

## THE BEACHBODY CHALLENGE® 2016 - 2017 QUARTERLY CONTEST OFFICIAL RULES SPONSORED BY: BEACHBODY, LLC

**1.** Quarterly Contest Periods. The Beachbody Challenge 2016 – 2017 Quarterly Contest ("Quarterly Contest" or "Contest") Period begins at 12:00 AM Pacific Time ("PT") on April 1, 2016 and ends at 11:59 PM PT on March 31, 2017 ("Contest Period").

There are four (4) Quarterly Contest Periods within the Contest Period: the Summer 2016 Quarterly Contest Period begins on April 1, 2016 at 12:00 AM PT and ends on June 30, 2016 at 11:59 PM PT; the Fall 2016 Quarterly Contest Period begins on July 1, 2016 at 12:00 AM PT and ends on September 30, 2016 at 11:59 PM PT; the Winter 2016 Quarterly Contest Period begins on October 1, 2016 at 12:00 AM PT and ends on December 31, 2016 at 11:59 PM PT; and the Spring 2017 Quarterly Contest Period begins on January 1, 2017 at 12:00 AM PT and ends on March 31, 2017 at 11:59 PM PT (each, a "Quarterly Contest Period"). Beachbody, LLC's ("Sponsor") computer is the official time-keeping device for the Contest Period and each Quarterly Contest Period.

2. Quarterly Contest Description. During each Quarterly Contest Period, individuals will have submitted photographs, essay answers, and other materials in The Beachbody Challenge 2016 - 2017 Monthly Contest ("Monthly Contest") pursuant to the Monthly Contest Official Rules. At the end of each Quarterly Contest Period, subject to the terms herein, each winner of a Monthly Transformation Prize during that same Quarterly Contest Period will be automatically entered into that applicable Quarterly Contest. For example, a winner of a Monthly Transformation Prize in the Monthly Contest occurring in November will be entered in the Winter 2016 Quarterly Those winners will be separated into two groups, male and female, and their submission materials will be posted online (accessible via The Beachbody Challenge website located at www.BeachbodyChallenge.com or on The Beachbody Challenge Facebook page located at https://www.facebook.com/BeachbodyChallengeContest/) for a period of one week (seven days) (each, a "Voting Period"). During the Voting Period, the Team Beachbody® community on Facebook will vote for the Quarterly Contest Entry (defined below) in each category that exemplifies the best and most compelling transformation. Subject to the terms and conditions herein, the Quarterly Contest Entry in each category in each Quarterly Contest Period that receives the most votes will be the potential winner of a Quarterly Contest Prize which includes \$5,000 (U.S. Dollars) and a trip to Los Angeles, California.

The complete Official Rules for The Beachbody Challenge 2016 – 2017 Monthly Contest and The Beachbody Challenge 2016 – 2017 Grand Prize Contest may be found at www.BeachbodyChallengeContest.com.

- 3. Who Will Be Entered? Each Contestant who is awarded a Monthly Transformation Prize in a Monthly Contest ("you" or "Contestant") will automatically have his or her winning Monthly Contest submission materials, including all photos, essays, and other material ("Quarterly Contest Entry"), entered in the applicable Quarterly Contest during which they qualify. For example, a winner of a Monthly Transformation Prize in the Monthly Contest occurring in November 2016 will automatically have his or her winning Monthly Contest submission materials, including all photos, essays, and other material entered in the Winter 2016 Quarterly Contest. Winners of any Quarterly Contest are not eligible to win and will not be entered in subsequent Quarterly Contests. All Quarterly Contest entrants remain eligible to compete in The Beachbody Challenge 2016 2017 Grand Prize Contest.
- 4. When and How Will the Quarterly Contest Voting be Conducted? At the end of each Quarterly Contest Period, all Quarterly Contest Entries applicable to that Quarterly Contest Period will be sorted by Sponsor into two (2) categories, one (1) male and one (1) female category, and posted online (either on the Beachbody Challenge website or the Beachbody Challenge Facebook page, accessible at the URLs listed above in Section 2) during the applicable Voting Period. Quarterly Contest Entries will be posted by 12:00 PM PT on or around the last Monday of the month following each Quarterly Contest Period. Summer 2016 Quarterly Contest Entries will be posted on or around July 25, 2016 at 12:00 PM PT. Fall 2016 Quarterly Contest Entries will be posted on or around October 31, 2016 at 12:00 PM PT. Winter 2016 Quarterly Contest Entries will be posted on or around January 30, 2017 at 12:00 PM PT. Spring 2017 Quarterly Contest Entries will be posted on or around April 24, 2017 at 12:00 PM PT. All dates and times are subject to change in Sponsor's sole and absolute discretion.

