PUBLISHING AGREEMENT

BETWEEN

BZR EMPIRE INC AND WALKIN GAMES INC

The parties to this Publishing Agreement dated […] (this “Agreement”) are: WALKIN GAMES INC a company organized under the laws of Ontario whose principal office is located at […] (“WALKIN”); and BZR EMPIRE INC. a company organized under the laws of the [...], with a principal office located at […] (“BZR”). All Schedules and Exhibits attached to this Agreement are hereby made a part of this Agreement. This Agreement replaces in totality the Letter of Intent (“LOI”) signed […].

BZR is a developer and publisher of game applications and related video game products. WALKIN is a creator of video game designs and are co-developing a game, Pattern Battles (“Game”) who hold the intellectual property for the game concept. Subject to the terms and conditions hereof, and in order that BZR may exclusively publish and distribute the “Product” (as defined below) on the “Platform” (as defined below) in the “Territory” (as defined below): (i) WALKIN wishes engage in a co-develop relationship for “the game” onto the “Platform” (as defined below); (ii) WALKIN wishes to license the “Intellectual Property” (as defined below) to the “Developer” (as defined below) in connection with such Product on the Platform per the terms herein; and (iii) WALKIN wishes to grant to BZR the other further rights granted to BZR in this Agreement with respect to the Product and the Intellectual Property.

Therefore, the parties agree as follows:

1. Definitions.

1. Game. “Game” shall have the meaning ascribed to such term in Schedule A attached hereto.
2. Developer. “Developer” refers to BZR EMPIRE INC. whose services are retained to develop the Game.
3. Publisher. “Publisher” refers to BZR EMPIRE INC. who is responsible for the marketing and publishing of “the game”.
4. Licensor. “Licensor” refers to WALKIN GAMES INC. who is providing the Intellectual Property.
5. Product. “Product” shall have the meaning ascribed to such term in Schedule A attached hereto.
6. Intellectual Property or “IP” refers to all of the technology and development tools or to be contained in the Product to the extent it is generic. For the avoidance of doubt, as between the parties, WALKIN shall not own any component of the Products other than the IP, and, except for the IP in the Product, BZR shall own in the Territory all components and publishing in the Product including, without limitation, the “BZR Intellectual Property” (as hereinafter defined) in the Product. The IP shall not include the “Licensor Property” (as hereinafter defined).:
7. BZR Intellectual Property. “BZR Intellectual Property” shall mean all components, assets and rights in the Product including, without limitation, the Product’s title, source code, characters, art, artwork, music, copyrights, designs, animation, sounds, environments, graphics, level graphics locations, catch phrases, dialogues, stories, storyline, audio-visual display, concepts, trade names, marketing materials, trademarks, character creation system, models, animations, end users information and data base, logos and any other creative elements except for the IP in the Product.

(e) Platform. “Platform” shall have the meaning ascribed to such term in Schedule A attached hereto.

(f) Deliverables. ” refers to the development platform relevant to review the Beta Milestone and each milestone thereafter including the Launch Candidate set forth in the list of development milestones and other sections of Schedule B.

(g) Independent Contractor. “Independent Contractor” shall refer to any natural or juridical person who makes any contribution to the Products working within the scope of their employment, including without limitation any subcontractors retained by any Independent Contractor.

(h) Confidential Information. “Confidential Information” shall refer to all information, records, code or data of any kind that are proprietary to either party including without limitation: (1) the trade secrets, source code and object code, tools and other technology embodied in the Game and the Deliverables; (2) non-public information concerning the business or finances of the disclosing party; (3) the terms of this Agreement and any plans for developing, distributing, licensing, or marketing the Product or any conversion or sequel of the Game; and (4) any other non-public information that if disclosed or used for purposes other than performance under this Agreement would detrimentally affect the business interests of the owner of the Confidential Information.

(h) Platform Manufacturer. “Platform Manufacturer” shall have the meaning ascribed to such term in Schedule A attached hereto.

(i) Territory. “Territory” shall have the meaning ascribed to such term in Schedule A attached hereto.

(j) Game Scope Document. shall mean the document that describes the design specification for the Games.

(s) Co-development Fee. “Co-development Fee” shall mean the amount stated in Section A of Schedule B.

(t) Final Deliverables. “Final Deliverables” shall have the meaning ascribed to such term in Section B of Schedule B.

