

LICENSING AGREEMENT #304287
Dated as of November 15, 2018

1. **Licensor:** Sony Pictures Consumer Products Inc. ("**Licensor**")
10202 W. Washington Blvd.
Frank Capra Building, Second Floor
Culver City, CA 90232



- Licensee:** Eastside Games Inc. ("**Licensee**")
#550-555 West 12th Avenue
Vancouver, BC V5Z 3XL



2. **Property:** The television series entitled "The Goldbergs" ("**Property**").
3. **Licensed Property:** Subject to the terms and conditions upon which the rights thereto are available and owned or controlled by Licensor, Licensor-approved talent likeness, characters, character names, character sketches, themes, plots, settings, titles, designs, artwork, logos, title treatment, storyline, and other distinctive elements related to the Property (collectively, "**Licensed Property**"). To the extent such rights are not owned or controlled by Licensor, Licensee shall be solely responsible, at its sole cost and expense, for obtaining all necessary clearances and approvals. It is specifically acknowledged by Licensee that any talent name, voice and likeness, music used in the Property, audio-visual and/or audible elements of the Property, and any third-party rights which may appear in the Property are specifically excluded from the definition of Licensed Property, and the use thereof is not licensed herein.
4. **Articles:** One (1) video game utilizing, bearing, relating to, themed and dedicated to the Licensed Property available to the end-user as a Freemium (where "**Freemium**" means that the video game is available to the end-user free of charge) and featuring various Micro-Transactions (defined below). "**Micro-Transactions**" shall mean virtual goods which are incorporated into and are part of the Article and which are available for sale to and use by the end user within the gameplay of the Article. The video game shall be available solely as a mobile game application ("**Mobile Game**"), which shall be referred to herein as the "**Articles**". For clarity and notwithstanding any terms to the contrary, toys, arcade/coin-operated games, LCD games, plug and play games and DVD games are expressly excluded from this Agreement.
5. **Territory:** The World, excluding China ("**Territory**").
6. **Term:** The term of the Agreement (defined below) shall commence on November 15, 2018 and expire on the earlier of four (4) years following the Actual Commercial Release Date (defined below) but no later than December 31, 2023, unless sooner terminated as provided in Exhibit "A" hereto (the "**Term**").

Subject to: (i) Licensee fully having performed all of the terms and conditions of this Agreement and Licensee not being in material default of any term of this Agreement;

shall have two options to extend the Term as follows:

Summary of Redacted Information

Pg 1: Personal contact information redacted.

Section 6: Redacted dollar amounts pertaining to term renewals.

(A) "**First Extended Term Option**": for two (2) additional years commencing as of the expiration of the then-current Term (the "**First Extended Term**"). In order to exercise the First Extended Term Option, Licensee must provide Licensor with written notice of its intention to exercise such First Extended Term Option no later than ninety (90) days prior to the expiration of the then-current Term ("**First Extended Term Option Notification**"). For purposes of this Agreement, "Term" shall include the First Extended Term if the First Extended Term Option is exercised; and

(B) "**Second Extended Term Option**": for two (2) additional years commencing as of the expiration of the First Extended Term (the "**Second Extended Term**"). In order to exercise the Second Extended Term Option, Licensee must provide Licensor with written notice of its intention to exercise such Second Extended Term Option no later than ninety (90) days prior to the expiration of First Extended Term ("**Second Extended Term Option Notification**"). For purposes of this Agreement, "Term" shall include the Second Extended Term if the Second Extended Term Option is exercised.

7. **Exclusivity:** Non-exclusive license. Provided Licensee is not in material breach or default hereunder subject to any applicable cure periods as provided herein and subject to any and all rights reserved to Licensor hereunder, Licensor agrees that it will not allow another official Licensor-sanctioned release in the Channels of Distribution (excluding Apple TV) of a standalone, mobile only, video game application based on the Licensed Property for the earlier of (i) one (1) year following the Actual Commercial Release Date, or (ii) December 31, 2020. For the purpose of clarification only, Licensor shall not be restricted in any way from exploiting the Property and the Licensed Property, through itself and through third parties, for any articles not licensed hereunder.

8.

9.

10. **Channels of Distribution:** Apple App Store and Google Play Marketplace (collectively, "**Channels of Distribution**"). For avoidance of doubt, the Channels of Distribution expressly exclude so-called crowd-funding/crowd-sourcing sites, and any variation thereof.

11. **Commercial Release Date:** The Articles shall be commercially launched and made available to end users in the United States no later than March 31, 2020 ("**Latest Commercial Release Date**"). The actual date of the first commercial launch of the Articles shall be known as the "**Actual Commercial Release Date**".

12. Intentionally omitted.

Section 8: Redacted royalty calculation processes.

Section 9: Redacted dollar amounts regarding royalty payments.

13. **Copyright and Trademark Notices (unless otherwise notified by Licensor):**

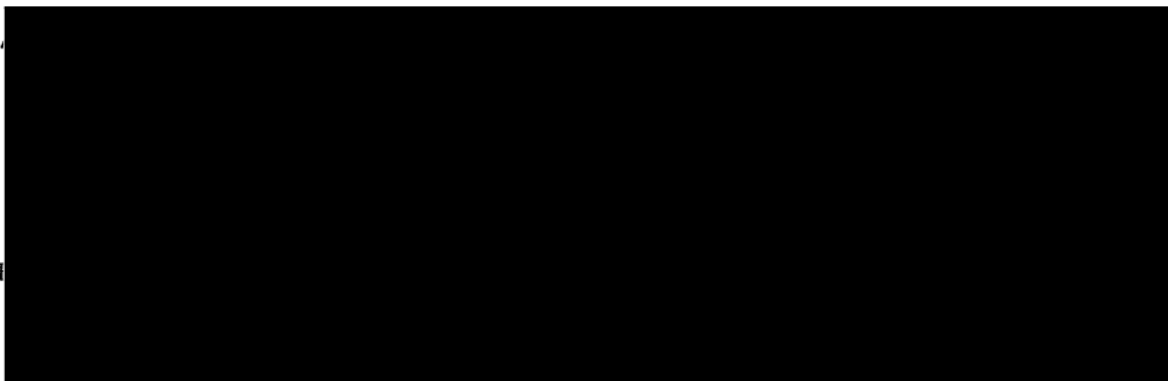
TM & © 201_ Sony Pictures Television Inc. All Rights Reserved.
[Last digit should be the year of first production of the Articles and Collateral Materials]

14. **Approvals:** All Articles and Collateral Materials (defined below) must be approved by Licensor in writing before distribution, sale and/or exploitation by Licensee. Such approvals or disapprovals are within Licensor's sole and absolute discretion, and any submission not approved in writing is deemed disapproved.

15. **Insurance Amount:** See Exhibit A, Paragraph 24.

16. **Samples:** Not applicable.

17. **Additional Terms:**



- C. End User Customer Support. Licensee shall be responsible for all end-user customer support, including, without limitation, all technical support related to the installation and operation of the Articles and all e-commerce and transaction processing related inquiries.
- D. Rights to Sell Advertising. Licensee shall have the right to sell advertising to be served into the Articles and subject to the payment of advertising revenue share to Licensor.
- E. Right of First Negotiation. Provided that Licensee is fully complying with all the terms and conditions of this Agreement and not in default thereof, then prior to negotiating with any third party for the right to manufacture, promote, sell and distribute Mobile Games based on the Property, Licensor shall enter into good faith negotiations with Licensee regarding the mutually acceptable terms upon which the additional Mobile Games may be licensed to Licensee. If Licensor and Licensee fail to reach an agreement within thirty (30) days from the start of such negotiations, Licensor shall be free to license Mobile Games to third parties without further obligations to Licensee.

The attached Exhibit "A" (Standard Terms and Conditions) and Schedules A and B are incorporated herein by this reference.

By signing below, Licensee affirms that it is in agreement with the foregoing and that it has read and understands and agrees to be bound by Exhibit "A" (Standard Terms and Conditions) and Schedules A and B attached hereto and forming a part hereof. Licensee further agrees that this Agreement shall also serve as an invoice to Licensee with respect to the amounts payable hereunder and Licensee agrees to pay such amounts to Licensor as and when specified herein. This Agreement shall not be binding upon Licensor until fully executed and delivered.

[Signature block on next page]

Section 17: Redacted licensee obligations regarding advertising and administrative items.

Signature page redacted.

Exhibit A
STANDARD TERMS AND CONDITIONS

These Standard Terms and Conditions shall be deemed fully incorporated into the Licensing Agreement containing Paragraphs 1 through 17 (the "Underlying Agreement") to which this Exhibit "A" is attached, and these Standard Terms and Conditions and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement". All terms shall, unless expressly provided to the contrary herein, have the same respective meanings as set forth in the Underlying Agreement. Unless expressly provided to the contrary herein, to the extent that any provision of these Standard Terms and Conditions conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control. In the event that the Agreement or any amendments thereto are translated into any language other than English: the English version shall prevail in the event of any conflict between the terms included in the non-English version and the English version; any additional terms included in the non-English version but not included in the English version shall be deemed null and void; and any additional terms included in the English version but not included in the non-English version shall be deemed accepted and agreed by the parties.