During the applicable Voting Period, members of the Team Beachbody community will be able to log in to their Team Beachbody Club accounts to view and vote for the Quarterly Contest Entry in each category that they believe exemplifies the best and most compelling overall transformation. Team Beachbody community users will be eligible to vote for their top pick in each category (i.e., one (1) male and one (1) female) each day of the Voting Period during each Quarterly Contest Period.

The Quarterly Contest Entry in each category that receives the highest number of votes during the Voting Period in each Quarterly Contest Period will be named the potential winners for the applicable Quarterly Contest. Sponsor reserves the right to modify how the voting is conducted at any time, in Sponsor's sole and absolute discretion.

**Tie Breaker:** In the event of a tie in either category, the potential winner(s) will be determined based on the highest ranking total scores achieved by the tied entrants pursuant to the Monthly Contest judging criteria in the Monthly Contest in which they were judged winners.

Potential winners of a Quarterly Contest will be announced by Sponsor at The Beachbody Challenge website at <a href="www.BeachbodyChallengeContest.com">www.BeachbodyChallengeContest.com</a> approximately 1 week following completion of the applicable Voting Period and will be subject to Sponsor's verification. To the extent they have not already done so, potential winners of a Quarterly Contest will be required to sign and return a W-9 tax form (or W-8BEN tax form for non-US residents), and an affidavit of eligibility and liability/publicity release within seven (7) days of notice or attempted notice. If a potential Quarterly Contest Winner fails to sign and return the W-9 (or W-8BEN) and affidavit of

eligibility and liability/publicity release within the required time period, the prize will be forfeited and it will be awarded to an alternate, potential winner receiving the second highest number of votes in the applicable category for the applicable Quarterly Contest Period, as determined by Sponsor in its sole discretion.

## 5. What are the Quarterly Prizes?

Contestant Quarterly Prize: There will be two (2) potential winners in each Quarterly Contest Period, one (1) male and one (1) female, who will each be awarded a prize consisting of (A) \$5,000 (U.S. Dollars), and (B) a three day, two night trip to Los Angeles, California, the exact dates of which will be scheduled upon mutual agreement of the winner and Sponsor, but in no event later than three (3) months after being notified of winning such prize. The trip to Los Angeles includes the following, as provided by Sponsor in its sole discretion: two (2) roundtrip coach airfare tickets (for the Quarterly Contest Prize Winner and one travel companion selected by the Quarterly Contest Prize Winner) from the gateway airport near the Quarterly Contest Prize Winner's place of actual residence to Los Angeles; three (3) nights lodging accommodations for two (in one room) at a local hotel chosen by Sponsor; reasonable ground transportation to and from the airport; \$200.00 (U.S. Dollars) total per diem for food and miscellaneous expenses; a testimonial shoot and/or photo shoot for potential use in the Official Beachbody Success Story Video; a tour of Beachbody's headquarters; and a choice of two (2) tickets to select local events (with options to be provided by Sponsor). Expenses, fees or other costs that are not expressly stated above, including any and all applicable incidental costs, room costs (including room service, mini bar charges, dry cleaning, Internet, etc.), planning costs and/or other expenses, taxes, fees, activities, excursions, insurance premiums or other costs arising from or related to alternative or extended travel plans, are not included, and are the sole responsibility of the Quarterly Contest Prize Winner and his or her companion. Sponsor reserves the right to determine the airline and airport of return and departure. If winner lives within two hundred (200) miles of Los Angeles, CA, Sponsor will substitute air transportation with ground transportation between the Quarterly Contest Prize Winner's residence and hotel in the destination city, and the difference in value will not be awarded.. Sponsor will book the Quarterly Contest Prize Winner's and his/her travel companion's travel arrangements and hotel accommodations. Prize will be awarded pending verification. Each winner and companion must be available for travel on the agreed upon dates, or the prize will be forfeited. Approximate retail value: \$3,500.00. Actual retail value may vary depending on the location of the Quarterly Contest Prize Winner's residence and may fluctuate due to market conditions, changes in value of components (e.g., air transportation and hotel rates), and other reasons.

