation.com, a decentralized application and digital asset marketplace operating on the Cardano blockchain. The Animation.com Platform uses specially developed smart contracts that enable Creators to sell their digital creations to Customers on a peer-to-peer digital marketplace. Customers may trade, transfer, sell, or display their collected digital assets on the Animation.com Platform.
- 1.2. Please read this agreement very carefully. **This agreement sets out the legally binding terms that govern your use of the Website or Platform. By accessing or using the Website, services, or smart contracts you are accepting this agreement (on behalf of yourself or the entity that you represent), and you state that you have the right, authority, and capacity to enter into this agreement (on behalf of yourself or the entity that you represent). If you do not agree with all the provisions of this agreement, you are prohibited from accessing, using, or transaction on the Website or Platform. You further state that you are otherwise legally permitted to use the services in your jurisdiction and that the Company is not liable for your compliance with those applicable laws.**
- 1.3. Certain features of the Website are subject to other guidelines, terms, or rules, which are located on the Website in connection with those features. Those additional terms, guidelines, and rules are hereby incorporated by reference into this agreement and expressly agreed to and acknowledged by the User.
- 1.4. Our Privacy Policy describes the ways we collect, use, store, and disclose your personal information and is hereby incorporated by this reference into this agreement. You agree to the collection, use, storage, and disclosure of your data according to our Privacy Policy.

2. **Accessing the Website.** We may withdraw or amend our Website, and any service or material provided on it, in our sole discretion without notice. We will not be liable if for any reason all or any part of the Website is unavailable at any time or for any period. From time to time, we may restrict access to some parts of the Website, or the entire Website, to users, including registered users. You are responsible for making all arrangements necessary for you to have access to the Website and its content.

3. The Platform

- 3.1. **Transactions Are Recorded on the Public Cardano Blockchain.** Transactions that take place on the Platform are managed and confirmed via the Cardano blockchain. The User understands that your Cardano public address will be made publicly visible whenever you engage in a transaction on the Platform. We neither own nor control OpenSea, Coin Market Cap, PancakeSwap, the Cardano Smart Chain network, or any other third-party site, product, or service that you might access, visit, or use for the purpose of enabling you to use the various features of the Platform. We will not be liable for the acts or omissions of any such third parties, nor will we be liable for any damage that you may suffer as a result of your transactions or any other interaction with any such third parties.
- 3.2. **The Platform Is Property of Q Alpha Inc.** You acknowledge that we (or, as applicable, our licensors) own all legal rights, titles, and interests in and to all elements of the Platform. The graphics, design, systems, methods, information, computer code, software, services, “look and feel,” organization, a compilation of the content, code, data, and all other elements of the Platform (collectively, “**Q Alpha Materials**”) are owned by Q Alpha, and are protected by copyright, trade dress, patent, and trademark laws, international conventions, other relevant intellectual property and proprietary rights, and applicable laws. All Q Alpha Materials are the copyrighted property of Q Alpha or its licensors, and all trademarks, service marks, and trade names contained in the Q Alpha Materials are proprietary to Q Alpha or its licensors. Except as expressly set out here, your use of the Platform does not grant you ownership of or any other rights with respect to any content, code, data, or other materials that you may access on or through the Platform. We reserve all rights in and to the Q Alpha Materials not expressly granted to you in the agreement.
- 3.3. **Q Alpha May Use and Share All User Feedback.** You may choose to submit comments, bug reports, ideas, or other feedback about the Platform, including without limitation about how to improve the Platform (collectively, “**Feedback**”). By submitting any Feedback, you agree that we are free to use that Feedback at our discretion and without additional compensation to you, and to disclose that Feedback to third parties (whether on a non-confidential basis or otherwise). You hereby grant us a perpetual, irrevocable, non-exclusive, worldwide license under all rights necessary for us to incorporate and use your Feedback for any purpose.
- 3.4. **Q Alpha is a Non-Custodial Service Provider.** The Smart Contracts and the Website facilitate User collection of Animation.com Items, but Q Alpha and its affiliates, the Platform, and the Smart Contracts are not the custodians of any User-owned Animation.com Items. The User acknowledges that the Smart Contracts do not give Q Alpha custody, possession, or control of any Animation.com Item or cryptocurrency at any time for the purpose of facilitating Animation.com Item transactions. You affirm that you are aware and acknowledge that Q Alpha is a non-custodial service provider and has designed this Platform to be directly accessible by the Users without any involvement or actions taken by Q Alpha or any third party.
- 3.5. **External Websites.** The Platform or the Website may include hyperlinks to other websites or resources (collectively, “**External Websites**”), which are provided solely as a convenience to our users. We have no control over any External Websites. You

acknowledge that we are not responsible for the availability of any External Websites and that we do not endorse any advertising, products, or other materials on or made available from any External Websites. Furthermore, you acknowledge that we are not liable for any loss or damage that may be incurred as a result of the availability or unavailability of the External Websites, or as a result of any reliance placed by you on the completeness, accuracy, or existence of any advertising, products, or other materials on, or made available from, any External Websites.

4. User Account and Security

- 4.1. **User Agrees to Provide Accurate Registration Information.** The User must provide accurate and complete registration information when you create an account for the Platform. By creating an account, you must provide accurate, current, and complete account information about yourself and to maintain and promptly update as necessary your account information.
- 4.2. **User is Responsible for Account Security.** You are solely responsible for the security of your account and your wallet (and other wallets and accounts). You must undertake to maintain at all times adequate security and control of all of your Account details, passwords, personal identification numbers, or any other codes that you use to access the Platform or the Services. You must ensure that Accounts registered under your name will not be used by any other person. You must notify us immediately of any breach of security, loss, theft, or unauthorized use of your username, password, or security information at contact@animation.com.
- 4.3. **Q Alpha May Suspend Hacked Accounts.** Q Alpha reserves the right to terminate, suspend, or restrict your access to any Account if there is reasonable suspicion by us that the person logged into your Account is not you or if we suspect that the Account has been or will be used for any illegal, fraudulent, or unauthorized purposes. Under no circumstances will Q Alpha or indemnified persons under this agreement be responsible or liable for any direct or indirect losses (including loss of profits, business, or opportunities), damages, or costs suffered by you or any other person or entity due to any such termination, suspension, or restriction of access to any Account.
- 4.4. **User Must Not Use the Platform for Illegal Activity.** You must use the Platform only for purposes that are legal, proper, and under this agreement and any applicable laws or regulations. Without limitation, you must not, and must not allow any third party to: (i) send, upload, distribute, or disseminate any unlawful, defamatory, harassing, abusive, fraudulent, obscene, or otherwise objectionable content; (ii) undertake any unlawful activity that would violate, or assist in violation of, any law, statute, ordinance, or regulation, sanctions program administered in any relevant country, including but not limited to the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), or that would involve proceeds of any unlawful activity; (iii) distribute viruses, worms, defects, Trojan horses, corrupted files, hoaxes, or any other items of a destructive or deceptive nature; (iv) impersonate another person (via the use of an email address or otherwise); (v) upload, post, transmit, or otherwise make available through the Platform any content that infringes the intellectual proprietary rights of any person; (vi) operate to defraud Q Alpha, other users, or any other person or provide false, inaccurate, or misleading information; (vii) use the Platform to violate the legal rights (such as rights of privacy and publicity) of others; (viii) engage in, promote, or encourage illegal activity