18. FURTHER CONDITIONS ON GRANT OF RIGHTS.

- 18.1 Licensors hereby grants to Licensee, and Licensee hereby accepts and shall exploit, the right and license to utilize during the Term the Licensed Property solely on or in connection with the development, marketing, distribution, and sale of Articles in the Channels of Distribution in the Territory, subject to the terms and conditions hereunder. Licensee shall be entitled to sell Articles solely in the Channels of Distribution set forth in Paragraph 10 of the Underlying Agreement. No such sales shall be on an approval, guaranteed sale or return basis. Licensee agrees that it will not make or authorize any use, direct or indirect, of the Articles outside the Territory or outside the Channels of Distribution and that it will not intentionally sell or distribute Articles to persons who intend or are likely to resell them outside the Territory or outside the Channels of Distribution. With respect to countries that are members of the European Union, the foregoing grant is subject to the rules and laws of the European Union. Licensee shall not be permitted to sell Articles packaged for sale with the hardware platforms or mobile phone OEM for which such Articles are compatible ("Bundled Articles") or combination packs containing several game titles ("Combination Sales") without Licensors prior written approval, which may be withheld in Licensors sole discretion. In the event that Licensors grants approval for Bundled Articles or Combination Sales, Licensee and Licensors shall negotiate in good faith as to the royalty to be paid with respect to such sales. Notwithstanding any terms to the contrary herein, and subject to (i) Licensors prior written approval on a case by case basis, and (ii) a separate license agreement, Licensee shall have the right to integrate other intellectual property not granted in this Agreement as virtual goods, content and avatars into the Articles ("Integrations"); provided, however, it is specifically acknowledged by Licensee that Licensee shall be solely responsible, at its sole cost and expense, for obtaining any and all necessary clearances and approvals for the use of such intellectual properties in such Integrations.
- 18.2 Licensees rights and obligations hereunder are personal to Licensee and shall not be sublicensed, assigned, mortgaged or otherwise transferred or encumbered by Licensee or by operation of law, unless agreed to herein or otherwise previously agreed in writing by Licensors in its sole and absolute discretion. For the avoidance of doubt, Licensee shall not enter into any agreements in connection with the Property with respect to the following, without limitation, without Licensors prior written approval on a case by case basis and on terms mutually approved by the parties: product placement, OEM and in-game advertising, strategy guide publishing (as such terms are commonly understood in the interactive video game industry).
- 18.3 Licensee shall be entitled to sublicense the right to manufacture Articles to any third party ("Supplier"), in whole or in part, with Licensors prior written consent. Licensee represents and warrants that it shall familiarize each such Supplier with the terms and conditions of this Agreement as they apply to such Supplier. In addition, Licensee acknowledges and agrees that Licensees use of any such Supplier shall in no way derogate from or relieve Licensee of any of its obligations under this Agreement. Licensee further acknowledges and agrees that it shall be responsible and primarily liable for all activities and obligations of all such Suppliers with respect to the Articles. Furthermore, if Licensors so requests, Licensee shall cause each such Supplier to sign an agreement ("Manufacturer's Agreement") with Licensee for the manufacture of the Articles, in whole or in part, in a form satisfactory to Licensors.
- 18.4 With Licensors prior written consent, which shall not be unreasonably withheld, Licensee may hire at its sole expense a third-party developer ("Developer") to develop the Articles, in whole or in part. Licensee

represents and warrants that it shall familiarize such Developer with the terms and conditions of this Agreement as they apply to such Developer, provided Developer is subject to a non-disclosure obligation. In addition, Licensee acknowledges and agrees that Licensee's use of any such Developer shall in no way derogate from or relieve Licensee of any of its obligations under this Agreement. Licensee further acknowledges and agrees that it shall be responsible and primarily liable for all activities and obligations of such Developer with respect to the Articles.

- 18.5 With Licensor's prior written consent, which consent may be granted in Licensor's sole and absolute discretion, Licensee shall have the right to distribute the Articles to end users via carriers (e.g., Sprint, Verizon Wireless), handset manufacturers, third-party retailers or any other distributor (collectively, "**Distributors**"). Licensee acknowledges that Licensor's approval of a Distributor may be conditioned on, among other things, the Distributor signing a distribution agreement in a form acceptable to Licensor, which shall require Distributor to, among other things, pay Royalties directly to Licensor upon notice from Licensor of Licensee's breach under this Agreement. In the event that Licensor does consent to Licensee's use of a Distributor, Licensee represents and warrants that it shall familiarize such Distributors with the terms and conditions of this Agreement as they apply to such Distributors. In addition, Licensee acknowledges and agrees that Licensee's use of any such Distributor shall be at Licensee's sole expense and shall in no way derogate from or relieve Licensee of any of its obligations under this Agreement (including without limitation, Licensee's payment obligations in the event that an approved Distributor fails to make royalty payments to Licensee or Licensor as may be required). Licensee further acknowledges and agrees that it shall be responsible and primarily liable for all activities and obligations of such Distributors with respect to the Articles. In the event that this Agreement is terminated pursuant to the terms and conditions set forth herein as a result of Licensee's breach of its obligations, representations and/or warranties hereunder, Licensee shall take all actions as may be reasonably requested by Licensor in writing to insure that any and all Distributors account and pay any Royalty due by Licensee to Licensor directly to Licensor, including, but not limited to, executing letters of direction directing payment to Licensor.

19. LIMITATION OF RIGHTS: RESERVATION OF RIGHTS.

- 19.1 Licensee shall not make use of any of the Licensed Property (or any portion thereof) licensed hereunder except in strict compliance with the provisions of this Agreement or as may be otherwise expressly authorized in writing by Licensor. No right, license or privilege has been granted to Licensee hereunder concerning the development of any collateral product or any aftermarket use or other such use or purpose which displays or depicts any of the Licensed Property. Licensor expressly reserves unto itself or its designees, all rights to manufacture, distribute, offer for sale, advertise, promote, display, sell and otherwise exploit without limitation and throughout the world in connection with the promotion and marketing of the Property, merchandise, goods and products similar or identical to the Articles for use in connection with the promotion and marketing of the Property, premium sales, promotional tie-ins, giveaways, home television sales (e.g., QVC), cable programs, vending machines, electronic sales (e.g., Internet sales directly to the public), direct response sales (e.g., direct mail and telephone sales directly to the public), in-studio sales (e.g., studio stores, studio emporium, etc.), in-theater sales, sales at theme parks, amusement parks, entertainment centers or other amusement or live entertainment attractions (e.g., concert halls, arena shows, circuses, stadiums), radio sales, sales by or through fan clubs and conventions, and fund-raisers. No promotional or novelty items or premium products (e.g., T-shirts, wind-up toys, stickers, etc.) displaying or depicting any of the Licensed Property shall be developed, manufactured, marketed, sold, and/or distributed by Licensee or on its behalf without the prior written consent of Licensor. Further, without the prior written consent of Licensor, Licensee shall not conduct a promotion or a sweepstakes utilizing the Licensed Property.
- 19.2 Intentionally omitted.
- 19.3 Licensor shall not be prevented from granting third parties the right to use the Licensed Property in any manner whatsoever outside of those rights granted herein.
- 19.4 Licensor does not warrant or represent that the Licensed Property will continue to appear in or as a part of any publication, program, motion picture/television series or other work or that any such work will continue to be exploited.
- 19.5 All rights to use and/or otherwise exploit the Licensed Property not expressly granted to Licensee herein are reserved for Licensor including, without limitation, connected media, including without limitation, the

Internet or any other analogous means of transmission media or online service, transmission via satellite, coaxial cable (e.g., cable modem), fiber optic cable and twisted pair; so-called interactive television and/or enhanced television; and all game services in all of the foregoing media.

- 19.6 This Agreement relates solely to the Property. Licensee is not, by virtue of this Agreement, acquiring any rights whatsoever with respect to any motion picture or television production or other endeavor which is based upon, derivative of, inspired by or otherwise related to the Property, including, without limitation, remakes, prequels, sequels, spin-offs, sound recordings, publications or other endeavors which the characters, names, characterizations, elements, designs and/or visual representations contained in the Property may appear ("**Derivative Properties**"). As between Licensor and Licensee, all right, title and interest in and to the foregoing is retained by Licensor including, without limitation, and notwithstanding any terms to the contrary, Licensor's right to license the Licensed Property to others during the Term and in the Territory hereof to the extent that it appears again in such Derivative Properties.
- 19.7 Notwithstanding any terms to the contrary, Licensor, its parent, subsidiaries, affiliates, successors and assigns at all times throughout the Term and Territory reserve the exclusive right to manufacture, develop, distribute, promote, sell and/or otherwise exploit: (i) virtual reality experiences and games in any and all formats; and (ii) interactive applications on mobile and/or other platforms, in connection with the promotion and marketing of the Property. Such aforementioned items may include gaming or other elements, and the exploitation of such items as described in this paragraph shall not be construed to violate any of the terms of this Agreement.
- 19.8 Licensee may not enter into any sponsorships in connection with the Articles, nor use the Property and/or Licensed Property in connection with any sponsorship without the prior written approval of Licensor (which shall include without limitation, Licensor's approval with respect to the terms of any such sponsorship, including without limitation, sponsors, sponsorship fees/revenue share, etc.)