Travel companions of a Quarterly Contest Prize Winner will be required to sign and return a publicity/liability release, and if Travel Companion is a minor, his or her parent or legal guardian must sign and return a publicity/liability release on the minor's behalf. Failure to comply with this requirement may result in forfeiture of such companion's ability to participate in any trips or rewards awarded herein, in Sponsor's sole and absolute discretion.

Optional Quarterly Personally Sponsored Coach Award: In the event that a Quarterly Contest Prize Winner elected to answer the personally sponsoring coach question in the Monthly Contest in the affirmative, the Quarterly Contest Prize Winner's personally sponsoring coach will, subject to verification by Sponsor, receive \$1,000 (U.S. Dollars). In the event the winning Contestant has changed his or her Coach, the individual who was the Contestant's personally sponsored Coach at the time of entry will win the Coach award. In order to receive this award, the personally sponsoring Coach must be current with all Coach Business Service Fees, in good standing, and in compliance with the Independent Team Beachbody Coach

Policies and Procedures at all times during the Contest Period and at the time any potential prize is awarded. Such personally sponsoring Coaches will be notified by phone or email and will be required to sign and return to Sponsor, within seven (7) days of notice or attempted notice, a liability/publicity release. Failure to comply with this requirement will result in forfeiture of the monetary award.

Expenses, taxes, fees, insurance, or other costs that are not expressly stated above are not included in any reward and are the sole responsibility of the winner. Prizes are not transferable. No prize substitutions are allowed except at the sole discretion of Sponsor, who reserves the right to substitute a reward of equal or similar value. Sponsor will not replace any lost or stolen prizes. You agree to reimburse Sponsor for any prize fraudulently obtained by you. Any and all applicable federal, state, and local taxes and all fees and expenses related to acceptance and use of any prize not specifically stated herein are the sole responsibility of the individual prize winner.