(including, without limitation, terrorism, human trafficking, sex trafficking, prostitution, tax evasion, or money laundering); (ix) interfere with another individual's or entity's access to or use of the Platform; (x) defame, abuse, extort, harass, stalk, threaten or otherwise violate or infringe the legal rights (such as, but not limited to, rights or privacy, publicity, and intellectual property) of others; (xi) incite, threaten, facilitate, promote, or encourage hate, racial intolerance, or violent acts against others; (xii) harvest or otherwise collect information from the Platform about others, including without limitation email addresses, without proper consent; (xiii) exploit the Platform for any unauthorized commercial purpose; (xiv) modify, adapt, translate, or reverse engineer any portion of the Platform; (xv) remove any copyright, trademark, or other proprietary rights notices contained in or on the Platform or any part of it; (xvi) reformat or frame any part of the Platform; (xvii) display any content on the Platform that contains any hate-related or violent content or contains any other material, products, or services that violate or encourage conduct that would violate any criminal laws, any other applicable laws, or any third-party rights; (xviii) use any robot, spider, site search/retrieval application, or other device to retrieve or index any part of the Platform or the content posted on the Platform, or to collect information about its users for any unauthorized purpose; (xix) create user accounts by automated means or under false or fraudulent pretenses; or (xx) access or use the Platform for the purpose of creating a product or service that is competitive with any of our products or services.

- 4.5. **Users Must Be of Age.** You state that you are at least 18-years old, as the Platform is not intended for persons under 18.
 - 4.6. **Communication Preferences.** By registering for an Account, you consent to receive electronic communications from us relating to your Account. These communications may involve sending emails to the email address you provided during registration or posting communications on the Website and will include notices about your Account (e.g., change in password, confirmation emails, and other transactional information) and are part of your relationship with us. You acknowledge that any notices, agreements, disclosures, or other communications that we send to you electronically will satisfy any legal communication requirements, including that those communications be in writing. We recommend that you keep copies of electronic communications by printing a paper copy or saving an electronic copy. You also consent to receive certain other communications from us, including newsletters about new features and content, exclusive offers, promotional announcements, and customer surveys via email or other methods. You acknowledge that communications you receive from us may have sexually explicit material unsuitable for minors. If you no longer want to receive certain non-transactional communications from us, please review the Privacy Policy on how to opt out of marketing communications.
5. **Animation.com Items.** All Content ("**Content**," "**Work(s)**," or "**Creation(s)**") on the Animation.com Platform is represented by a unique cryptographic token exclusively Minted by one of Animation.com's Creators. Each Animation.com Item ("**Item(s)**," "**Token(s)**," "**Non-fungible token(s)**," or "**NFT(s)**") is Minted by a Creator using the Animation.com Smart Contracts based on a Creator's original Content. Animation.com Items are forever tracked and stored on the Cardano blockchain, providing the Customer of an Animation.com Item with a permanent record of authenticity and ownership.
 - 5.1. **Creating Animation.com Items.** Only Creators approved by Animation.com are able to

use the Platform to “**Mint**” and sell Animation.com Items. Content Minted and sold on the Animation.com Marketplace includes, but is not limited to visual works, audiovisual works, animations, audio, photographs, 3D works, GIFS, and other creative digital works.

- 5.2. **Apply to be a Animation.com Creator.** Creators seeking to create and lists works for sale on the Animation.com Platform must submit an application.
- 5.3. **Creator Whitelisting and Minting.** Approved Creators are “Whitelisted” and granted permission to Mint Animation.com Items using one or more of our Smart Contracts. To create an Animation.com Item, Approved Creators must upload an original digital Creation, provide information about the creation, authenticate the work, initiate a request to a token Minting Smart Contract, and as a result the Creator has Minted a unique, cryptographic token representing a digital version of the Creation.
- 5.4. **Creator Must Mint only “Original” Works.** By Minting an Animation.com Item, Creators state that their Work is an original creation. Creators are prohibited from Minting Works consisting of unlicensed or unauthorized copyrighted content, including any imagery, design, audio, video, human likeness, or other unoriginal content not created by the Creator, not authorized for use by the Creator, not in the public domain, or otherwise without a valid claim of fair use. Creators can only mint works that they personally created and must refrain from minting works to which copyright ownership is unknown or disputed (i.e., commissioned works or “works made for hire”).
- 5.5. **Creators Must Have Authority to Mint, Display, and Sell the Work.** Creator states that works Minted on the Animation.com Platform contain only original artistic content otherwise authorized for use by the Creator. To the extent a Work contains unoriginal content, including content from Works by other Animation.com Creators, the Minting Creator further states that it has permission to incorporate the unoriginal content. Creator states that the sale, display, or performance of minted Animation.com Items on the Platform is not a violation of any agreement, contract, or obligation owed to a third party.
- 5.6. **Content Standards.** These content standards (“**Content Standards**”) apply to all Content uploaded to the Website or the Platform. Content must, in its entirety, comply with all applicable federal, state, local, and foreign laws and regulations. Content must not:
 - (a) Depict, discuss, facilitate, promote, advertise, or solicit any illegal activity, or depict, advocate, discuss, facilitate, promote, advertise, solicit, or assist any activity that violates applicable law, including prostitution, escort services, or sex trafficking.
 - (b) Contain any harmful, threatening, defamatory, obscene, indecent, abusive, offensive, harassing, violent, hateful, inflammatory, or otherwise objectionable material.
 - (c) Promote violence or discrimination based on race, sex, religion, nationality, disability, sexual orientation, or age.
 - (d) Promote, depict, or discuss any of the following: (i) children; (ii) child exploitation or abuse; (iii) age-play; (iv) incest; (v) rape or nonconsensual sex;

(vi) hypnosis; (vii) intoxication or under the influence; (viii) sexual assault; (ix) extreme violence; (x) nonconsensual pain; (xi) blood; (xii) cutting; (xiii) self-harm; (xiv) suicide; (xv) erotic asphyxiation; (xvi) torture; (xvii) necrophilia; (xviii) sadomasochistic abuse; (xix) hardcore bondage; (xx) extreme fisting; (xxi) genital mutilation; (xxii) bestiality; (xxiii) urine, scatological, or excrement-related material; (xxiv) enema play; (xxv) vomiting; (xxvi) menstrual bleeding; or (xxvii) any other matter that would be considered obscene under the applicable community standards.