20. CONSIDERATION.

[REDACTED]

2 [REDACTED]

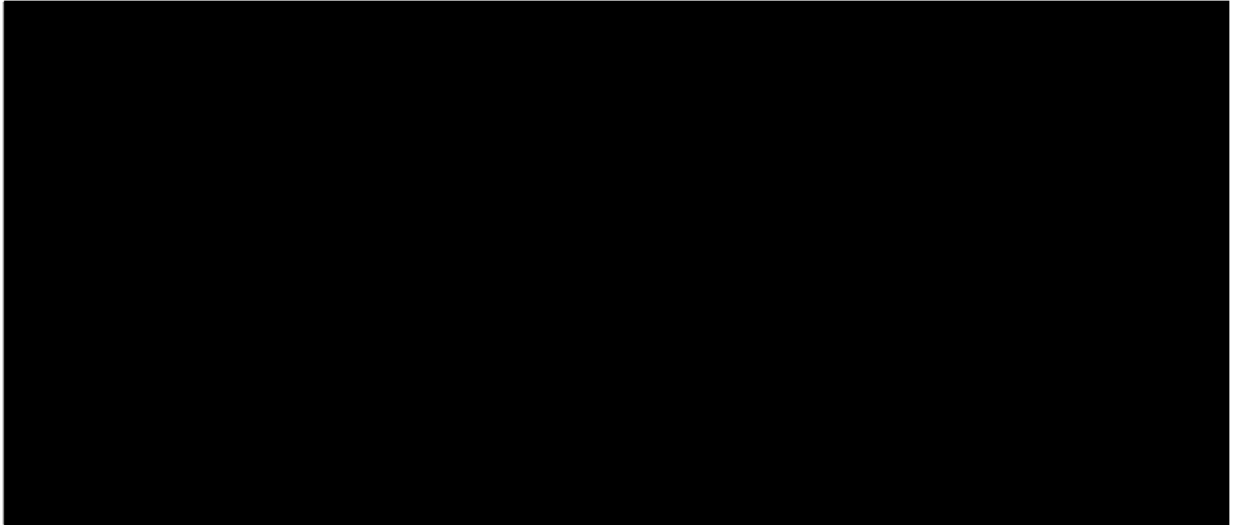
2 [REDACTED]

- 20.4 If foreign Royalty withholding taxes based on Licensor's gross income are required, Licensee may deduct the required amount from Royalties prior to remitting same to Licensor, provided Licensee provides Licensor with a copy of such withholding tax payment prior to such deduction and provides Licensor with the appropriate tax credit forms within sixty (60) days of payment of such withholding tax and affords all necessary cooperation and support to Licensor in order to get reimbursed and/or credited. In the event

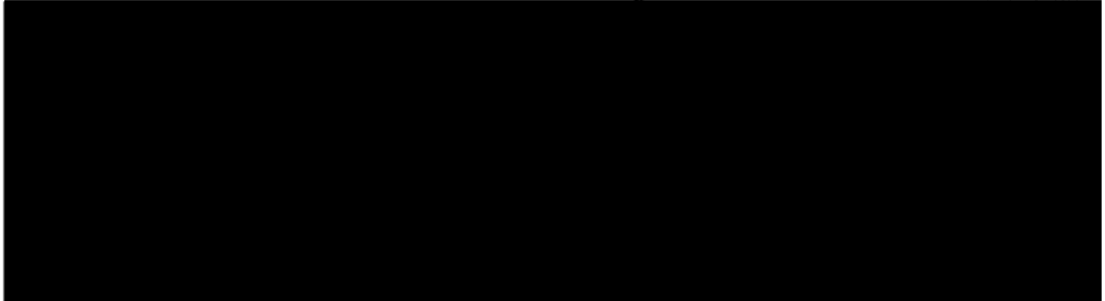
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Section 20. Redacted royalty dollar amounts and provisions relating to payment processes.

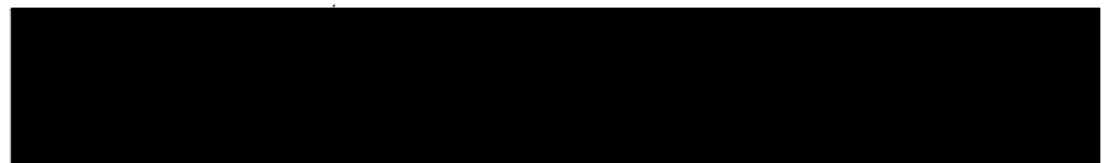
21. ACCOUNTING; AUDITING.



- 21.2 Licensee shall keep and maintain accurate books of account and records covering all transactions relating to this Agreement. Licensors or its designee shall be entitled to (i) audit and inspect such books and records at any time or times during or after the Term of the Agreement during regular business hours and upon five (5) days prior written notice to Licensee, and (ii) make copies and summaries of such books and records. In conducting such audit, Licensors shall safeguard the confidentiality of Licensee's confidential and proprietary information to which Licensors has access during the audit. All such books of account and



21.3



- 21.4 In the event that Licensee shall be prohibited or restricted from making payment of any moneys at the time when same are due and payable to Licensors hereunder by reason of the laws or currency regulations within the Territory, Licensee shall promptly so advise Licensors in writing. Licensee shall, upon Licensors's request, deposit any such blocked funds to the credit of Licensors in a bank or banks or other depository in the Territory designated in writing by the Licensors, or pay them promptly to such persons or entities as Licensors may designate in writing.

22. COPYRIGHT, TRADEMARKS, ETC.

- 22.1 Subject to the terms of this Agreement, Licensee, or Licensee's Suppliers or Developers, as applicable, shall own all computer programs, in source code, created for the Articles, including all rights in and to all copyrights, patents, trademarks, and other intellectual property rights inherent therein and appurtenant thereto, excluding all or any portion of the Licensed Property (including, without limitation, the designs, story, Artwork, as defined below, Licensee Original and Derivative Artwork, as defined below, and other elements related to the Property) and any modification, embellishment or derivation thereof ("Licensee

Section 21: Redacted provisions regarding royalty calculation and payment procedures.

IP”). Licensee may affix to each Article a copyright and/or trademark notice identifying Licensee’s, or, if applicable, Licensee’s Supplier’s or Developers’, interest in the Article. Licensor shall not, by virtue of this Agreement or otherwise, acquire any proprietary rights whatsoever in Licensee’s computer programs.

- 22.2 Nothing contained in this Agreement shall be construed as an assignment or grant to Licensee of any right, title, or interest in or to the Licensed Property, except with respect to the limited license granted to Licensee herein. All uses of the Licensed Property shall inure exclusively to the benefit of Licensor, and Licensee shall not acquire any rights therein by virtue of its use thereof. All ownership, copyrights, trademarks and other rights in and to the Licensed Property, Articles (except with respect to Licensee IP), Artwork, Licensee Original and Derivative Artwork and Collateral Materials of any sort utilizing the Licensed Property, shall vest with Licensor and title thereof shall be in the name of Licensor, or their respective designees. It is an essential condition of this Agreement that each and every copy of the Articles and Collateral Materials shall bear the copyright and trademark notices and/or any other legal notices which Licensor may from time to time prescribe. Licensee shall deliver any requested Licensee Original and Derivative Artwork to Licensor upon Licensor request.

Licensee acknowledges and agrees that Licensee shall not include any other notices or any credits from or relating to the Property on the Articles and Collateral Materials without Licensor’s prior written consent and, in the event Licensor notifies Licensee during the Term of the Agreement of any modification(s) and/or additions to the notices set forth in this Paragraph 22.2 and/or of the requirement for Property credits, then Licensee shall implement such additions and/or modifications at Licensee’s expense in the manner of a rolling change (i.e., Licensee shall promptly incorporate such modification(s) into future production units of the Articles and Collateral Materials while being permitted to continue to sell and distribute those units which then exist in Licensee’s inventories). Notwithstanding the foregoing, Licensee agrees that (i) in the event the modifications and/or additions are required pursuant to a governmental regulation, Licensee shall implement such changes, at Licensee’s cost and expense, with the time frame required by such regulations; and (ii) if so required by any governmental entity, Licensee shall include, at Licensee’s cost and expense, the required consumer advisory rating code(s) on any and all Collateral Material.

Licensee recognizes the value of the goodwill associated with the Licensed Property, and that the Licensed Property has acquired secondary meaning in the mind of the public. Licensee agrees, during the Term and thereafter, never to contest the title or any rights of Licensor in such Licensed Property or any trademark or copyright or any other protection or right pertaining thereto, or the validity of the license herein granted to it. Licensee acknowledges and agrees that Licensor shall have the sole and exclusive right to apply for, obtain and maintain any copyright or trademark registration in connection with the Licensed Property as it desires in its sole discretion. Licensee shall not at any time apply for any registration of any copyright, trademark, patent, or any other intellectual property right, whether recognized currently or in the future, or other designation which would be confusingly or substantially similar to, or otherwise affect the ownership or rights of Licensor in and to, the Licensed Property, nor file any document with any governmental authority or otherwise to take any action which would adversely affect any of such ownership or rights in and to the Licensed Property, or assist anyone else in doing so. Licensee further agrees that it shall not at any time use and/or authorize the use of any configuration, trademark, trade name or other designation confusingly similar to the Licensed Property.

- 22.3 Ownership of all intellectual property rights, whether recognized currently or in the future, including, without limitation, copyright, patent and trademark rights, in the Articles and in all artwork, packaging, hang tags, labels, press releases, copy, literary text, advertising material, marketing material and other materials of any sort utilizing the Licensed Property, including all such material developed by Licensee (collectively, “Collateral Materials”), shall vest in Licensor and title thereof shall be in the name of Licensor, or its respective designees. Licensee shall legibly and durably affix to all Articles and Collateral Materials the copyright and trademark notices specified in Paragraph 13 and any other legal notices which Licensor may from time to time prescribe. Licensee shall periodically inform in writing all persons to whom Licensee distributes Articles and Collateral Materials as to the appropriate trademark and copyright notices to be used on advertising, marketing and sales materials related to the Articles. If through inadvertence or otherwise a copyright notice on any Article or Collateral Material should appear in Licensee’s name or the name of a third party, Licensee hereby agrees to assign to Licensor the copyright represented by any such copyright notice in Licensee’s name and, upon request, cause the execution and delivery to Licensor of whatever documents are necessary to convey to Licensor that copyright represented by any such copyright notice in Licensee’s name or any third party. If by inadvertence a proper copyright notice is omitted from any Article or Collateral Materials, Licensee agrees at its own expense to use all

reasonable efforts to correct the omission on all such Articles or Collateral Materials in process of manufacture or distribution. Licensee agrees to advise Licensor promptly and in writing of the steps being taken to correct any such omission and to make the corrections on existing Articles and Collateral Materials which can be located. Any and all additions to, and new renderings, modifications, derivations, or embellishments of the artwork utilizing the Licensed Property shall, notwithstanding their invention, creation and use by Licensee or its agents, be and remain the property of Licensor, and Licensor may use, and license others to use the same, subject only to the provisions of this Agreement. Licensee shall enter into written agreements with all of its employees and independent contractors (i) providing that all artwork and designs created by them in the course of Licensee's performance under this Agreement shall be the property of Licensor either as works for hire under United States copyright law or otherwise, and (ii) obligating them to assign all rights in such artwork and designs to Licensor. Upon the request of Licensor, Licensee shall submit to Licensor for Licensor's approval copies of all such agreements prior to use thereof. Licensee shall not permit any of its employees or independent contractors to obtain or reserve, by written or oral agreement or otherwise, any moral rights recognized under applicable law or rights as "authors" or "inventors" of any such artwork or designs (as such terms are used in present or future United States copyright and/or patent statutes or judicial decisions). Licensee shall furnish to Licensor at Licensor's request, full information concerning the invention and creation of such artwork and designs, together with the originals of assignments of all rights therein obtained from all such third parties to Licensor.

