



Official 2012 Competition Rules and Regulations

By entering the 2012 Creative Core Emerging Business Competition (“**Competition**”), each participant agrees to be bound by these Official 2012 Competition Rules and Regulations (the “**Rules**”). The Competition commences at 10:00 a.m. Eastern Standard Time (“**EST**”) on October 17, 2012 and ends on the date a winner is selected (the “**Competition Period**”). The Competition is sponsored and the award is provided by the Sponsors (as described below). The 2012 Competition is administered by the CenterState Corporation for Economic Opportunity (the “**CEO**”), hereinafter also referred to as the “**Administrator**.”

Eligibility: The Competition is open only to sole proprietorships, partnerships, corporations and limited liability companies (i) having a principal place of business or head office located in Central Upstate New York throughout the Competition Period; (ii) having, together with all of its Affiliates, less than \$5 million in Revenues for the last fiscal year; and (iii) having throughout the Competition Period, at least fifty percent (50%) of its employees accounted for on the company’s books and records, including all Affiliates, as full-time employees in a work facility located in Central Upstate New York.

For the purposes of the Competition: (i) “**Central Upstate New York**” shall mean the New York State counties of Cayuga, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, Seneca, St. Lawrence, and Tompkins; (ii) “**Affiliates**” shall mean any person or entity that directly, or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the entrant; and (iii) “**Revenues**” shall mean sales, royalties, fees, grants and awards. A business meeting all of the criteria set forth in this section to the satisfaction of the Administrator, in its sole discretion, is hereinafter referred to as an “**Entrant**”.

How to Enter: During the Competition Period, each Entrant must submit an online application at <http://www.creativecoreny.com> or www.thetechgarden.com, which will include a request for such Entrant’s name, address, telephone number, and e-mail address. In addition, each Entrant must respond to certain questions (the “**Competition Questions**”). An entry fee of \$150 (the “**Entry Fee**”) must be paid via check or money order made out to the Metropolitan Development Foundation and mailed to:

New York’s Creative Core \$200,000 Emerging Business Competition

c/o CenterState Corporation for Economic Opportunity
572 S. Salina St
Syracuse, NY 13202

All entries and Entry Fees must be received by 5:00 p.m. EST on January 20, 2012. Entries that are not received on or before such time will not be accepted. All entries become property of the Administrator and will not be returned. The Administrator will acknowledge receipt of each submitted entry and Entry Fee. Late, lost, delayed, damaged, misdirected, incomplete, illegible or unintelligible entries will not be accepted. Sponsors and the Administrator are not responsible for any problems or technical malfunction of any telephone network or lines, computer online systems, servers, service providers, computer equipment, or software, failure of any e-mail or entry received by the Administrator on account of technical problems or traffic congestion on the Internet, problems with any Administrators' website, or any combination thereof, including any injury or damage to Entrant's or any other person's computer resulting from downloading any materials in connection with the Competition. There is a limit one (1) entry per business (including all Affiliates). Additional, multiple, and/or mechanically generated entries will be disregarded and may result in disqualification from the Competition. The Administrator will return the Entry Fee for all unaccepted, unprocessed or disqualified entries.

By submitting an entry, each Entrant agrees (i) to abide by the terms and conditions set forth in these Rules; (ii) that it has no reasonable expectation that the contents of its application are confidential information and that none of the Sponsors, the Administrator, the Competition Judges, or Panelists (as all such terms are hereinafter defined) will be under any obligation to treat such application and its contents as confidential information; (iii) that it grants to the Administrator a worldwide, royalty-free, perpetual, irrevocable, non-exclusive license and full right to use, reproduce, modify, conform, adapt, publish or transmit such information submitted, but solely in connection with the administration and promotion of the Competition; and (iv) to indemnify all Sponsors, the Administrator, the Competition Judges, and/or Panelists for all damages, liabilities, claims, costs, charges and expenses, including, without limitation, reasonable attorneys' fees, that Sponsors, the Administrator, Competition Judges, or Panelists may incur as a result of any claims based upon, or in any way related to, an entry.

Winner: The online entries, including each Entrant's answers to the Competition Questions, will be reviewed and evaluated by a panel of local business leaders and other persons chosen by the Administrator. The Administrator shall select no more than ten (10) semi-finalists (the "**Semi-Finalists**") from among the total number of Entrants. The Semi-Finalists will be notified by e-mail, telephone or postal mail. Return of a Semi-Finalist notification as undeliverable may result in disqualification, and an alternate semi-finalist may be selected. The number of Semi-Finalists is subject to change, without notice, in the sole discretion of the Administrator.