- 6. Release: YOU UNDERSTAND, ACKNOWLEDGE AND AGREE THAT YOUR PARTICIPATION IN THE CONTEST AND/OR YOUR RECEIPT OF ANY TRIP OR REWARD HEREIN (INCLUDING WITHOUT LIMITATION, AND IF APPLICABLE, PARTICIPATION IN ANY EXERCISE, WORKOUTS OR OTHER PHYSICAL ACTIVITIES, TRIPS, SPORTS, DANCING, AND CONSUMPTION OF MEALS AND ALCOHOL) (COLLECTIVELY, "ACTIVITIES") MAY HAVE POTENTIALLY SIGNIFICANT AND INHERENT RISKS AND DANGERS THAT NO AMOUNT OF CARE, CAUTION, INSTRUCTION, OR EXPERTISE CAN ELIMINATE. YOU HEREBY ACKNOWLEDGE AND WILLINGLY, EXPRESSLY AND VOLUNTARILY ASSUME ALL THESE RISKS WHICH MAY RANGE FROM MINOR INJURIES (SUCH AS NAUSEA, CUTS AND BRUISES) TO SEVERE PERSONAL AND/OR BODILY INJURY (SUCH AS SPRAINS, BROKEN BONES, CRIMES, ALCOHOL POISONING AND HEART ATTACK), DEATH OR DAMAGE TO OR LOSS OF PROPERTY OR PRIVACY, AND ANY RESULTING DAMAGES OR YOU AGREE THAT YOU WILL NOT PARTICIPATE OR BE INVOLVED IN THE EXPENSES. ACTIVITIES UNLESS YOU ARE IN THE PROPER PHYSICAL CONDITION (INCLUDING BY OBTAINING PROPER ADVICE FROM YOUR MEDICAL PROVIDER IF APPLICABLE) AND WILL IMMEDIATELY STOP ANY ACTIVITY IF YOU FEEL PAIN, DIZZINESS OR OTHER DISCOMFORT. BY PARTICIPATING IN THE CONTEST OR TRIP IN ANY WAY, OR RECEIVING ANY OTHER REWARD HEREIN, TAKING PART IN ANY ACTIVITIES, OR ACCEPTING ANY REWARD THAT MAY BE AWARDED, YOU AGREE TO RELEASE AND HOLD HARMLESS BEACHBODY, LLC, TEAM BEACHBODY AND THEIR RESPECTIVE PARENT COMPANIES, SUBSIDIARIES, AFFILIATES, SUPPLIERS, DISTRIBUTORS, ADVERTISING/PROMOTION AGENCIES, AND REWARD SUPPLIERS, AND EACH OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS (COLLECTIVELY, THE "RELEASED PARTIES"), AND FACEBOOK, FROM AND AGAINST ANY CLAIM OR CAUSE OF ACTION, INCLUDING, BUT NOT LIMITED TO, PERSONAL INJURY, DEATH, OR DAMAGE TO OR LOSS OF PROPERTY OR PRIVACY ARISING OUT OF YOUR PARTICIPATION IN THE CONTEST AND/OR TRIP, THE ACTIVITIES, RECEIPT OR USE OR MISUSE OF ANY REWARD THAT MAY BE AWARDED, OR ANY PUBLICITY ARISING OUT OF THE CONTEST AND/OR TRIP.
- 7. Your Content; License: By uploading or submitting any Entry, including any information, text, images, audio, video, and any other content (collectively, "Your Content") and otherwise entering the Contest, you represent that (a) the Entry and Your Content is truthful, original to you, and does not contain any material that would defame or otherwise violate or infringe upon the rights of any third party, including any patent, trademark, publicity, privacy, moral, trade secret, copyright and/or other proprietary rights, and does not violate any applicable federal, state or local laws or ordinances, (b) you own or have the necessary licenses, rights, consents and permissions to use and allow the use of the Entry and Your Content, including any and all patent, trademark, publicity, privacy, moral, trade secret, copyright, and/or other proprietary rights therein, and (c) you have the written consent, release, and/or permission of each and every identifiable person in the Entry and Your Content to use such person's name or likeness

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Further, by making or submitting any Entry and Your Content, you expressly grant the Released Parties a perpetual, worldwide, royalty-free, sublicensable, and transferrable right and license to host, store, modify, use, distribute, reproduce, excerpt, adapt, prepare derivative works of, publicly perform and display, publish, and make any other use of your Entry and Your Content in any and all media now known or hereinafter devised, as determined by Sponsor in its sole discretion. This includes, but is not limited to, the right and license to modify, use, distribute, reproduce, excerpt, adapt, prepare derivative works of, publicly perform and display, publish and make any other use of the Entry and Your Content and all aspects thereof: (a) in and in connection with any product, recording, video, advertisement, infomercial, or any advertising or promotional material; and (b) on Beachbody.com, TeamBeachbody.com, or any other website or webpage owned, operated by or related to Sponsor. You grant Sponsor the right and license to use the Entry and Your Content and all aspects thereof, as set forth herein, in any way Sponsor determines whether with or without providing any attribution or compensation to you, except where prohibited by law. Notwithstanding the foregoing, you expressly acknowledge and agree that nothing herein shall require Sponsor to utilize any portion of Your Content. You agree to indemnify and hold harmless the Released Parties from and against all third party trademark, copyright, intellectual property, right of publicity or other claims arising out of the use of the Entry and Your Content.