22.4 Licensee shall assist Licensor, at Licensor's request and expense, in the procurement and maintenance of Licensor's rights (including all intellectual property rights, whether recognized currently or in the future) in the Licensed Property including any materials created by or on behalf of Licensee which contain the Licensed Property. In connection therewith, Licensee shall maintain adequate records with regard to the Articles, Collateral Materials, and any and all adaptations, modifications, embellishments, derivations and/or new works utilizing the Licensed Property. Further, Licensee shall, without limitation, execute and deliver to Licensor in such form as it may reasonably request, all instruments necessary to (i) effectuate copyright and trademark protection, (ii) record Licensee as a registered user of any trademarks pursuant to this Agreement, or (iii) cancel any such registration. Without limiting the generality of the foregoing, Licensee shall, upon the request of Licensor and at no charge to Licensor provide Licensor, or its agent, as applicable, with specimens of Articles for which the Licensed Property is licensed hereunder, and of all Collateral Materials, as may be needed by Licensor for trademark or copyright registrations or opposition purposes, as appropriate. Licensee shall also provide Licensor with all use dates and other information necessary to enable Licensor to apply for, obtain and maintain registrations of the trademarks or copyrights, as appropriate, or any other protection or other rights pertaining thereto worldwide. Any such registrations shall be handled by attorneys selected or approved by Licensor. Licensor makes no warranty or representation that trademark or copyright protection shall be secured in the Licensed Property.

22.5 Licensor and Licensee shall cooperate to ensure that third parties may not unlawfully infringe on the Licensed Property or engage in any acts of unfair competition involving the Licensed Property. Licensee shall promptly notify the Licensor of any such infringements or acts of unfair competition by third parties that comes to its attention. Licensee shall have no right to take or to require Licensor to take any action against any alleged infringer of, or to prevent infringement of, the Licensed Property, or trademark or copyright or any other protection or other right pertaining thereto or to take any action regarding the potential breach of the intellectual property rights in and to the Licensed Property (including, without limitation, for unfair competition) in connection with the foregoing. Licensor shall have the exclusive right, exercisable at its discretion, to institute in its own name and/or Licensee's name and to control, all actions against third parties relating to Licensor's copyrights, trademarks, and other proprietary rights in and to the Licensed Property, at Licensor's expense. With respect to any such actions, Licensor shall employ counsel of its own choice to direct the handling of the litigation and any settlement thereof. Licensee shall cooperate fully with Licensor in connection with any such action. Licensor shall be entitled to receive and retain all amounts awarded, if any, as damages, profits or otherwise in connection with such suits. Licensee shall not, without Licensor's express prior written approval in Licensor's complete and sole discretion, institute any suit or take any action on account of such infringements, acts of unfair competition or unauthorized uses (including, without limitation, making any demands or claims, or effecting any settlement). Licensee shall not have any rights against Licensor for damages or any other remedy by reason of Licensor's failure or refusal to prosecute, or Licensor's refusal to permit Licensee to prosecute, or regarding any settlement accepted or rejected by Licensor with respect to any alleged infringement or imitation of the Licensed Property or Articles by third parties, nor shall any such decision by Licensor affect the validity or enforceability of this Agreement.

- 22.6 Licensors can withdraw any or all elements of the Licensed Property, or any component part thereof, from the terms of this Agreement if Licensors determine that the exploitation thereof would or might violate or infringe the copyright, trademark or other proprietary rights of third parties, or subject Licensors to any liability or violate any law, court order, government regulation or other ruling of any governmental agency, or if, on account of the expiration or sooner termination of an agreement between Licensors and a third party from whom Licensors has obtained certain underlying rights relating to the exploitation of the Licensed Property hereunder or otherwise, Licensors shall no longer have the right to act in the capacity herein contemplated on behalf of any third party or parties, or if Licensors determine that it cannot adequately protect its rights in the Licensed Property under the copyright, trademark or other laws of the Territory. Such a withdrawal shall not be deemed a breach of this Agreement. Within five (5) business days of such withdrawal, Licensee shall, at Licensors's sole discretion, (a) destroy or (b) deliver to Licensors at Licensors's expense, any Articles or Collateral Materials to cease further infringing activities.
- 22.7 Licensee shall not use Licensors's name, or the Licensed Property, other than as permitted hereunder and, in particular, shall not incorporate Licensors's name, or the Licensed Property, in the Licensee's corporate or business name in any manner whatsoever. Licensee agrees that in using the Licensed Property it will in no way represent that it has any rights, title and/or interest in or to the Licensed Property other than those expressly granted under the terms of this Agreement. Licensee further agrees that it will not use or authorize the use, either during or after the Term, of any configuration, trademark, trade name, or other designation confusingly or substantially similar to the Licensed Property, or any element thereof.
- 22.8 Licensee may produce Articles using foreign translations. Licensors shall have the absolute right to approve any such translations prior to its use. Licensors shall own all rights, title, and interest in and to any and all such translations consistent with Paragraph 22.2 and shall have the right to register and protect all involved trademarks and service marks and copyrights and Licensee's use of such translations shall inure exclusively to Licensors's benefit.

23. INDEMNIFICATION.

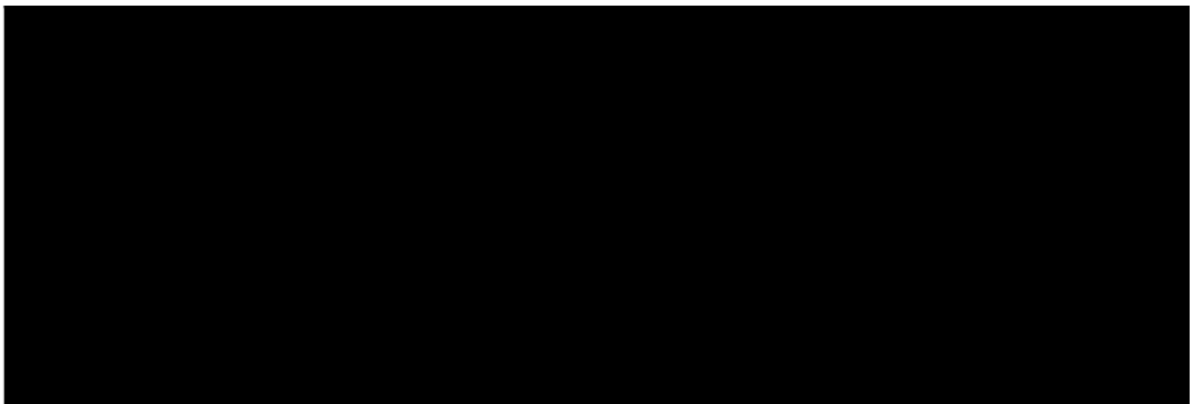
- 23.1 By Licensors: Licensors agrees to indemnify and hold harmless Licensee from and against all third-party claims (including settlements entered into in good faith with Licensors's consent), liabilities and expenses (including reasonable outside attorneys fees) asserted by a third party, arising out of any claim of copyright infringement with respect to Licensee's use of the Property and Licensed Property as authorized hereunder and approved in writing by Licensors. Licensee must give Licensors prompt notice of all claims or suits relating to such use of which it is aware. Licensors will control absolutely all infringement litigation brought by or against third parties involving or affecting the Property and/or the Licensed Property, and Licensee may join Licensors as a party thereto at Licensee's expense. Licensee will not be entitled to recover lost profits. If Licensee is precluded from selling any Articles or utilizing Collateral Materials during the Term due to such third-party claim of copyright infringement, Licensors shall be obligated to purchase such Articles and materials from Licensee at Licensee's direct third-party out of pocket manufacturing cost, excluding overhead, and shall have no other responsibility or liability with respect to such Articles or materials. Furthermore, Licensors does not indemnify Licensee for any claim by a third party that the use of the Licensed Property as a trademark use (e.g. as a name of its product) on or in connection with the Articles or Collateral Materials infringes on the trademark of any third party or otherwise constitutes unfair competition, and shall not be liable for any costs or liabilities incurred by Licensee as a result of such claim. Licensee agrees that it shall be Licensee's responsibility to carry out such investigation as Licensee deems appropriate to establish that the Articles and Collateral Materials which are manufactured or created hereunder do not infringe such rights of any third party.
- 23.2 By Licensee: During and after the Term hereof, Licensee agrees to defend, indemnify and hold harmless Licensors and its successors, assigns, parent, subsidiaries, affiliates, and co-venturers, representatives, and all other parties associated with the Property or Licensed Property, and each of respective directors, officers, employees, shareholders, agents, successors and assigns, and all other persons whose name and/or likeness are licensed hereunder (each, an "Indemnitee" and collectively "Indemnitees") from and against any and all claims, (including settlements entered into in good faith with Licensors's prior written consent), liabilities, demands, causes of action, judgments, settlements, and expenses (including but not limited to reasonable attorneys' fees and court costs) arising out of, resulting from, or in connection with Licensee's activities hereunder including but not limited to: (i) the Articles and Collateral Materials (and any elements thereof) and the design, manufacture, packaging, distribution, advertising, marketing, use, sale, exploitation and foreign translation thereof, (ii) any defect in the Articles and Collateral Materials (whether obvious or