(w) Affiliates. “Affiliate” or “Affiliates” shall mean, as to a Party, any other Person, now in existence and/or hereafter created or formed at anytime during the Term of this Agreement, that directly or indirectly controls or is controlled by such Party. The term “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as applied to any Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other ownership interest. For the purposes of this definition, “Person” means any individual, partnership, corporation, Limited Liability Company, unincorporated organization or association, any trust, or any other business entity.

2. License.

(a) License to BZR for IP. Subject to the terms and conditions of this Agreement, WALKIN hereby grants to BZR, and BZR hereby accepts, a perpetual, irrevocable, paid up, royalty-free, exclusive license, with right to sublicense to potential foreign distribution partners and Affiliates of BZR, throughout the Territory to use the IP to manufacture, market, advertise, promote, publish and distribute the Product through any means of electronic distribution.

3. Development, Delivery, Acceptance and Marketing of Products.

1. General. Developer will develop and deliver the Product and the Deliverables strictly in accordance with development Schedule B and Schedule C attached hereto, as such schedules may be amended by a written notice of the parties in accordance with the terms of this Agreement.
2. On-going Development/Additional Content. The parties shall negotiate in good faith with respect to the Licensor’s payment of development costs for any additional content, sequels or derivative works to be developed beyond what is set forth in Schedule C (Game Scope) related to the Game during the Term.
3. Privacy Policy. Developer shall ensure the Product shall conspicuously contain, as a separate hyperlink and/or immediately preceding access to the Product, a policy or statement describing the privacy policy of all parties, Licensors and Developer, with respect to the collection of Personally Identifiable Information of players, subscribers and/or end users of the Product, in compliance with privacy protection laws of any jurisdiction within the Territory.
4. Ownership.
   1. Developer Intellectual Property. Developer shall own the Developer Intellectual Property in the Territory. Developer shall take all reasonable steps necessary to ensure that it owns or controls all rights in any Developer Intellectual Property related to the Game and the Product created by Independent Contractors or employees not working within the scope of their employment. Except as specifically set forth in this Agreement, WALKIN shall have no rights in and to the Developer Intellectual Property other than as necessary to manufacture, market, develop, sell, or license the Product.
   2. WALKIN Intellectual Property. WALKIN shall own the WALKIN Intellectual Property Except as specifically set forth in this Agreement, Developer shall have no rights in and to the WALKIN Intellectual Property. For the avoidance of doubt, unless set forth in a separate written and signed agreement between Developer and WALKIN, Developer shall not have the right to use the WALKIN Intellectual Property for any other video game.
   3. Ownership, Access and Use of Personally Identifiable Information. As between WALKIN and BZR, BZR shall exclusively own any and all data regarding the use of, and users of, the Product, including any Personally Identifiable Information, regardless of the party collecting or receiving such data and/or the manner in which such information is collected.
   4. Assurances. At the request and expense of the other party, each party shall sign any additional documents confirming the parties’ respective ownership rights hereunder.
   5. Brand Protection.Subject to any rights and obligations existing by and between BZR and Licensor, the terms and conditions of which are addressed under any agreement between said parties, all right, title, current and future and interest in and to all characters, settings, story lines, titles, themes, dialogue, catch phrases, locations, concepts, rules, names, likenesses, designs, trade marks, trade names and trade dress relating to and embodied in the Product shall belong to and vest in BZR together with all intellectual property rights subsisting therein.
5. Payments.
   1. Subject to the terms and conditions of this Agreement, WALKIN will pay to Developer a Work For Hire Fee for the “Work of Hire” and as a minimal compensation for the Product as set forth in Schedule B Deliverables delivered in accordance with the Development Milestones set forth in Schedule B.

6. Notices and Credits.

Developer will ensure that the splash screens for the Product, if any, prominently bear any notice required by Publisher and/or Licensor (as outlined to Developer)..