- (e) Contain unsolicited sexual content or unsolicited language that sexually objectifies another person in a nonconsensual way or contains fake or manipulated sexual content concerning another person (including “deepfakes”).
- (f) Promote, depict, or constitute “revenge porn” (being any sexually explicit material featuring any individual who has not given prior, express, and fully informed consent to that material (i) being taken, capture, or otherwise memorialized; or (ii) being posted and shared on the Website).
- (g) Promote or depict firearms, weapons, or any goods whose sale, possession, or use is subject to prohibitions or restrictions.
- (h) Promote or depict alcohol, drugs (regardless of legalization), or drug paraphernalia.
- (i) Infringe any patent, service mark, trademark, trade name, copyright, trade secret, or other intellectual property or proprietary rights of any other person.
- (j) Violate the legal rights (including the rights of publicity and privacy) of others or contain any material that could give rise to any civil or criminal liability under applicable law or otherwise may be in conflict with this agreement.
- (k) Be likely to deceive any person.
- (l) Cause annoyance, inconvenience, or needless anxiety or be likely to upset, embarrass, alarm, or annoy any other person.
- (m) Impersonate any person or misrepresent the Creator’s identity or affiliation with any individual or organization.
- (n) Display any telephone numbers, street addresses, last names, email addresses, URLs, or any person’s confidential information.
- (o) Display any content with confidential or personally identifiable information.
- (p) Make unsolicited offers, advertisements, proposals, or send junk mail or spam to other users, including unsolicited advertising, promotional materials, or other solicitation material, bulk mailing of commercial advertising, chain mail, information announcements, charity requests, and petitions for signatures.
- (q) Give the impression that it emanates from or is endorsed by the Company or any other individual or entity if this is not the case.

- (r) Contain technically harmful material, including computer viruses, logic bombs, Trojan horses, worms, malware, ransomware, harmful components, corrupted data, or other malicious software or harmful data.
- 5.7. **Creators May Be Removed from the Platform.** Failure to comply with this agreement may result in, without limitation, suspension or deletion of the Creator’s account, revocation of the Creator’s minting privileges and other permissions to the Animation.com Smart Contracts or Platform, delisting the Creator’s items on the Website, or paying monetary damages. Animation.com has the unilateral authority and discretion to remove, suspend, or revoke Creators’ access to the Animation.com Smart Contracts or any other aspect of the Platform.
- 5.8. **Creators Indemnifies and Releases Q Alpha.** Creator shall indemnify Q Alpha and be held liable for any claim against Q Alpha arising out of the Creator’s breach of this agreement. Creator hereby releases and forever discharges Q Alpha from any damages or causes of action resulting from a sale of any of the Creator’s listed Animation.com Items occurring after the Creator’s breach of this agreement.
- 6. **The Animation.com Marketplace.** The Animation.com Platform facilitates a peer-to-peer digital content Marketplace and auction house where Creators, Customers, and other Users can sell, buy, list for auction, make offers, and bid on Animation.com Items. Customers can obtain Animation.com Items by making an offer accepted by the Creator, buying at an established List Price, or bidding on Items available in one of our revolutionary smart contract-enabled auctions.
 - 6.1. **Buying Animation.com Items with a List Price.** Animation.com Items are optionally offered for immediate acceptance at a List Price (in cryptocurrency) established by the Creator. Customers can buy Animation.com Items with a List Price through the Website by sending an equivalent amount of cryptocurrency to a Smart Contract configured to initiate a transfer of the Animation.com Item, plus additional fees and gas.
 - 6.2. **Making Offers on Animation.com Items.** Users can make offers on all listed Animation.com Items through the Website. Offers on the Q Alpha Marketplace are legally binding, revocable offers to buy the Item capable of immediate acceptance by the Owner of the Item. By making an offer, the Customer must temporarily send and lose control over an amount of offered cryptocurrency to a Smart Contract. The Smart Contract is configured to hold the offered cryptocurrency until either the offer is accepted by the Owner of the Item, a higher offer is received, or the offer is revoked. The Owner of the Item has the unilateral authority to accept the bid.
- 7. **Animation.com Marketplace Prices and Fees.** Every transaction on the Animation.com Marketplace is subject to Fees collected to support the Creators and the Animation.com Platform. Animation.com collects a 3% Marketplace Fee in addition to the Sales Price for every Sale of an Animation.com Item on the Marketplace. For example, a Customer buying an Animation.com Item for 1.00 will pay 1.03. The amount of Fees for the sale of an Animation.com Item also depends on whether the transaction involves the Animation.com Item’s first sale (“**Primary Sale**”) or a later sale in the secondary market (“**Secondary Market Sale**”). All Fees are collected and distributed at the time of the purchase of an Animation.com Item by operation of the Smart Contracts.
 - 7.1. **Primary Sale**

- (a) The Creator receives 80% of the total Sales Price for Primary Sales.
- (b) Animation.com collects 20% of the total Sales Price as a commission.

7.2. **Secondary Market Sale**

- (a) Creators receive a 10% Royalty based on the total Sales Price for Secondary Market Sales paid by the Customer who sells the Animation.com Item.
- (b) The Royalty is deducted from the total Sale Price at the time of the purchase by operation of the Smart Contracts. For example, a Customer selling an Animation.com Item for 1.00 on the Secondary Market will receive only 0.90, with the Creator of the Animation.com Item receiving the remaining 0.10 as a Royalty.

7.3. **Users Agree to the Automated Collection and Disbursement of Fees by the Smart Contracts.** The User understands that all fees, commissions, and royalties are transferred, processed, or initiated directly through one or more of the Smart Contracts on the Cardano blockchain network. By transacting on the Platform and by using the Smart Contracts, the User acknowledges, consents to, and accepts all automated fees, commissions, and royalties for the sale of Items on the Animation.com Platform. The User consents to and agrees to be bound by the Smart Contracts' execution and distribution of the fees, commissions, and royalties. Users hereby waive any entitlement to royalties, commissions, or fees paid to another by operation of the Smart Contracts.

7.4. **Users Consent to Automated Royalties to Creators.** The User consents to the automated collection and disbursement to Creators of royalties for Secondary Market sales of Animation.com Items. The User hereby waives any first sale defense or argument with respect to Secondary Market activities resulting in royalty to an Animation.com Creator.

7.5. **Q Alpha Makes No Representations on Price or Value.** Users acknowledge the risk that the price of an Item bought on the Animation.com marketplace may have been influenced by User activity outside of the control of Q Alpha or the Animation.com Platform. Q Alpha does not represent, guarantee, or warrant the accuracy or fairness of the price of any Animation.com Item sold or offered for sale on or off of the Marketplace. The User acknowledges that Q Alpha is not a fiduciary nor owes any duties to any User of the Platform, including the duty to ensure fair pricing of Animation.com Items or to police User behavior on the Marketplace.