In order to continue in the Competition, each Semi-Finalist shall be required to complete an affidavit of eligibility (the "**Affidavit**"). Failure to sign and return the Affidavit, or to comply with any term or condition of these Rules, may, in the sole discretion of Administrator, result in the Semi-Finalist's disqualification. Each Semi-Finalist will be required to submit an executive summary, and to make an oral presentation to a panel of judges (the "**Competition Judges**") within parameters to be specified by the Administrator. The Competition Judges will select no fewer than five (5) finalists (the "**Finalists**") from among the Semi-Finalists, based upon the executive summaries and oral presentations submitted by the Semi-Finalists. The number of Finalists is subject to change, without notice, in the sole discretion of the Administrator.

Finalists will be required to give an oral presentation at the Finals Event in mid April 2012, to a panel of representatives selected by the Administrator (the "**Panelists**"). The Panelists will determine one (1)

winning Entrant (the “**Winner**”) from among the Finalists, based upon the oral presentations submitted by the Finalists. The Winner will be announced at the CenterState CEO Annual Meeting, April 21, 2012, and must be present to win. The Winner may decline and thereby waive any right to receive the award. Except where prohibited by law, the Winner’s acceptance of the award constitutes permission to use the name, voice, hometown and/or likeness of a representative of the Winner, as reasonably designated by the Winner, for promotional purposes without further notice or compensation.

Winner’s Loan: The Winner shall receive an award in the form of a winner’s loan (the “**Loan**”). The Loan shall consist of \$100,000 in cash to be paid to the Winner (the “**Initial Cash Payment**”) as soon as practicable after the announcement of the Winner at the CenterState CEO Annual Meeting. An additional \$100,000 (the “**Second Payment**”) shall be paid to the Winner upon reaching certain performance milestones, as determined by the Administrator. The Loan is nontransferable and nonassignable. **All federal, state and/or local taxes, and other expenses associated with the acceptance and use of the Loan are the sole responsibility of the Winner.** The failure of the Winner to meet the performance milestones may result in the Entrant forfeiting its rights to the \$100,000 Second Payment, in the sole discretion of the Administrator.

The Winner will be required to meet with a designated representative of the Administrator, Central Upstate Regional Alliance, and/or CenterState CEO, on a quarterly basis for one (1) year.

Promissory Note: The Winner shall be required to execute a promissory note (the “**Note**”) in favor of the Administrator. Interest on the Note shall accrue at three percent (3%) per annum, compounded annually. The Note shall mature seven (7) years from the date the Winner is announced. The Winner shall have the option to prepay the Note, without penalty, at any time. Prior to payment of the Note, the Administrator shall have the option to convert the Note into the Winner's Common Equity (as defined in the Note). The Note shall automatically convert into the Winner's Common Equity in the event the Winner undertakes an Equity Financing (as defined in the Note).

Repayment Event: The Winner may be required, as determined in the sole discretion of the Administrator, to repay the Initial Cash Payment and/or the Second Payment upon the occurrence of one of the following Repayment Events:

- (i) The Winner relocates its principal business operations or head offices outside Central Upstate New York;
- (ii) A sale, exclusive license or other transfer in full of a Revenue-generating business segment or a material product line or technology of the Winner to another enterprise, including, without limitation, an Affiliate of the Winner;
- (iii) Failure to reach the performance milestones as established by the Administrator; or
- (iv) Failure to meet, or otherwise reasonably cooperate with, the Administrator, Central Upstate Regional Alliance, and/or CenterState CEO.

Each Entrant agrees that should it become the Winner, it will notify the Administrator of the occurrence of any Repayment Event. The Administrator shall notify the Winner in writing upon the receipt of notice or knowledge of a Repayment Event of its election to demand repayment of all or a portion of the Loan.

Participation: Participation in the Competition constitutes an agreement by each Entrant to comply with these Rules. These Rules will be posted at <http://www.creativecoreny.com> or www.thetechgarden.com

throughout the Competition. All decisions of the Administrator, Competition Judges, and Panelists regarding any and all aspects of the Competition shall be final and binding in all respects. The Administrator reserves the right to cancel or modify the Competition if it determines, in its sole discretion, that fraud, technical failure, or other errors has compromised the integrity of the Competition. Sponsors and the Administrator will not be responsible for typographical, printing or other inadvertent errors in these Rules or in other materials relating to the Competition.

Each semi-finalist will be expected to take part in a business presentation meeting. Meetings will be scheduled after the applicant is notified of their passage into the semi-finals.

Intellectual Property and Confidentiality: All Entrants are urged to confirm with legal counsel, or other appropriate advisors, that any intellectual property described in an entry is protected by the appropriate federal and/or state filings covering any patents, trademarks, copyrights or other intellectual property.