hidden and whether or not present in any sample approved by Licensor) whether or not licensed by this Agreement; (iii) personal injury or death to any third party by the use of the Articles and/or Collateral Materials; (iv) any breach or alleged breach of Licensee's representations, warranties, covenants, obligations and agreements made hereunder, (v) infringement of any rights of any person or entity by the manufacture, distribution, marketing, sale, possession, use or exploitation of the Articles and Collateral Materials (except for claims that the use of the Property and/or Licensed Property by Licensee as approved by Licensor and authorized hereunder infringes any copyright of third parties); (vi) Licensee's failure to comply with all Applicable Laws (as defined in Paragraph 28.2 below) in the performance of this Agreement; (vii) Licensee's failure to ensure that the Articles are in compliance with all Applicable Laws, regulations and industry standards; or (viii) any and all claims that may be brought by any seller, distributor and/or other entity in possession of Articles and/or Collateral Materials devoid of the required trademark and copyright notice, and for the sale of "seconds" or inferior product in violation of the provisions set forth in this Agreement, and Licensor shall not be liable to Licensee should Licensor, or its agent, seize the devoid and/or inferior product in a legal action. Without limiting the generality of the foregoing, Licensee's indemnity shall specifically apply to claims relating to or based upon defects in the Articles and Collateral Materials, whether hidden or obvious, and despite Licensor's approval of the Articles and Collateral Materials, it being agreed that any governmental order or recall or injunction against distribution and/or sale shall, as between Licensee and Licensor, be deemed conclusive proof of such defect for purposes of invoking Licensee's indemnity hereunder. The foregoing indemnity shall not be construed to cover any claim with respect to which Licensor has committed to indemnify Licensee under Paragraph 23.1 above. If any claim is initiated against any Indemnitee with respect to which such Indemnitee may make a demand for indemnity against Licensee pursuant to this Paragraph 23.2, then the Indemnitee shall give prompt written notice of such claim to the Licensee; provided, however, that the failure to so notify the Licensee shall not relieve the Licensee from any liability under this Paragraph 23.2 unless, and only to the extent that, such failure results in prejudice to or forfeiture of, substantive rights or defenses of the Licensee. Licensee shall keep the Indemnitee informed of all material developments and events relating to such claim, the Indemnitee shall have the right to participate, at its own expense, in the defense of such claim, and Licensee shall not settle such claim without prior written consent of the Indemnitee, which consent shall not be unreasonably withheld. If Licensee fails to assume the defense of such claim, or fails to diligently defend such claim, Indemnitee may assume the defense of such claim and Licensee shall reimburse Indemnitee for all reasonable expenses (including reasonable attorneys' fees which may include, without limitation, an allocation for in-house counsel) as such expenses are incurred, relating to the defense of such claim.

- 23.3 Licensee acknowledges and agrees that, in accordance with the provisions of this Agreement, Licensee shall be solely responsible for the development, manufacturing, marketing, sale, and distribution of the Articles, and for providing warranty and repair/replacement services for any defective units of the Articles. Licensor assumes no liabilities hereunder to Licensee or any third parties with respect to the quality and/or performance of any of the Articles, including, without limitation, the operation of the programs incorporated into the memory components of the Articles.

24. INSURANCE.

Licensee shall at its own expense, procure and maintain in full force and effect during the Term of this Agreement and for three (3) years after the expiration or termination of this Agreement, the following insurance policies:



Section 24(i): Redacted information regarding insurance coverage dollar amount.

- e) Any and all deductibles and/or self-insured retentions under the Licensee's insurance program are the responsibility of the Licensee.
- f) All of the above policies will include an endorsement or clause stating that Licensee's policies are primary and any insurance maintained by Licensor is non-contributory, and will contain a Severability of Interest clause. If any of the above policies are cancelled before their expiration date(s), a notice of cancellation will be delivered according to the policy(ies) provisions.
- g) All of the Licensee's insurance carriers will be licensed to do business in the states and/or countries regarding the Licensee's operations and will have an AM Best Guide rating of not less than A-:VII or country equivalent.
- h) A certificate of insurance ("COI") or confirmation of coverage ("COC") with the above specified endorsements or clauses will be delivered to Licensor within ten (10) days of execution of this Agreement by Licensee. In no event shall Licensee manufacture, advertise, distribute or sell any Articles prior to Licensor's receipt of the COI or COC and the specified endorsements or clauses required in this Paragraph 24.

25. ARTWORK; APPROVALS; SAMPLES; QUALITY CONTROL.

- 25.1 Licensee undertakes that the Articles as well as the Collateral Materials shall be of the highest standard and quality and shall be of such style, design, appearance and workmanship as to enhance the Licensed Property, the prestige of Licensor, and the goodwill associated with the Licensed Property and Licensor. Licensee shall not issue any public statements which are derogatory to Licensor or the Property and Licensee's use of the Licensed Property, any Articles or any Collateral Materials shall in no manner reflect adversely on the Licensed Property or Licensor.
- 25.2 Licensor shall supply Licensee with its standard style guide or other materials, as applicable, embodying the Licensed Property ("Artwork") for Licensee's use in the Articles or in the Collateral Materials. If Licensee has supplemental requests for Artwork which result in an additional expense to Licensor, Licensee shall pay Licensor for its out-of-pocket costs in duplicating and providing such Artwork to Licensee.
- 25.3 Licensee shall have a right to create, or have a third party create, original artwork and/or artwork derived from Artwork which includes the Licensed Property for use on the Articles and/or Collateral Materials ("Licensee Original and Derivative Artwork"). Subject to Paragraph 22.1, all intellectual property rights (including but not limited to copyright) in Licensee Original and Derivative Artwork shall be owned by Licensor; provided, however, that Licensee shall have a non-exclusive license during the Term to copy and use such Licensee Original and Derivative Artwork for the purposes specified in this Agreement. If Licensee engages any third parties who are not employees of Licensee to make any contribution to the invention or creation of any Licensee Original and Derivative Artwork so that such third parties might be deemed "authors" or "inventors" of such artwork or designs (as such terms are used in present or future United States copyright and/or patent statutes or judicial decisions), then Licensee shall obtain from all such parties, and furnish to Licensor, a full assignment of rights in and to such artwork and/or designs (free and clear of any and all claims or rights of any nature) vesting same in Licensor.
- 25.4 Licensee shall submit to Licensor and Licensor shall have absolute approval over all artwork (whether Artwork or Licensee Original and Derivative Artwork), all Articles, including, without limitation, the title and contents of each of the Articles, as well as Licensee's use of the Licensed Property and all Collateral Materials at all stages of development and production (including but not limited to the following development milestones for all platforms, as such are commonly understood in the interactive video game industry as follows, or as otherwise set forth in Schedule B attached hereto and made a part hereof: concept, game design document, first playable game, alpha, and beta). Licensee may not manufacture, use, offer for sale, sell, advertise, ship or distribute any Articles or Collateral Materials without Licensor's prior written approval. The approvals process for the Articles shall be set forth in Schedule B.

Licensee shall, at its own cost, submit to Licensor for approval, the following stages of development for the Articles and Collateral Materials, unless otherwise indicated in writing by Licensor: (i) design document/concept art, (ii) alpha build version, (iii) beta build version, and (iv) final version (collectively, "Submissions"). All such Submissions shall be sent to Licensor via Licensor's online approval system

[REDACTED]

Licensee shall, at its own cost, submit to Licensor for approval, one (1) drawing, storyboard or rough cut

[REDACTED]

With respect to all such samples of Articles and Collateral Materials which have received Licensor's final approval, Licensee shall not depart therefrom in any material respect, without Licensor's prior written approval. All Articles and Collateral Materials not approved by Licensor shall be destroyed or shall have the Licensed Property removed. Such destruction shall be attested to in a certificate signed by one of Licensee's officers. Licensor's approval of Articles and Collateral Materials shall in no way constitute or be construed as an approval by Licensor of Licensee's use of any trademark, copyright and/or other proprietary materials not owned by Licensor or which is not part of the Licensed Property. No approval by Licensor under this Paragraph 25.4 shall constitute a waiver or modification of Licensee's obligations under any other provision of this Agreement.

25.5 Licensee shall furnish to Licensor without charge and at Licensee's sole cost a minimum number of samples of the Collateral Materials and a minimum number of samples of the Articles as set forth in Paragraph 16. Licensee shall not distribute or sell the Articles without Licensor's prior written approval of the final Articles. Upon Licensor's request, Licensee agrees to give Licensor written notice of the first online date in interstate commerce for the Articles and to provide Licensor with a duplicate original of each of the first five (5) invoices for each of such sales.

25.6 Licensee represents and warrants that the Articles and Collateral Materials are merchantable and in good, clean, working condition and shall be safe and suitable for their intended purpose and are not and will not be inherently dangerous to users thereof. Licensee represents and warrants that it will at all times comply with all government laws and regulations, including, but not limited to consumer products safety, safety (including fire code rules), sanitary, employment standards, wages and benefits, and employee health and safety or other similar laws, and all voluntary industry standards relating or pertaining to the development, sale, advertising or use of the Articles and Collateral Materials, including without limitation, the laws, rules and regulations promulgated by the Consumer Product Safety Commission, and that it shall maintain its appropriate customary high quality standards during the Term hereof. Licensee shall comply with any regulatory agencies which shall have jurisdiction over the Articles and Collateral Materials and shall procure and maintain in force any and all permissions, certifications and/or other authorizations from governmental and/or other official authorities that may be required in response thereto. Each Article, Collateral Material and component thereof distributed hereunder shall comply with all Applicable Laws and voluntary industry standards. Licensee shall follow reasonable and proper procedures for testing,

[REDACTED]

after Licensee's receipt or notice thereof, failure to effect such remedial measures shall entitle Licensor to terminate this Agreement upon notice to Licensee. In countries where no such laws or regulations exist, the development and/or manufacture of Articles and Collateral Materials in such countries should be carefully evaluated, taking into account regional and United States standards. Further, Licensee agrees that it (as well as any Developer permitted under Paragraph 18.4 herein) shall not, directly or indirectly, (i) use child labor, forced labor, or prison labor for the development, manufacture or assembly of the Articles and

Section 25.4. Redacted provisions regarding review procedures. Redacted personal contact information.