- 8. Publicity; Marketing: Except where prohibited by law, participation in a Quarterly Contest and The Beachbody Challenge 2016 – 2017 constitutes your express and irrevocable consent to Sponsor's and its agents' worldwide use of Your Content, including without limitation your name, likeness, photographs, essay question answers, voice, opinions, biographical details and any other information you may submit or Sponsor may obtain in connection with your Entry for promotional, marketing and trade purposes in any media now known or hereafter discovered, without further payment or consideration; including, without limitation, placement on The Beachbody Challenge website and creation of promotional videos featuring the winners. In addition, except where prohibited by law, participation in the Quarterly Contest and The Beachbody Challenge 2016 - 2017 constitutes your consent to Sponsor's contacting you at a later date to inquire further and potentially gain more information about your transformation story. Further, as outlined above, participation in any Quarterly Contest constitutes your consent to have your Entry and Your Content, including all photos, video, statistics, essays or other materials, submitted to the Beachbody community for review and voting in the Quarterly and Grand Prize contests. You expressly acknowledge and agree that your Entry and Your Content will be accessible by others and that there is no confidentiality or privacy with respect to your Entry and Your Content. In addition, the information provided by you in your Entry may be used by Sponsor for the purpose of delivering its products and services, to inform you of other products or services available, or to contact you about your opinion of current and new products and services that may be offered. We may use your contact information in order to send you promotional e-mails, postal mail or other communications regarding products or services we may offer. Please see our Privacy Policy found at the bottom of our websites for more information about how we may use your information.
- **9.** <u>General Conditions</u>: Winning or accepting any prize that may be awarded in the Quarterly Contest is contingent upon fulfilling all tax, regulatory, and legal obligations (including completion of any forms required in connection therewith) and any other requirements set forth in these Official Rules, which shall all be at Contestant's sole obligation. To the extent the prize includes a trip of any nature, potential winners must be available on the dates of such trip or the

prize is forfeited. Winners are solely responsible for any and all federal, state, and local taxes and subject to all applicable federal, state, and local laws and regulations. Void in any country outside of the United States of America and Canada, and where prohibited by law. The submitting of an Entry confirms your full and unconditional agreement to these Official Rules and Sponsor's decisions, which are final and binding in all matters related to the Contest. Winning a prize is contingent upon fulfilling all requirements set forth herein. Sponsor reserves the right to cancel, suspend, and/or modify the Contest and/or extend or delay the submission periods, voting periods, judging periods, winner announcements, prize awards, or any part of thereof for any reason, due to force majeure (e.g. an act of war or terror), or if any other factor beyond Sponsor's reasonable control impairs the integrity or proper functioning of the Contest in any manner, or for any reason related to the administration of the Contest, as determined by Sponsor in its sole discretion.

In the event the Contest is not capable of running as planned, including due to infection by computer virus or bugs, tampering, unauthorized intervention, fraud, technical failures, or any other causes beyond the control of Sponsor, which corrupt or affect the operation, administration, security, fairness, integrity or proper conduct of the Contest, Sponsor may, in its sole and absolute discretion and without any fault or liability, void any suspect entries and (a) cancel the Contest; (b) modify the Contest or suspend the Contest to address the impairment and then resume the Contest in a manner that best conforms to the spirit of these Official Rules; and/or (c) award the prize from among the eligible, non-suspect Entries received up to the time of the impairment in accordance with the criteria in these Official Rules. Sponsor reserves the right in its sole discretion to disqualify any individual it finds to be involved with tampering with the Entry process or the operation of the Contest, or to be acting in violation of these Official Rules or any other Sponsor promotion, or in an unsportsmanlike or disruptive manner. Sponsor's failure to enforce any provision or term of these Official Rules shall not constitute a waiver of that provision or any other provision herein. You acknowledge that the Contest is in no way sponsored, endorsed or administered by, or associated with, Facebook, and that any information or data which you may provide in connection with the Contest or these Official Rules is being provided to Sponsor, and not Facebook.