The Administrator will use its best efforts to protect the confidential information of each Entrant, including each Entrant's business concepts, plans and executive summaries. Entries will not be used for any purpose other than the administration of the Competition. Notwithstanding the foregoing, executive summaries may be used in the marketing and promotion of the Competition. In the discretion of the Administrator, such executive summaries may be shared with qualified economic development organizations throughout Central Upstate New York.

Due to the nature of the Competition, Administrator will not require Competition Judges, Panelists, Competition staff or any attendees of the CenterState CEO Annual Meeting to sign non-disclosure agreements in favor of any Entrant.

In the event an Entrant does not wish certain entities, organizations and/or persons to review or otherwise have access to its business concepts, plan, or executive summaries, Entrant must forward a request, in writing, setting forth a list of such entities, organizations and/or persons.

General questions, comments or concerns relating to confidentiality should be addressed to: mpatterson@CenterStateceo.com.

Limitations of Liability: By entering the Competition, each Entrant agrees that, with respect to the Sponsors, Administrator, Competition Judges, Panelists, affiliates, directors, officers, employees, representatives, partners and agents: (i) liability shall be limited to actual out-of-pocket costs incurred, including costs associated with entering the Competition, but in no event attorney's fees; (ii) any and all disputes, claims, and causes of action arising out of, or in connection with, these Rules, the Competition, or the Loan, shall be resolved individually without resort to any form of class action; and (iii) Entrant waives all rights to claim, (a) punitive, special, incidental or consequential damages, (b) any and all rights to have damages multiplied or otherwise increased, and (c) any other damages, other than damages for actual out-of-pocket expenses, or any award of equitable relief, including injunctive relief or an award of specific performance.

Governing Law: Entrant agrees (i) that all issues and questions concerning the construction, validity, interpretation and enforceability of these Rules, or the rights and obligations of any Entrant, Sponsors, Administrator, Competition Judges, Panelists, affiliates, directors, officers, employees, representatives, partners and agents, shall be governed by the laws of the State of New York without regard to its conflicts of laws rules; and (ii) that the venue and jurisdiction, in the event there is any court case or litigation

concerning these Rules or the Competition, will be the federal or state courts sitting in Onondaga County, New York.

Any provision in these Rules which is or becomes prohibited or unenforceable in any jurisdiction shall not invalidate or impair the remaining provisions which shall be deemed severable, any such illegal or invalid provision shall be deemed modified to the extent necessary to comply with applicable law.

General Release: By entering the Competition, each Entrant releases the Sponsors, Administrator, Competition Judges, Panelists, affiliates, directors, officers, employees, representatives, partners and agents, from any liability whatsoever for any claims, costs, injuries, losses or damages of any kind arising out of, or in connection with, the Competition or the acceptance, possession, or use of the Loan (including, without limitation, claims, costs, injuries, losses or damages related to personal injuries, death, damage to, or loss or destruction of, property, rights of publicity or privacy, defamation, portrayal in a false light, unfair competition, or the infringement of any patents, trademarks, copyrights or other intellectual property rights).

Indemnification: Applicant shall hold harmless and indemnify the Metropolitan Development Association of Syracuse and Central New York, its affiliates, agents and employees of and from any and all loss, costs, claims, judgments or liabilities of any sort resulting from its acts of omissions in connection with the competition.

Sponsors: For a complete list of sponsors, visit <http://www.creativecoreny.com> or www.thetechgarden.com.

Rules/Questions and Answers: To obtain a copy of these Rules, or the form of the Affidavit, print them from the Internet at <http://www.creativecoreny.com> or www.thetechgarden.com or write to:

New York's Creative Core Emerging Business Competition
c/o CenterState Corporation for Economic Opportunity
572 S. Salina St
Syracuse, NY 13202.

If you have any questions regarding this Competition, please call the The Tech Garden at (315) 474-0910 or write to:

New York's Creative Core Emerging Business Competition
c/o CenterState Corporation for Economic Opportunity
572 S. Salina St
Syracuse, NY 13202

Responses to all questions of a substantive nature will not be given over the telephone, but will be posted and available at <http://www.creativecoreny.com> or www.thetechgarden.com. **ENTRANTS SHOULD CHECK THE WEBSITE FREQUENTLY THROUGHOUT THE COMPETITION PERIOD FOR RESPONSES TO QUESTIONS AND OTHER INFORMATION AND ANNOUNCEMENTS OF INTEREST TO COMPETITION ENTRANTS.**

If an Entrant believes that there is any ambiguity, conflict, discrepancy, omission or other error in these Rules, such Entrant should immediately notify the Administrator of such error or request clarification of

or modification to this document. Such notice shall be given prior to the final filing date for submission of entries. Modification of these Rules, when appropriate, will be made by addenda hereto and distributed to all parties who have entered this competition and will be posted and available at <http://www.creativecoreny.com> or www.thetechgarden.com.