Section 25.6. Redacted information regarding review procedures.

Collateral Materials or any components thereof, (ii) employ physical disciplinary practices on employees, or (iii) use gifts or favors to influence government officials or customs agents.

25.7 In the event Licensee utilizes photographs, artwork, or any other copyrighted or trademarked materials other than the Artwork ("**Third-Party Materials**") on or in connection with Articles and/or Collateral Materials, then Licensee shall be solely responsible for obtaining any and all consents, licenses and other permissions which may be required for using such Third-Party Materials. Accordingly, Licensee acknowledges and agrees that Licensee's use of any Third-Party Materials is subject to and conditioned upon Licensee, at Licensee's sole cost and expense, obtaining any and all consents, licenses and other permissions which may be required for using the Third-Party Materials, notwithstanding that Licensor, or its representative, might have approved the Articles and/or Collateral Materials embodying or using such Third-Party Materials pursuant to Paragraph 25.4.

25.8 Licensor shall have the right, but not be under any obligation, to engage on a case by case basis in any marketing, advertising or display activities with respect to the Articles, or to aid or assist Licensee with any such campaign, including, without limitation, the use of the Articles as props or otherwise in or in association with radio and/or television programs or in association with the cast, characters and/or sponsors of such programs or with the articles of any other licensee of Licensor. Licensee agrees that Licensor may include Licensee's name in advertisements with respect to the Property and/or the Licensed Property and may distribute a licensee list containing Licensee's name, the Articles and the Territory to members of the media, retailers and others as Licensor deems necessary.

26. RESERVED RIGHTS.

26.1 Licensor reserves all rights not expressly granted to Licensee hereunder.

26.2 Licensor shall not be prevented from granting third parties the right to use the Licensed Property in any manner whatsoever, except as otherwise provided herein.

27. DEVELOPMENT AND DISTRIBUTION.

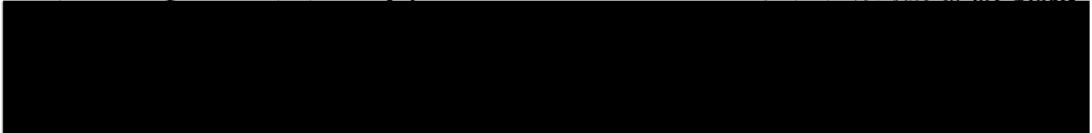
27.1 The Licensed Property may only be used in connection with the development, advertising, marketing and distribution of the Articles.

27.2 Without the prior written consent of Licensor, Licensee shall not commence distribution and sale of Articles prior to the Commercial Release Date specified in Paragraph 11. Licensee acknowledges that it shall be responsible for assuring that no Articles will be displayed or accessible to the general public, either by Licensee or by anyone else, or available for consumer purchase prior to the Commercial Release Date, and Licensee agrees that it shall be liable to Licensor for any damages which occur due to earlier display, access or availability of Articles. In the event that any of the Articles are displayed, accessible or available prior to the Commercial Release Date, Licensor may, in its absolute discretion, require that Licensee take down such Articles, and Licensee shall be responsible for accomplishing such take down and shall bear all costs and expenses relating thereto.

27.3 Licensee must commence substantial distribution of the Articles no later than the Commercial Release Date.

27.4 During the Term, and subject to the terms and conditions hereof, Licensee (i) shall continue to diligently and continuously advertise, promote, distribute and sell the Articles in the Territory, and (ii) shall use its best efforts to make and maintain adequate arrangements for the distribution and sale necessary to meet the demand for such Articles in the Territory, and (iii) shall not offer the exclusive sale of Articles to any particular Channel of Distribution or Distributor without the prior written consent of Licensor.

27.5 Licensee shall sell to Licensor such quantities of the Articles as Licensor shall request. Licensee agrees and acknowledges that Licensor may purchase Articles from Licensee to offer for sale at the Studio



Section 27.5. Redacted provisions pertaining to distribution and price calculation methodology.

- 27.6 The Licensed Property shall not be used in conjunction with any other licensed name, character, symbol, design, likeness or literary or artistic material, except that actual representations of an Article and its display tile may be shown in advertising showing other articles sold by Licensee, provided such use is not made in a manner that may be likely to cause doubt or confusion in the minds of the public as to the ownership of the Licensed Property. In no event may the Articles be combined for sale with other articles including articles manufactured by a third party which utilize the Licensed Property.

28. REPRESENTATIONS AND WARRANTIES.

- 28.1 Licensor represents and warrants to Licensee as follows: (i) Licensor owns or controls the copyright in the Licensed Property; and (ii) Licensor has the full right, authority and power to enter into this Agreement and to perform all its obligations hereunder. Licensor makes no representation or warranty as to the amount of receipts Licensee will derive or as to the quality or success of the Property. Furthermore, Licensor does not represent or warrant that the Licensed Property will appear or continue to appear in or as a part of any publication, program, motion picture/television series or other work or that any such work will be exploited or continue to be exploited nor that the Property will be produced, released, promoted or exploited, or continue to be promoted or exploited in any manner, media or territory. Licensor has no obligation to endorse or advertise the Articles, or to complete, sell, distribute, broadcast or otherwise exploit any film, television, or other production or materials which include the Licensed Property. In the event the Property is not produced and/or released during the Term and in the Territory, it will not constitute a breach of this Agreement.

28.2

Licensee represents and warrants to Licensor as follows: (i) Licensee is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was organized; (ii) Licensee has full power and authority to enter into this Agreement and perform its obligations herein; (iii) Licensee's execution, delivery, and performance of this Agreement will not infringe upon or violate any law, regulation, decree or order applicable to Licensee, or the provisions of any agreement to which Licensee is a party or by which Licensee is bound, or the rights of any other person; (iv) any instruction contained in the Articles will not be injurious to the user; and (v) Licensee's performance of this Agreement and the Articles and Collateral Materials shall be in compliance with all Applicable Laws, and Licensee shall not take any action or fail to timely take any action that would cause Licensor to be in violation of Applicable Laws applicable to Licensor. "Applicable Laws" shall mean all applicable federal, national, international, state, municipal, provincial and local laws, rules and regulations, mandatory regulations, network guidelines and advertising codes of conduct, industry guidelines, statutes, ordinances, policies or other pronouncements having the effect of law of any Governmental Authority (defined below), including but not limited to (a) laws, rules and regulations applicable to sweepstakes and contests, (b) the laws regarding the sending of commercial electronic and telephonic communications, (c) minor protection laws and regulations, (d) Payment Card Industry Data Security Standards (PCIDSS), (e) rules and regulations promulgated by applicable social media sites, (f) consumer product safety laws, (g) consumer protection laws, (h) privacy laws and statutes, (i) laws governing the security and non-disclosure of personally identifiable information, and (j) laws or regulations of the United States, European Union or any other relevant jurisdiction prohibiting or restricting trade or business with any country, region, entity or individuals, and laws or regulations of the United States restricting or regulating transfers of technology.

"Governmental Authority" shall mean: (i) any international, supra-national, national, state, city or local governmental, regulatory or statutory authority; (ii) any commission, organization, agency, department, ministry, board, bureau or instrumentality of any of the foregoing governmental authorities (and "instrumentality of any of the foregoing governmental authorities" includes any entity owned or controlled by such governmental authorities); (iii) any stock exchange or similar self-regulatory or quasi-governmental agency or private body exercising any regulatory or administrative functions of or relating to the government; and (iv) any court, arbitrator, arbitral body or other tribunal having jurisdiction.

29. TERMINATION.

- 29.1 In addition to any and all other remedies available to it hereunder, Licensor shall have the right to immediately terminate this Agreement upon written notice to Licensee upon the occurrence of any of the following:

- 29.1.1 Licensee makes, sells, offers for sale, uses or distributes any Article without having the prior written approval of Licensor as specified in Paragraph 25.4 or continues to make, sell, offer for sale, use or distribute any Article after receipt of notice from Licensor withdrawing approval of same.
- 29.1.2 Licensee becomes subject to any voluntary or involuntary order of any government agency involving the recall of any of the Articles or Collateral Materials because of safety, health or other hazards or risks to the public.
- 29.2 In addition to any and all other remedies available to it hereunder, on seven (7) days prior written notice to Licensee, Licensor may terminate this Agreement (in which case such termination shall be effective immediately upon expiration of the seven (7) day notice period), upon the occurrence of any of the following circumstances, provided that during such seven (7) day period, Licensee fails to cure the breach to Licensor's satisfaction:
 - 29.2.1 Licensee fails to immediately discontinue the advertising, distribution or sale of Articles which do not contain the appropriate legal legend or notice.
 - 29.2.2 Licensee breaches any of the provisions of this Agreement relating to the unauthorized assertion of rights in the Licensed Property.



- 29.2.4 Licensee intentionally sells or authorizes the sales of Articles outside the Territory or outside the Channels of Distribution, or sells the Articles to persons who intend or are likely to resell them outside the Territory or outside Channels of Distribution.
- 29.3 In addition to any and all other remedies available to it hereunder, on thirty (30) days prior written notice to Licensee, Licensor may terminate this Agreement (in which case such termination shall be effective immediately upon expiration of the thirty (30) day notice period), upon the occurrence of any of the following circumstances, provided that during such thirty (30) day period, Licensee fails to cure the breach to Licensor's satisfaction:
 - 29.3.1 Licensee fails to obtain or maintain insurance as required under Paragraph 24 hereof.
 - 29.3.2 If Licensee fails to satisfy Paragraph 27.3 or, during any calendar quarter of the Term, Paragraph 27.4, Licensor may terminate this Agreement as to such Article(s) in any country in the Territory or in whole, by written notice to Licensee.