Contestants are prohibited from obtaining votes by any fraudulent or inappropriate means, including, without limitation, offering prizes or other inducements to prospective voters, as determined by Sponsor in its sole discretion. Use of "dummy" accounts, scripts, macros or any fraudulent or automated system to vote or with the intent to impair the integrity of the voting process is prohibited and all such votes will be void. Sponsor reserves the right, in its sole and unfettered discretion, to nullify all votes obtained via such means and to disqualify contestants who are associated from further voting or participation in the Contest.

10. <u>Limitations of Liability</u>: You recognize and agree that the Released Parties are not responsible for: (1) any injury to you or any other party, and any other personal or property damage that may be caused or that may occur as a result of your attempting to create the Submission Materials; (2) any incorrect or inaccurate information, whether caused by entrants, printing errors, or by any of the equipment or programming associated with or utilized in the Contest; (3) technical failures of any kind, including, but not limited to, malfunctions, interruptions, or disconnections in phone lines, cable connections, or network hardware or software; (4) technical or human error which may occur in the administration of the Contest or the processing of entries, prize notification, and/or winner confirmation; (5) any lost, late, delayed, corrupted, undelivered, or undeliverable Contest Entry or prize notification; or (6) any injury or damage to persons or property which may be caused, directly or indirectly, in whole or in part, from Contestant's participation in the Contest, or receipt or use or misuse of any prize

that may be awarded. If for any reason an Entry is confirmed to have been erroneously deleted, lost, or otherwise destroyed or corrupted, Contestant's sole remedy is another Entry in the Contest, provided that if it is not possible to award another Entry due to discontinuance of the Contest, none shall be awarded.

BY PARTICIPATING IN THE CONTEST, YOU AGREE THAT THE RELEASED PARTIES WILL NOT BE RESPONSIBLE OR LIABLE FOR ANY INJURIES, DAMAGES, OR LOSSES OF ANY KIND, AND IN NO EVENT SHALL THE RELEASED PARTIES BE LIABLE FOR SPECIAL. INDIRECT, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL, PUNITIVE, OR ENHANCED DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE CONTEST OR YOUR PARTICIPATION IN THE CONTEST, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT SPONSOR WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED. YOU AGREE THAT THESE LIMITATIONS WILL SURVIVE AND APPLY EVEN IF ANY REMEDY IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. BECAUSE SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY. WITHOUT LIMITING THE FOREGOING, SPONSOR'S TOTAL CUMULATIVE LIABILITY TO YOU FOR ANY CLAIMS, JUDGMENTS AND/OR AWARDS ARISING OUT OF THIS CONTEST, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY UPON WHICH THE CLAIM IS BASED, WILL BE LIMITED TO AND WILL NOT EXCEED USD \$250.

- **11.** <u>Disputes</u>: The dispute resolution, binding individual arbitration and waiver of class actions and class arbitration terms in Section 9 of the Beachbody Terms and Conditions apply to this Contest. For U.S. residents, those terms may be found <u>here</u>; for Canadian residents, those terms may be found <u>here</u>.
- **12.** <u>Privacy Policy</u>: Entries are subject to Sponsor's Privacy Policy accessed through the bottom of <u>www.Beachbody.com</u>, <u>www.TeamBeachbody.com</u>, or as otherwise posted and updated on Sponsor's Web site.
- **13.** Winner's List and Rules: For a winners' list and/or a copy of these Official Rules, send a hand-printed, self-addressed, stamped envelope to: The Beachbody Challenge 2016 2017 Quarterly Contest, 3301 Exposition Blvd., 3<sup>rd</sup> Floor, Santa Monica, California 90404. Winners' list requests must be received by December 31, 2017.
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Issued: April 1, 2016