7.6. **Off-Market Transactions.** Q Alpha does not generally collect any fees, commissions, or royalties for transactions occurring outside of the Animation.com Marketplace and not involving the Animation.com Smart Contracts. To support the Animation.com Creators and the Platform, we encourage Customers to list Items for sale on the Animation.com Marketplace, however, Customers are permitted to sell or transfer their Items on third-party exchanges. The Creator and all other Users hereby waive any entitlement to royalties, commissions, or fees for off-market transactions. The User irrevocably releases, acquits, and forever discharges Q Alpha and its subsidiaries, affiliates, officers, and successors of any liability for royalties, fines, or fees not received by the User from any off-market transaction.

- 7.7. **Gas.** All User transactions on the Animation.com Platform, including without limitation Minting, tokenizing, bidding, listing, offering, buying, or confirming, are facilitated by Smart Contracts existing on the Cardano network. The Cardano network requires the payment of a transaction fee (a “**Gas Fee**”) for every transaction that occurs on the Cardano network, and thus every transaction occurring on the Animation.com Platform. The value of the Gas Fee changes, often unpredictably, and is entirely outside of the control of Q Alpha or the Animation.com Platform. The User acknowledges that under no circumstances will a contract, agreement, offer, sale, bid, or other transaction on the Platform be invalidated, revocable, retractable, or otherwise unenforceable on the basis that the Gas Fee for the given transaction was unknown, too high, or otherwise unacceptable to a User. Users also acknowledge that gas is non-refundable under all circumstances.
- 7.8. **Taxes.** Users are responsible to pay all sales, use, value-added, and other taxes, duties, and assessments now or later claimed or imposed by any governmental authority, associated with your use of the Platform (including, without limitation, any taxes that may become payable as the result of your ownership, transfer, purchase, sale, or creation of any content).

8. Animation.com Auctions

- 8.1. **Scheduled Auctions.** In a Scheduled Auction, the Owner establishes a specific start and end time for an Auction for content to go live. Owners may optionally include a Starting Price. As long as the Starting Price is met by an Auction Participant, the Work will be sold. Works without a Starting Price will be sold to the highest bidder, no matter what the bid is. A Scheduled Auction may be canceled before the start of the auction, i.e., when it is counting down to kick-off. After the auction begins, it cannot be stopped, canceled, or undone. Owners that initiate Scheduled Auctions should be prepared to sell their Works at the Starting Price, or at any price if no Starting Price is established.
- 8.2. **Reserve Auctions.** In a Reserve Auction, an Auction for Content is configured to automatically go live once a bid is received equal or greater to a public Reserve Price established by the Owner. Once the Reserve Price is met, the Auction is instantiated and configured to last for approximately 24-hours. The Work goes to the highest bidder at the end of the Auction.
- 8.3. **Timing of Auctions.** Once initiated, both Scheduled and Reserve Auctions last for a discrete window of time (between one hour and up to seven days for Scheduled Auctions and approximately 24 hours for Reserve Auctions). If a bid is placed within the last 15 minutes of an Auction, the auction time is extended by 15 minutes from the time of the bid to accommodate last-minute bids.
- 8.4. **Timed Auction Features May Be Subject to Error.** Timing is not such a simple or exact thing on the blockchain. Auction timers are not exact and only represent an approximate as to the start or end time remaining for a particular Auction. Participants should get their bids in as early as possible to ensure that they are processed by the Auction smart contract before the close of the Auction.
- 8.5. **Auction Fees and Royalties.** Animation.com applies the same fee structure to Works sold in Auctions as other methods. A 3% transaction fee is charged to the Buyer of the

Work, and on primary sales a 20% commission is charged to the Seller. Royalties are also still in effect for Works sold during an Auction. Customers who are selling Works that they didn't create (i.e., a Secondary Market Sale) will automatically be charged 10% of the total Sales Price payable to the Creator.

9. Smart Contracts

- 9.1. **Marketplace Transactions are Executed by Smart Contracts.** To initiate a transaction on the Animation.com Marketplace, a User must voluntarily invoke one or more Smart Contract operations from a Cardano Wallet. All transactions on the Animation.com Marketplace, including but not limited to transfers, offers, bids, listings, sales, or purchases of Animation.com Items are initiated through one or more Smart Contracts at the sole discretion and at the complete risk of the Users. The Smart Contracts are configured to facilitate the execution of a voluntary User offer, an acceptance of an offer, or other confirmation to buy, sell, bid on, list, or transfer an Animation.com Item. The User acknowledges the risk of Smart Contracts and agrees to be bound by the outcome of any Smart Contract operation by invoking, calling, requesting, or otherwise engaging with the Smart Contract, whether or not the Smart Contract behaves as the User expects.
- 9.2. **User Acknowledges the Risk of Smart Contracts and Blockchain Technology.** Animation.com Marketplace transactions, including but not limited to Primary Sales, Secondary Market Sales, listings, offers, bids, acceptances, and other operations through the Website use experimental smart contract and blockchain technology, including non-fungible tokens, cryptocurrencies, consensus algorithms, and decentralized or peer-to-peer networks and systems. Users acknowledge that those technologies are experimental, speculative, and inherently risky. Users acknowledge that the Animation.com Smart Contracts may be subject to bugs, malfunctions, timing errors, hacking and theft, or changes to the protocol rules of the Cardano blockchain (i.e., "forks"), which can adversely affect the Smart Contracts and may expose you to a risk of total loss, forfeiture of your digital currency or Animation.com Items, or lost opportunities to buy or sell Animation.com Items. Animation.com assumes no liability or responsibility for any such Smart Contract or related failures, risks, or uncertainties.
- 9.3. **Users Assume the Risk of Interacting with Smart Contracts.** Users acknowledge and assume the risk of initiating, interacting with, participating in Marketplace or Auction transactions and take full responsibility and liability for the outcome of any transaction they initiate, whether or not the smart contracts, the Animation.com Website, or other market participants behave as expected or intended. Users represent that they are knowledgeable, experienced, and sophisticated in using blockchain technology, the Animation.com Website, and in initiating Cardano-based transactions.
- 9.4. **No Attacking or Interfering with the Smart Contracts.** Users are forbidden from engaging in any attack, hack, denial-of-service attack, interference, or exploit of any Animation.com smart contract. Operations performed by a User that is technically permitted by a Animation.com smart contract may nevertheless be a violation of our agreement and the law.
- 9.5. **Animation.com Makes No Representations or Warranties.** Q Alpha makes no representations or warranties, express or implied, written or oral, made by or on behalf

of Animation.com in connection with it, including any representations or warranties of title, non-infringement, functionality, merchantability, usage, security, suitability or fitness for any particular purpose, workmanship, or technical quality of any Animation.com Item or work, smart contract code, or software.