- 29.3.4 If Licensee's ability to perform under this Agreement is or will be impaired due to Licensee's financial inability to comply with its anticipated obligations under this Agreement; a petition in bankruptcy is filed by or against Licensee; Licensee is adjudicated bankrupt or insolvent, or makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law; Licensee discontinues its business; or a receiver is appointed for Licensee or Licensee's business and such receiver is not discharged within thirty (30) days.
- 29.3.5 Licensee or any of its controlling shareholders, officers, directors or employees take any material actions in connection with the manufacture, sale, distribution or advertising of the Articles or takes any other actions which damages or reflects adversely upon the Licensor, the Property and/or the Licensed Property.

Section 29.2.3. Redacted cure provisions regarding default in payment.

Section 29.3.3. Redacted provision regarding artwork approval.

- 29.3.6 If a substantial portion of assets or controlling stock or ownership in Licensee's business is sold or transferred, or if there is a substantial change in Licensee's management, or if Licensee's property is expropriated, confiscated, or nationalized by any government or if any government assumes de facto control of Licensee's business, in whole or in part.
- 29.3.7 Licensee breaches any material term of any other license agreement between Licensee and Licensor, and such license agreement is terminated for cause.
- 29.3.8 Licensee fails to obtain Licensor's consent or fails to provide Licensor with a Manufacturer's Agreement as required under Paragraph 18.3.
- 29.3.9 Licensee violates any of its other obligations or breaches any of its covenants, agreements, representations or warranties hereunder.
- 29.4 Licensee hereby grants to Licensor a security interest in the collateral described below pursuant to Sections 9101 et seq. of the California Uniform Commercial Code in order to protect and secure Licensor's right to full and complete performance by Licensee under this Agreement. If Licensor so requests, Licensee shall execute, acknowledge, and deliver to Licensor within five (5) business days of Licensee's receipt thereof, a more formal security agreement, mortgage of copyright, UCC-1 financing statements, and any other analogous instruments as Licensor may from time to time deem necessary or desirable to evidence, establish, maintain, protect, enforce or defend such security interest. In this connection, Licensee hereby irrevocably appoints Licensor as its attorney-in-fact to execute one or more financing statements on its behalf for filing in any jurisdiction which is deemed necessary or desirable by Licensor. The collateral shall consist of, inter alia, this Agreement and all rights of Licensee pursuant to this Agreement including the license to utilize the Licensed Property in connection with the production and/or sale of the Articles; all copyrights and trademarks and all other tangible and intangible rights in and to the Licensed Property and the Property, and all collateral, allied, ancillary and subsidiary rights derived from, appurtenant to or related to the Licensed Property or Property now or hereafter owned or controlled by Licensor; all Collateral Materials which incorporate or utilize any elements of the Licensed Property; and unsold Articles.

30. EFFECT OF TERMINATION.

- 30.1 On expiration or termination of this Agreement, all Royalties (including unpaid portions of the Guarantee, if any) shall be due and payable within thirty (30) days of such expiration or termination, without set-off of any kind, and no Guarantee paid to Licensor shall be refunded to Licensee. Termination of this Agreement, or any portions thereof, by Licensor pursuant to Paragraph 29 shall in no way reduce, proportionally or otherwise, the Guarantee required to be paid to Licensor hereunder.
- 30.2 On expiration or termination of this Agreement, Licensee shall have the Articles immediately removed from all Channels of Distribution and shall immediately cease any and all sales of Micro-Transactions. Licensee shall continue to provide existing services to end users who have already purchased the Articles for a period that is the longer of (i) three (3) months from the date of expiration or termination; or (ii) as required by applicable law ("Sun Setting"). Thirty (30) days prior to the expiration of this Agreement or immediately upon termination, Licensee shall provide notice to all end users that the Articles will commence Sun Setting on the date of expiration or termination.
- 30.3 On expiration or termination of this Agreement, Licensee shall have no further right to exercise the rights licensed hereunder or otherwise acquired in relation to this Agreement and such rights shall forthwith revert to Licensor. All Artwork and other materials supplied to Licensee by Licensor hereunder shall be immediately returned to Licensor at Licensee's expense. All remaining Collateral Materials and Articles and component parts thereof shall be destroyed within five (5) business days. Licensee shall within five (5) business days after such destruction deliver to Licensor a certificate of destruction evidencing same. Licensee agrees that (i) its failure to cease the manufacture, sale and/or distribution of Articles and Collateral Materials upon the expiration or termination of this Agreement will result in immediate and irreparable damage to Licensor, (ii) there is no adequate remedy at law for such failure and (iii) in the event of such failure, Licensor shall be entitled to injunctive relief.
- 30.4 Upon expiration or termination of this Agreement, (i) if the Underlying Agreement specifies that the license granted hereunder is an exclusive license, Licensor shall be free to license others to use the Property in connection with the manufacture, sale, distribution and marketing of the Articles in the Territory (it being

acknowledged that Licensor has the full and complete right so to do during the Term if the license granted is a non-exclusive license), and (ii) Licensee shall refrain from further use of the Property and Licensed Property or any further reference, direct or indirect, thereto or to anything deemed by Licensor to be similar to the Property, in connection with the manufacture, sale, distribution or marketing of Licensee's products, except as permitted in Paragraph 30.2 above. It shall not be a violation of any right of Licensee if Licensor should at any time during the Term enter into negotiations with another to license use of the Licensed Property in respect to the Articles within the Territory provided that, in the event that the license granted to Licensee hereunder is an exclusive license, it is contemplated that such prospective license shall commence after termination of the Agreement.

31. NOTICES. All notices, demands, contracts or waivers hereunder shall be given in writing by first class U.S. mail, messenger, overnight air courier or telefax addressed as indicated in the Underlying Agreement or as otherwise indicated in writing by a party hereto. The date of messengering or telefaxing shall be deemed to be the date of delivery. Three (3) business days from the date of mailing shall be deemed to be the date of delivery for mailed notices. One (1) business day from the date of overnight air courier handling shall be deemed to be the date of delivery for courier handled notices.
32. NO MODIFICATION; WAIVER. The terms of this Agreement shall not be modified except by an agreement in writing signed by both parties hereto. No waiver by either party of a breach or default hereunder shall be deemed a waiver by such party of a subsequent breach or default of a like or similar nature.
33. ENTIRE AGREEMENT. This Agreement, and any confidentiality agreement Licensee may have signed pertaining to the Property or Licensed Property, shall constitute the entire understanding of the parties with respect to the subject matter of this Agreement, superseding all prior and contemporaneous promises, agreements and understandings, whether written or oral pertaining thereto.
34. RELATIONSHIP OF THE PARTIES. This Agreement does not appoint either party as the agent of the other party, or create a partnership or joint venture between the parties.
35. SEVERABILITY. If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, such decision shall not affect the validity or enforceability of any of the remaining provisions, which remaining provisions shall continue to have full force and effect.
36. CONFIDENTIALITY.

- 36.1 All information obtained from Licensor, including, without limitation, ideas, materials (which include but are not limited to artwork, photographs and slides) and any information relating to techniques, processes, formulas, developments, experimental works, works in progress, trade secrets, scripts, plots, characters, specifications, records, data, computer programs, hardware, software, drawings, schematics, know-how, notes, models, reports, samples, patent, trademark and copyright applications, marketing plans, business plans, finances or employees or any other matter relating to Licensor's artistic creations or business, whether tangible or intangible, together with any material prepared by Licensee, its employees or representatives, which contains or otherwise relates to such information ("Licensor Confidential Information"), and confidential information obtained from Licensee consisting of customer/distributor lists, techniques, processes, formulas, trade secrets, computer programs, hardware, software, drawings, schematics, know-how, notes, models, reports, samples, patent, trademark and copyright applications, business plans and finances ("Licensee Confidential Information") (Licensor Confidential Information and Licensee Confidential Information may each also be referred to as "Confidential Information") shall each be deemed confidential by the disclosing party (the "Discloser"), shall not be used by the other party (the "Recipient") (and the Recipient shall not authorize others to use the Discloser's Confidential Information) other than for the limited purpose contemplated under this Agreement, and shall not be disclosed to any unauthorized person, firm, or entity or used for the benefit of any other person, firm or entity in any manner whatsoever. Notwithstanding the foregoing, the parties acknowledge that Confidential Information does not include any information that Recipient can demonstrate: (i) was publicly available at the time of disclosure, or later became publicly available through no act or omission of Recipient; (ii) was already lawfully in Recipient's possession at the time of disclosure; (iii) was rightfully received by Recipient from a third party without any obligation of confidentiality; or (iv) was independently developed by or for Recipient without direct or indirect use of the Confidential Information. The Recipient further

agrees that it shall not use, publish or divulge the Discloser's Confidential Information in connection with any products sold or services rendered by the Recipient to any other person, firm or corporation, in any of the Recipient's advertising or marketing regarding its products or services, or in any other manner or connection whatsoever without first having obtained the Discloser's written permission, which permission shall be in the Discloser's sole discretion.

- 36.2 The Recipient shall reveal the Discloser's Confidential Information only to its representatives and employees who need to know such Discloser's Confidential Information for the express purposes contemplated under this Agreement. Such representatives and employees shall be informed by the Recipient of the confidential nature of such Discloser's Confidential Information and shall agree to be bound by the terms and conditions of this Agreement with respect to confidentiality.
- 36.3 Without Licensor's prior written consent, Licensee shall not communicate with the press regarding any Licensee's activities or projects, nor shall issue or authorize the dissemination of any publicity or news story, relating to this Agreement or any agreement with Licensor. Licensee shall neither confirm nor deny any information of any kind in any way relating to Licensor's business. Licensee shall refer to Licensor all outside inquiries in any way relating to Licensor's business.
- 36.4 It is agreed that a violation of the provisions of this Paragraph 36 by the Recipient may cause irreparable harm and injury and that the Discloser shall be entitled, in addition to any other rights and remedies it may have at law or in equity, to an injunction enjoining and restraining the violating party from doing or continuing to do any such act and any other violations or threatened violations of the provisions of this Paragraph 36, without posting a bond or other surety, subject to Paragraph 43.1 below. Furthermore, upon the Discloser's request, the Recipient agrees to immediately publish a retraction of any statement made in violation of the provisions of this Paragraph 36. The obligations imposed on the parties in this Paragraph 36 shall continue following the expiration or earlier termination of this Agreement, and remain in full force until such Confidential Information is in the public domain, unless such event shall have occurred as a result of wrongful conduct by the Recipient or its agents, representatives, officers or employees or a breach of the covenants set forth in this Paragraph 36.
- 36.5 If the Recipient is required by legal process to disclose any Confidential Information of the Discloser, the Recipient shall not be in breach of this Paragraph 36, however, the Recipient shall provide the Discloser with prompt notice thereof so that the Discloser may seek a protective order or other appropriate remedy to prevent or limit such disclosure. The Recipient shall fully cooperate with the Discloser's application for a protective order or other remedy in the Discloser's or any other name as directed by the Discloser, and in any event the Recipient shall disclose only that portion of the Confidential Information which it is legally required to disclose.
- 36.6 Licensor and Licensee hereby agree that all terms and conditions of this Agreement shall be treated as confidential except as provided herein, subject to the requirements of disclosure under generally accepted accounting standards, or the orders or subpoenas of a court of competent jurisdiction.
37. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.
38. FURTHER ASSURANCES. The parties hereto shall execute such further documents and perform such further acts as may be necessary to comply with the terms of this Agreement and consummate the transactions herein provided.
39. LIMITATION OF LIABILITY. LICENSOR'S CUMULATIVE LIABILITY, IF ANY, AND LICENSEE'S OR ANY OTHER PARTY'S SOLE AND EXCLUSIVE REMEDY FOR DAMAGES FOR ANY LOSS OR DAMAGES RESULTING FROM ANY CLAIMS, DEMAND, OR ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL NOT EXCEED THE GUARANTEE PAYMENTS PAID TO LICENSOR HEREUNDER. IF NO GUARANTEE PAYMENT WAS PAID, LICENSOR SHALL HAVE NO LIABILITY FOR DAMAGES OF ANY KIND. IN NO EVENT SHALL LICENSOR BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, OR FOR THE LOSS OF ANTICIPATED PROFITS OR BUSINESS INTERRUPTION, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES AND REGARDLESS OF WHETHER ANY REMEDY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE.

40. HEADINGS. The headings contained in this Agreement are for convenience and reference purposes only. They do not form a part hereof and shall not affect the meaning or interpretation of this Agreement.
41. Intentionally omitted.
42. ASSIGNMENT. Licensee's rights and obligations hereunder are personal to Licensee and shall not be sublicensed, assigned, mortgaged or otherwise transferred or encumbered by Licensee or by operation of law unless otherwise previously agreed to in writing by Licensor. Approval of an assignment of this Agreement by Licensee shall be in Licensor's sole discretion. Licensor reserves the right to assign this Agreement to any third party and to hypothecate or pledge this Agreement as collateral for any purpose. In the event of any such assignment, Licensee shall pay the Royalties and the Guarantee due hereunder as directed by Licensor. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of Licensor.
43. GOVERNING LAW; ARBITRATION.
- 43.1 The internal substantive laws (as distinguished from the choice of law rules) of the state of California and the United States of America applicable to contracts made and performed entirely in California shall govern (i) the validity and interpretation of this Agreement, (ii) the performance by the parties of their respective obligations hereunder, and (iii) all other causes of action (whether sounding in contract or in tort) arising out of or relating to this Agreement or the termination of this Agreement. All actions or proceedings arising in connection with, touching upon or relating to this Agreement, the breach thereof and/or the scope of the provisions of this Paragraph 43 shall be submitted to JAMS ("JAMS") for final and binding arbitration under its Comprehensive Arbitration Rules and Procedures if the matter in dispute is over \$250,000 or under its Streamlined Arbitration Rules and Procedures if the matter in dispute is \$250,000 or less, to be held in Los Angeles County, California, before a single arbitrator who shall be a retired judge, in accordance with California Code of Civil Procedure §§ 1280 et seq. The arbitrator shall be selected by mutual agreement of the parties or, if the parties cannot agree, then by striking from a list of arbitrators supplied by JAMS. The arbitration shall be a confidential proceeding, closed to the general public. The arbitrator shall assess the cost of the arbitration against the losing party. In addition, the prevailing party in any arbitration or legal proceeding relating to this Agreement shall be entitled to all reasonable expenses (including, without limitation, reasonable attorney's fees). Notwithstanding the foregoing, the arbitrator may require that such fees be borne in such other manner as the arbitrator determines is required in order for this arbitration clause to be enforceable under applicable law. The arbitrator shall issue a written opinion stating the essential findings and conclusions upon which the arbitrator's award is based. The arbitrator shall have the power to enter temporary restraining orders and preliminary and permanent injunctions, subject to the provisions of this Agreement waiving or limiting such remedies. Neither party shall be entitled or permitted to commence or maintain any action in a court of law with respect to any matter in dispute until such matter shall have been submitted to arbitration as herein provided and then only for the enforcement of the arbitrator's award; provided, however, that prior to the appointment of the arbitrator or for remedies beyond the jurisdiction of an arbitrator, at any time, either party may seek pendente lite relief in a court of competent jurisdiction in Los Angeles County, California or, if sought by Licensor, such other court that may have jurisdiction over Licensee, without thereby waiving its right to arbitration of the dispute or controversy under this paragraph. Notwithstanding anything to the contrary herein, Licensee hereby irrevocably waives any right or remedy to seek and/or obtain injunctive or other equitable relief or any order with respect to, and/or to enjoin or restrain or otherwise impair in any manner, the production, distribution, exhibition or other exploitation of any motion picture, production or project related to Licensor and their parents, subsidiaries and affiliates, or the use, publication or dissemination of any advertising in connection with such motion picture, production or project.
- 43.2 Except as otherwise expressly provided herein, each right, power and remedy herein specifically given to the parties hereto or otherwise existing shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or otherwise.
44. MISCELLANEOUS. It is the policy of Licensor to require that its licensees comply with the U.S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-1 and 78dd-2 and all other applicable anti-corruption laws (collectively, "Anti-Corruption Laws"). Licensee represents, warrants and covenants that:
- (a) Licensee is aware of Anti-Corruption Laws and will advise all persons and parties supervised by it of the requirements of Anti-Corruption Laws;

- (b) Licensee has not and will not, and to its knowledge, no one acting on its behalf has taken or will take any action, directly or indirectly, in violation of Anti-Corruption Laws;
- (c) Licensee has not in the last 5 years been accused of taking any action in violation of Anti-Corruption Laws;
- (d) Licensee has not and will not cause any party to be in violation of Anti-Corruption Laws;
- (e) Should Licensee learn of, or have reason to know of, any request for payment that is inconsistent with Anti-Corruption Laws, Licensee shall immediately notify Licensor; and
- (f) Licensee is not a "foreign official" as defined under the U.S. Foreign Corrupt Practices Act, does not represent a foreign official, and will not share any fees or other benefits of this Agreement with a foreign official.

Licensee shall indemnify, defend and hold harmless Licensor and its authorized representatives ("**Representatives**") for any and all liability arising from any violation of Anti-Corruption Laws caused or facilitated by Licensee. In the event Licensor deems that it has reasonable grounds to suspect Licensee has violated Anti-Corruption Laws, Licensor and/or its Representatives shall have the right to review and audit at any time, at Licensor's expense, any and all books and financial records of Licensee, and Licensor shall be entitled partially or totally to suspend its performance hereunder until such time it is proven to Licensor's satisfaction that Licensee has not violated Anti-Corruption Laws. In the event Licensor determines, in its sole discretion (whether through an audit or otherwise), that Licensee has violated Anti-Corruption Laws, either in connection with this Agreement or otherwise, Licensor may terminate this Agreement immediately upon written notice to Licensee. Such suspension or termination of this Agreement shall not subject Licensor to any liability, whether in contract or tort or otherwise, to Licensee or any third party, and Licensor's rights to indemnification or audit with respect to Anti-Corruption Laws shall survive such suspension or termination of this Agreement.

45. **FORCE MAJEURE OCCURRENCE.** Neither party shall have any liability for or obligation to the other with respect to its partial or total inability or failure to perform any or all of its obligations under this Agreement, if such obligations are materially interfered with, or postponed, by reason of any cause or occurrence beyond the reasonable control of such party, including, without limitation, any act of God, fire, flood, inclement weather, earthquake, explosion, accident, war, act of a public enemy, including but not limited to terrorist activities, civil disturbance, labor dispute (or threatened dispute), strike, lockout or new enactment of law ("**Force Majeure Occurrence**"). Such failure shall not be deemed a breach of this Agreement and if any time period for performance is involved, such period shall be extended accordingly; provided, however, Licensor shall have the right to terminate this Agreement without any liability to either party in the event any Force Majeure Occurrence continues in excess of six (6) months.

END OF STANDARD TERMS AND CONDITIONS

Schedule A: Redacted royalty reporting form.

Schedule B: Redacted technical procedures for artwork review and approval.