- 9.6. **Q Alpha is Not Liable for the Outcome of Any Marketplace Transaction.** Q Alpha shall not be liable to you for contract, tort, or any other types of damages, including indirect, special, incidental, consequential, punitive, or exemplary damages arising out of or related to participation in or the outcome of a Marketplace transaction, whether or not Q Alpha has been advised or knew of the possibility of those damages. Q Alpha's liability for damages under this agreement will in all cases be limited to, and under no circumstances will exceed, the number of proceeds actually received by Q Alpha arising out of the damage after deducting all costs, fees, and liabilities incurred by or on Q Alpha's behalf.
- 9.7. **Q Alpha May Modify this Agreement and the Smart Contracts.** Q Alpha reserves the right, in its sole and absolute discretion, to amend, modify, alter, or supplement this agreement and the smart contracts accessible through the Animation.com Website from time to time.
- 9.8. **The Marketplace Smart Contracts Are Not Controlled by Q Alpha.** All Marketplace transactions are executed by one or more Smart Contracts processed on the Cardano Virtual Machine and not under any direct control by Q Alpha or any other third party. The User acknowledges that Q Alpha is not a party to any agreement or transaction between any Users involving the purchase, offer, sale, auction, or transfer of Animation.com Items, whether or not a commission or fee is received by Q Alpha as a consequence of the transaction. Items listed for sale on the Animation.com Marketplace are not offered on consignment or held in trust on behalf of any Creator, Customer, Owner, or User. Q Alpha reserves the right to execute Smart Contract transactions on the Animation.com Marketplace as a collector of Animation.com Items.
10. **Marketplace Conduct.** The Animation.com Marketplace is a transparent and open digital content Marketplace that depends on the honest participation of all Users.
 - 10.1. **Users are Prohibited from Manipulating Market Prices.** Users are expressly forbidden from accepting, soliciting, offering, bidding, engaging with the Smart Contracts, or otherwise transacting on or off of the Animation.com Platform with the intent to artificially devalue, inflate, or otherwise deceptively influence, misrepresent, or cause to be misrepresented the price of an Animation.com Item, groups of Animation.com Items, or Animation.com Items created by particular Creators.
 - 10.2. **Users are Prohibited from Bidding on, Making Offers on, or Buying Their Own Works.** Animation.com Creators, Owners, and Customers are expressly forbidden from bidding, buying, or making offers on their own listed or offered Animation.com Items, especially for the purpose of artificially influencing the price of the listed Item(s).
 - 10.3. **Users are Prohibited from Anticompetitive Conduct.** Users are generally forbidden from engaging in any deceptive conduct that may prevent competitive or fair bidding, artificially inflate or deflate the price of a Work, simulate demand for Work (i.e., "wash trading"), or any other anti-competitive bidding conduct including but not limited to

“puffing,” “chill bidding,” “skill bidding,” “sham bidding,” or “sock puppet bidding.”

- 10.4. **Users are Prohibited from Using the Marketplace to Conceal Economic Activity.** Users are expressly forbidden from selling Works, listing Items for Auction, making bids during an auction, buying a Work, or engaging in any other Marketplace transaction for the purpose of concealing economic activity, laundering money, financing human or sex trafficking, or financing terrorism. For example, Users are forbidden from using the Platform and any Smart Contract to conceal or transfer proceeds or assets relating to criminal activity or to pay for an Item for any other reason than to obtain the Item. All Users expressly represent and warrant by performing transactions involving the Animation.com Website or Smart Contracts that their actions are legal under United States law and the jurisdiction from which they initiate the transaction.
 - 10.5. **Users Must Report Suspicious Market Activity.** Users must report suspicious market activity of other Animation.com Users. If a User suspects that one or more Animation.com Users are in violation of this agreement, the User should promptly inform the Q Alpha team at contact@animation.com.
 - 10.6. **Violation of the Marketplace Code of Conduct May Result in Q Alpha Intervention.** The User acknowledges that any forbidden Marketplace conduct described in this agreement and elsewhere may be a violation of federal or state law or this agreement or both. Q Alpha reserves the right to completely or partially restrict or revoke a User’s access to the Website for violating this agreement. Q Alpha reserves the right to amend, rectify, edit, or otherwise alter Animation.com Market transaction data to mitigate market harm caused by a User’s violation of this agreement.
 - 10.7. **User Releases Q Alpha from Claims Arising from Other Users’ Violations of this Agreement.** The User irrevocably releases, acquits, and forever discharges Q Alpha and its subsidiaries, affiliates, officers, and successors from and against all past or future causes of action, suits, or controversies arising out of another User’s violation of this agreement.
11. **Ownership.** All works Minted on the Platform are subject to the Animation.com License, the terms of which are described below. All Users who receive an Animation.com Item agree to accept or buy the Item subject to the conditions of the License.
 - 11.1. **Ownership of a Animation.com Item.** Owning an Animation.com Item is similar to owning a piece of physical content. You own a cryptographic token representing the Creator’s creative Work as a piece of property, but you do not own the creative Work itself. Customers may show off their ownership of collected Animation.com Items by displaying and sharing the underlying Content, but Customers do not have any legal ownership, right, or title to any copyrights, trademarks, or other intellectual property rights to the underlying Content, excepting the limited license granted by this agreement to underlying Content. The Creator reserves all exclusive copyrights to Content underlying Animation.com Items Minted by the Creator on the Platform, including but not limited to the right to reproduce, to prepare derivative works, to display, to perform, and to distribute the Content.
 - 11.2. **The Customer’s Limited License to a Minted Work.** Owning an Animation.com Item is also different than owning a piece of physical content. Content on the Animation.com

Platform is digital, meaning that it is inherently easier to share, display, replicate, and distribute around cyberspace. While we encourage Customers to show off, promote, and share their collected Items, Customers shall not infringe on any of the exclusive rights of the copyright holder (i.e., the Creator). By Minting Items on the Platform, Creator hereby grants a limited, worldwide, non-assignable, non-sublicensable, royalty-free license to display the Content underlying Animation.com Items legally owned and properly obtained by the Customer.

- 11.3. **Customers May Display the Content.** The Customer’s limited license to display the Work, or perform the Work in the case of audiovisual works, includes, but is not limited to, the right to display or perform the Work privately or publicly: (i) to promote or share the Customer’s purchase, ownership, or interest in the Work, for example, on social media platforms, blogs, digital galleries, or other Internet-based media platforms; (ii) to share, promote, discuss, or comment on the Work; (iii) on third-party marketplaces, exchanges, platforms, or applications in association with an offer to sell, or trade, the Token associated with Work; and (iv) within decentralized virtual environments, virtual worlds, virtual galleries, virtual museums, or other navigable and perceivable virtual environments, including simultaneous display of multiple copies of the Work within one or more virtual environments.
- 11.4. **Customers Shall Not Make Commercial Use of Content.** Customers have the right to sell, trade, transfer, or use their Animation.com Items, but Customers must not make “commercial use” of the underlying Work including, for example, by selling copies of Work, selling access to the Work, selling derivative works embodying the Work, or otherwise commercially exploiting the Work.
- 11.5. **Other Restrictions on the Customer’s Limited License.** The Customer must not, nor permit any third party to, do or attempt to do any of the foregoing without the Creator’s express prior written consent in each case: (i) modify, distort, mutilate, or perform any other modification to the Work that would be prejudicial to the Creator’s honor or reputation; (ii) use the Work to advertise, market, or sell any third-party product or service; (iii) use the Work in connection with images, videos, or other forms of media that depict hatred, intolerance, violence, cruelty, or anything else that could reasonably be found to constitute hate speech or otherwise infringe on the rights of others; (iv) incorporate the Work in movies, videos, video games, or any other forms of media for a commercial purpose, except to the limited extent that that use is expressly permitted by this agreement or solely for Customer’s personal, non-commercial use; (v) sell, distribute for commercial gain, or otherwise commercialize merchandise that includes, contains, or consists of the Work; (vi) attempt to trademark, copyright, or otherwise acquire additional intellectual property rights in or to the Work; (vii) attempt to Mint, tokenize, or create an additional cryptographic token representing the same Work, whether on or off of the Animation.com Platform; (viii) falsify, misrepresent, or conceal the authorship of the Work or the Animation.com Item; or (ix) otherwise use the Work for the Customer’s or any third party’s commercial benefit.
- 11.6. **The Limited License Belongs Only to the Current Owner of an Animation.com Item.** The User acknowledges that the lawful ownership, possession, and title to an Animation.com Item is a necessary and sufficient condition precedent to receiving the limited license rights to the underlying Work provided by this agreement. Any later transfer, dispossession, burning, or another relinquishment of an Animation.com Item will

immediately terminate the former Owner's rights and interest in the license or Animation.com Item as provided by this agreement.

- 11.7. **The Creator's Rights and Restrictions.** The Creator owns all legal rights, titles, and interests in all intellectual property rights to creative Works underlying Animation.com Items Minted by the Creator on the Platform, including but not limited to copyrights and trademarks. As the copyright owner, the Creator enjoys several exclusive rights to the Work, including the right to reproduce, the right to prepare derivative works, the right to distribute, and the right to display or perform the Content. Subject to, and under this agreement, the Creator acknowledges that Minting a Work on the Platform constitutes an express and affirmative grant of the limited license rights to the Work to all later Owners of the Animation.com Item, as provided in this agreement.
 - 11.8. **Creator Must Not Mint Multiple Tokens for the Same Content.** Animation.com Items are *unique*, meaning that there should only ever be one digital token for a given Work of Content. Creator acknowledges that Minting a Work on the Platform constitutes an express representation, warranty, and covenant that the Creator has not, will not, and will not cause another to Mint, tokenize, or create another cryptographic token representing a digital collectible for the same Work, excepting, without limitation, the Creator's ability to Mint, tokenize, or create a cryptographic token or other digital asset representing a legal, economic, or other interest relating to any of the exclusive rights belonging to the Creator under copyright law.
 - 11.9. **Creator Grants Q Alpha a License to All Minted Works.** The Creator acknowledges that Minting a Work on the Platform constitutes an express and affirmative grant to Q Alpha, its affiliates, and successors a non-exclusive, worldwide, assignable, sublicensable, perpetual, and royalty-free license to make copies of, display, perform, reproduce, and distribute the Work on any media whether now known or later discovered for the broad purpose of operating, promoting, sharing, developing, marketing, and advertising the Platform, the Website, the Marketplace, or any other purpose related to the Animation.com Platform or business, including without limitation, the express right to: (i) display or perform the Work on the Website, a third-party platform, social media posts, blogs, editorials, advertising, market reports, virtual galleries, virtual environments, or to the public; (ii) create and distribute digital or physical derivative works based on the Work, including without limitation, compilations, collective works, and anthologies; (iii) indexing the Work in electronic databases, indexes, catalogues, the Smart Contracts, or ledgers; and (iv) hosting, storing, distributing, and reproducing one or more copies of the Work within a distributed file keeping system, node cluster, or other database or causing, directing, or soliciting others to do so.
 - 11.10. **User Releases Q Alpha from Copyright Claims.** The Creator and all Users irrevocably release, acquit, and forever discharge Q Alpha and its subsidiaries, affiliates, officers, and successors of any liability for direct or indirect copyright or trademark infringement for Q Alpha's use of a Work under this agreement, including without limitation, Q Alpha's solicitation, encouragement, or request for Users or third parties to host the Work to operate a distributed database and Q Alpha's deployment or distribution of a reward, a token, or any other digital asset to Users or third parties for hosting Works on a distributed database.
12. **Username Policies.** Animation.com's account names are available on a first-come, first-served

basis. Only one username can be assigned to a public Cardano wallet address. Usernames are not the User's intellectual property or personal property. Q Alpha reserves the absolute right to delete, modify, or change a username associated with a User's wallet address without notice for actually suspected violation of these policies.

- 12.1. **Username Squatting.** Q Alpha prohibits username squatting and the practice of reserving usernames for future use, especially where there is a likelihood that the username may confuse or mislead others. Users violating this name squatting policy may be removed or renamed without notice. Attempts to sell, buy, or solicit other forms of payment in exchange for usernames are prohibited and may result in permanent account suspension.
- 12.2. **Inactive Users.** Q Alpha prohibits reserving inactive accounts for future use. Q Alpha has the absolute authority to delete or modify inactive users. Users that have not conducted any transactions on the Animation.com Marketplace, collected any Animation.com Items, or initiated any transaction on the Cardano blockchain for six months may be deleted without notice.
13. **Copyright Infringement.** If you believe that any Animation.com Item on the Platform violates your copyright, please see our DMCA Policy for instructions on sending us a notice of copyright infringement.
 - 13.1. **Q Alpha has the Right to Remove Allegedly Infringing Content.** Q Alpha reserves the right to remove any Content that allegedly infringes another person's copyright or trademark rights, thereby restricting access to or visibility of the Work on the Website and restricting the Owner's ability to sell, access, or view the Work on the Marketplace. All transactions involving Animation.com Items are conducted with the knowledge and assumption of the risk that the Item may later be removed from the Animation.com Website and Marketplace as a consequence of a DMCA dispute or a User's violation of this agreement. Q Alpha will not be liable to a Customer or Creator of an Item that was later taken down by Q Alpha under a valid DMCA takedown notice or a determination of a User's violation of this agreement.
 - 13.2. **Q Alpha Has the Right to Terminate Repeat Infringers' Accounts.** Q Alpha implements a strict "repeat infringer" policy, which requires it to terminate a User's access to the Website and Smart Contracts, including restricting minting privileges and terminating a User's account if, under appropriate circumstances, the User is determined to be a repeat infringer. Q Alpha also reserves the right to restrict a Creator's account for reasons other than copyright infringement, such as but not limited to, minting obscene or hateful content or excessive or suspicious minting conduct. We may at any time, without prior notice and in our sole discretion, do one or more of the following: remove that material or terminate a User's account for submitting that material in violation of this agreement.
 - 13.3. **Infringers May Be Liable to Customers and Q Alpha.** Creators must refund to the Customer or Q Alpha or both the entire part of cryptocurrency received from the sale of an Animation.com Item that was later removed from the Website under an effective DMCA request to which the Creator failed to timely submit an effective DMCA counter-notification. Q Alpha, under any circumstance, will not be held liable to any Customer or User for removing allegedly infringing works from the Platform or otherwise fulfilling its

legal obligations under the DMCA.

- 13.4. **Users Must Cooperate with Q Alpha.** Creators, Customers, and all Users must cooperate and timely respond to Q Alpha’s investigations, requests, and inquiries related to DMCA disputes or allegations of infringement. Users must initiate a “burn” transaction on Q Alpha’s request for Works that have been permanently removed from the Animation.com Marketplace under a valid DMCA takedown notice or that are otherwise alleged to be infringing.
14. **Disclaimers and Limitations on Our Liability.** To the extent permitted by applicable law, Q Alpha and its officers, employees, directors, shareholders, parents, subsidiaries, affiliates, agents, and licensors disclaim all warranties, conditions, and representations of any kind, whether express, implied, statutory, or otherwise, including those related to merchantability, fitness for a particular purpose, non-infringement, and those arising out of course of dealing or usage of trade.
 - 14.1. **Q Alpha Makes No Representations or Warranties.** To the extent permitted by applicable law, Q Alpha and its affiliates make no representations or warranties about the accuracy or completeness of content available on or through the Website or about products, the value or title of Animation.com Items, or the content of any third-party websites or services linked to or integrated with our Website. Q Alpha and its affiliates will have no liability for any: (a) errors, mistakes, or inaccuracies of content; (b) personal injury or property damage resulting from your access to or use of the Website or consumption of any products; (c) any unauthorized access to or use of our servers or of any personal information or user data; (d) any interruption of transmission to or from the Website; (e) any bugs, viruses, Trojan horses, or the like that may be transmitted on or through the Website or services by any third party; (f) any loss or damage of any kind incurred as a result of the use of any content posted or shared through the Website or services; or (g) loss or damaged caused by another user’s violation of this agreement. To the extent permitted by law, our Company and its affiliates will not be responsible for lost profits, revenues, or data, financial losses, or indirect, special, consequential, exemplary, or punitive damages.
 - 14.2. **Limitation on Liability.** To the extent permitted by law, the total liability of our Company and its affiliates for any claims under this agreement, including any implied warranties, is limited to the total amount you paid to us in Fees over the past 12 months. Some jurisdictions do not allow the exclusion of certain warranties and limitations of liability provided in this Section. If you are in such a jurisdiction, some of the above limitations and disclaimers may not apply to you. To the extent we may not, as a matter of applicable law, disclaim any implied warranty, or limit our liabilities, the scope and duration of that warranty and the extent of our liability will be the minimum permitted by applicable law.
15. **Assumption of Risk**
 - 15.1. **User Acknowledges the Risk of Cryptocurrency and Smart Contracts.** You represent and warrant that you understand and are willing to accept the risks associated with cryptographic systems such as the Smart Contracts, the Cardano blockchain, non-fungible tokens, and the interplanetary file system. We will not be responsible or liable to you for any losses you incur as the result of your use of the Cardano network or the

Cardano electronic wallet, including but not limited to any losses, damages, or claims arising from: (a) user error, such as forgotten passwords or incorrectly construed Smart Contracts or other transactions; (b) server failure or data loss; (c) corrupted wallet files; (d) unauthorized access or activities by third parties, including but not limited to the use of viruses, phishing, brute-forcing, or other means of attack against the Platform, Cardano network, the Cardano electronic wallet, or Cardano-compatible browser or wallet.

- 15.2. **Q Alpha is Not Responsible for Technical Errors on the Cardano Blockchain.** Q Alpha is not responsible for losses due to blockchains or any other features of the Cardano network or the Cardano electronic wallet or any Cardano-compatible browser or wallet, including but not limited to late reports by developers or representatives (or no report at all) of any issues with the blockchain supporting the Cardano network, including forks, technical node issues, or any other issues having fund losses as a result. Upgrades by Cardano to the Cardano platform, a hard fork in the Cardano platform, or a change in how transactions are confirmed on the Cardano platform may have unintended, adverse effects on all blockchains using Cardano standards, including the Animation.com ecosystem.
- 15.3. **The User Acknowledges the Risks of the Platform.** You acknowledge that the Platform is subject to flaws and acknowledge that you are solely responsible for evaluating any code provided by the Platform. This warning and others provided in this agreement by Q Alpha in no way evidence or represent an ongoing duty to alert you to all of the potential risks of using or accessing the Platform. The Platform may experience sophisticated cyberattacks, unexpected surges in activity, or other operational or technical difficulties that may cause interruptions to or delays on the Platform. You agree to accept the risk of the Platform failure resulting from unanticipated or heightened technical difficulties, including those resulting from sophisticated attacks, and you will not hold us accountable for any related losses. We will not bear any liability for any damage or interruptions caused by any viruses that may affect your computer or other equipment, or any phishing, spoofing, or other attacks.
- 15.4. **Q Alpha Does Not Guarantee the Value or Title of Animation.com Items.** The prices of blockchain assets are extremely volatile. Fluctuations in the price of other digital assets could materially and adversely affect the value of your Animation.com Items, which may also be subject to significant price volatility. A lack of use or public interest in the creation and development of distributed ecosystems could negatively impact the development of the Animation.com ecosystem, and therefore the potential utility or value of Animation.com Items. The Platform, cryptocurrency, and digital assets could be impacted by one or more regulatory inquiries, regulatory actions, or legislative policies that could impede or limit the ability of Q Alpha to continue to develop the Animation.com Platform, or which could impede or limit your ability to access or use the Platform or Cardano blockchain. Animation.com Items may be encumbered by actual or possible copyright or trademark claims against the Item.
- 15.5. **User Acknowledges Finance Risk of Digital Assets.** Use of the Platform, including the creating, buying, or selling trading digital assets, may carry financial risk. Digital assets are, by their nature, highly experimental, risky, volatile and transactions carried through the Platform are irreversible, final, and there are no refunds. You acknowledge that you will access and use the Platform at your own risk. The risk of loss in trading digital assets

can be substantial. You should, therefore, carefully consider whether creating, buying, or selling digital assets is suitable for you in light of your circumstances and financial resources. By using the Platform, you state that you have been, are, and will be solely responsible for making your own independent appraisal and investigations into the risks of a given transaction and the underlying digital assets. You state that you have sufficient knowledge, market sophistication, professional advice, and experience to make your own evaluation of the merits and risks of any transaction conducted via the Platform or any underlying digital asset. You accept all consequences of using the Platform, including the risk that you may lose access to your digital assets indefinitely. All transaction decisions are made solely by you. Notwithstanding anything in this agreement, we accept no responsibility for and will in no circumstances be liable to you in connection with the use of the Platform for performing digital asset transactions. Under no circumstances will the operation of any part of the Platform be deemed to create a relationship that includes the provision or tendering of investment advice.

16. Arbitration Agreement and Waiver of Certain Rights, Including Class Actions. Please read this Section carefully because it limits certain rights, including the right to maintain a court action, the right to a jury trial, the right to participate in any form of class or representative claim, the right to engage in discovery except as provided in the arbitration rules, and the right to certain remedies and forms of relief. Other rights that you or Q Alpha would have in court also may not be available in arbitration.

16.1. Arbitration. As the exclusive means of initiating adversarial proceedings to resolve any dispute arising out of or relating to the Website or this agreement, a party may demand that any such dispute be resolved by binding arbitration administered by the Arbitration Resolution Services, Inc. (ARS) (or a similar online dispute resolution provider if ARS is not available) under its rules available at www.arbresolutions.com, and each party hereby consents to any such dispute being so resolved. The arbitrator, and not any federal, state, or local court or agency, will have exclusive authority to resolve all disputes arising out of or relating to the interpretation, enforceability, or formation of this agreement, including any claim that all or any part of this agreement is void or voidable. Each party will be responsible for paying any filing, administrative, and arbitrator fees associated with the arbitration. The arbitrator may grant whatever relief that would be available in a court at law or in equity, except that the arbitrator must not award punitive or exemplary damages, or damages otherwise limited or excluded in this agreement. The arbitrator's award will include costs of arbitration, reasonable legal fees, and reasonable costs for expert and other witnesses. Judgment on any award rendered in any such arbitration may be entered in any court having jurisdiction. Unless required by law, neither a party nor an arbitrator will disclose the existence, content, or results of any arbitration under this agreement without the advance written consent of both parties.

16.2. Recovery of Expenses. In any proceedings between the parties arising out of this agreement or relating to the subject matter of this agreement, the Prevailing Party will be entitled to recover from the other party, besides any other relief awarded, all expenses that the Prevailing Party incurs in those proceedings, including legal fees and expenses. For purposes of this Section, "**Prevailing Party**" means, for any proceeding, the party in whose favor an award is rendered, except that if in those proceedings the award finds in favor of one party on one or more claims or counterclaims and in favor of the other party on one or more other claims or counterclaims, neither party will be the

Prevailing Party. If any proceedings are voluntarily dismissed or are dismissed as part of the settlement of that dispute, neither party will be the Prevailing Party in those proceedings.

- 16.3. **Jury Trial Waiver.** Each party waives its right to a jury trial in proceedings arising out of or relating to this agreement. Either party may enforce this waiver up to and including the first day of trial.
- 16.4. **Class Action Waiver.** All claims must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding, and, unless we agree otherwise, the arbitrator will not consolidate more than one person's claims. Both parties acknowledge that each party is waiving the right to participate in a class action.
- 16.5. **Limitation on Time to Bring Claims.** A party will not file a claim arising out of or relating to the Website or this agreement more than one year after the cause of action arose. Any claim brought after one year is barred.

17. General

- 17.1. **This Agreement May Change.** This agreement may be discretionarily modified or replaced at any time unless stated otherwise in this agreement. The most current version of this agreement will be posted on the Website with the "Last Updated" date at the top of the agreement changed. Any changes or modifications will be effective immediately on posting the revisions to the Website. You will be responsible for reviewing and becoming familiar with any such modifications. You waive any right you may have to receive specific notice of those changes or modifications. Use of the Platform by you after any modification to the agreement constitutes your acceptance of the agreement as modified. If you do not agree to the agreement in effect when you access or use the Platform, your sole remedy is to stop Platform. We may, at any time and without liability or prior notice, modify or discontinue all or part of the Platform (including access to the Platform via any third-party links).
- 17.2. **The Smart Contracts May Change.** The User acknowledges that Q Alpha may modify, change, amend, or replace one or more of the Smart Contracts from time to time. The User acknowledges that a modification to one or more of the Smart Contracts does not alter any right or obligation conferred by this agreement.
- 17.3. **Confidentiality of Certain Communications.** Users may voluntarily contact Q Alpha to report serious misuses of the Animation.com Platform including, for example, suspicious market activity, hate speech, or other serious violations of this agreement. User must keep confidential all private correspondence with any members of the Animation.com Team pertaining to another member's alleged violation of this agreement or other inquiries about Animation.com's policies.
- 17.4. **Indemnification.** You must indemnify and hold harmless our Company and its affiliates from and against all claims, costs, proceedings, demands, losses, damages, and expenses (including, without limitation, reasonable attorney's fees and legal costs) of any kind or nature, arising from or relating to, any actual or alleged breach of this agreement by you, a co-conspirator, or anyone using your account. If we assume the defense of such a

matter, you will reasonably cooperate with us in that defense.

- 17.5. **Severability.** If any provision of this agreement is found to be unlawful or unenforceable, then that provision will be deemed severable from this agreement and will not affect the enforceability of any other provisions.
- 17.6. **Termination.** You may terminate this agreement at any time by canceling your account on the Platform and discontinuing your access to and use of the Platform. You will not receive any refunds if you cancel your account or otherwise terminate this agreement. You acknowledge that we, in our sole discretion and for any or no reason, may terminate this agreement and suspend or terminate your account(s) from the Platform. You acknowledge that any suspension or termination of your access to the Platform may be without prior notice and that we will not be liable to you or to any third party for any such suspension or termination. If we terminate this agreement or suspend or terminate your access to or use of the Platform due to your breach of this agreement or any suspected fraudulent, abusive, or illegal activity, then termination of this agreement will be in addition to any other remedies we may have at law or in equity. On any termination or expiration of this agreement, whether by you or us, you may no longer have access to information that you have posted on the Platform or that is related to your account, and you acknowledge that we will have no obligation to maintain any such information in our databases or to forward any such information to you or to any third party.
- 17.7. **No Assignment.** Neither party may assign or transfer any rights or obligations under this agreement without the prior written consent of the other party, except that Q Alpha may assign this agreement without your prior consent to any of Q Alpha's affiliates, or to its successors in interest of any business associated with the services provided by Q Alpha. This agreement is binding on the permitted assigns or transferees of each party.
- 17.8. **Entire Agreement.** This agreement constitutes the entire agreement between the parties regarding its subject matter and supersedes and invalidates all other earlier representations, arrangements, understandings, and agreements relating to the same subject matter (whether oral or in writing, express or implied). Each party acknowledges that in agreeing to this agreement it does not rely on any statement, representation, warranty, or understanding other than those expressly set out in this agreement.
- 17.9. **No Waivers.** Our failure or delay to exercise or enforce any right or provision of this agreement will not constitute or be deemed a waiver of future exercise or enforcement of that right or provision. The waiver of any right or provision of this agreement will be effective only if in writing and signed for and on behalf of us by a duly authorized representative.
- 17.10. **Governing Law and Jurisdiction.** North Carolina law governs this agreement without giving effect to any conflict of laws rules or provisions. You agree that any action of whatever nature arising from or relating to this agreement, the Website, or our Platform will be filed only in the state or federal courts in Wake County, North Carolina. You consent and submit to the personal jurisdiction of those courts for any such action.