7. Confidentiality.

1. Nondisclosure. During and after the term of this Agreement, the parties shall use Confidential Information solely for the purpose of fulfilling their respective obligations under this Agreement and shall not disclose any Confidential Information to any person except for Licensor or Developer’s lender, potential new lenders and investors, accountants and financial advisors, and other parties with which Licensor or Developer have actual or potential business dealings, on a “need to know” basis only, subject to a written confidentiality / non-disclosure agreement with Licensor and Publisher, as applicable. Each party shall use at least as much care in the protection of the Confidential Information as it uses to protect its own trade secrets and shall take reasonable steps to prevent unauthorized or unnecessary use or copying of Confidential Information. The parties shall not disclose Confidential Information to employees, Independent Contractors or agents except on a “need to know” basis and subject to a written confidentiality agreement.
2. Cumulative Obligations. The obligations of this Section are in addition to, not in place of, any confidentiality obligations the parties and their respective employees, Independent Contractors and agents may be under pursuant to applicable law.
3. Exempted Information. The terms of this Section will not apply to any Confidential Information that: (a) becomes known to the general public through no fault of the receiving party; (b) was known to the receiving party prior to execution of this Agreement; (c) is learned by the receiving party after execution of this Agreement from a source authorized to disclose such information without restriction; or (d) is required to be disclosed in any legal proceeding or by any investigatory or regulatory authority having jurisdiction over the party, provided that the receiving party will (where permitted by applicable law) first have provided the disclosing party with prompt written notice of such required disclosure and will take reasonable steps to allow the disclosing party to seek a protective order with respect to the confidentiality of the information required to be disclosed. A party claiming that Confidential Information is subject to any of these exemptions will have the burden of proving that exemption applies.

8. Term, Default and Termination.

(a) Term. The Term (“Term”) of this Agreement shall commence on the date of this Agreement and shall continue until the end of the commercial life of the Platform.

(b) Events occasioning Termination. Either party may terminate this Agreement upon the occurrence of any material breach of this Agreement that is not cured as provided in Subsection 11(b) below, including without limitation the following.

Termination by Licensor:

1. Publisher’s failure to timely perform its material obligations hereunder;
2. Publisher’s Insolvency, appointment of a receiver, or filing for protection from creditors under applicable bankruptcy or equivalent laws; or

Termination by Publisher:

1. Licensor’s payment defaults under this Agreement;
2. Licensor’s Insolvency, appointment of a receiver, or filing for protection from creditors under applicable bankruptcy or equivalent laws;

(c) Notice and Cure. If an event occasioning termination occurs and is capable of cure by either party, the non-breaching party (if any) may give the other written notice of default detailing the nature of the alleged default. If the default is not cured within thirty (60) days after such notice, the non-breaching party may terminate the Agreement by giving written notice of termination to the other party which will be effective upon receipt. Termination of this Agreement shall not modify or restrict in any way claims for damages of either party.

9. Effect of Termination. Termination will not discharge any obligations accrued prior to the expiration or termination date.

10. General Provisions.

(a) Notices. Any notice required or appropriate under this Agreement shall be given at the parties’ addresses given below, as may be amended, and shall be deemed received upon delivery of the notice by air courier or messenger:

If to Publisher:

BZR Empire Inc.

171 Rue Adelard

Rosemere, QC J7A 2Y3

Att: Matthew Zoern

If to Licensor:

Walkin Games Inc.

[…]

## (b) Dispute Resolution. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.  This Agreement may be executed by facsimile signature. This Agreement shall not be binding until signed by both parties. The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the UNIDROIT “Principles of International Commercial Contracts). In the event of any dispute arising out or in connection with this Agreement, the Parties agree to submit the matter to settlement proceedings under the ICC ADR rules. If the disputes has not been settled within forty five (90) days following the filing of a Request for ADR or with such other period as the Parties may agree in writing, such dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules of Arbitration. The seat of the arbitration court shall be in Montreal, and the language of the ADR and arbitration shall be English.

By signing below, the parties acknowledge and accept the terms of this Agreement.

Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Schedule A

“Game” shall mean the application designed and optimized for use on platforms defined in Platforms below. The Game may work on earlier or later version of software and hardware, but the target specifications are defined in Platforms.

To be developed by Developer hereunder known as *Pattern Battles* (tentative title) and as described in the Game Scope Document (as updated according to the milestones in Schedule B).

“Product” shall mean the online English language version application of the Game which shall operate on the Platform.

“Territory”: the Territory of this Agreement shall be the world.

“Platform (s)” shall mean all platforms available for distribution of “the Game”, but initial publishing as defined in Schedule C.

“Platform Manufacturer” shall mean Apple.

Schedule B

Development Specifications

A. Subject to the terms and conditions of this Agreement, Developer shall develop the Products and deliver the Deliverables as provided in Schedule C, on the dates provided below, and Licensor shall make payments to Developer after delivery of and no later than thirty (30) business days after Publisher’s approval of the Deliverables as set forth below. Notwithstanding anything contained herein to the contrary, the final Milestone payment for each version of the Product shall not be due until Developer has delivered to Publisher all Final Deliverables for that version of the Product listed in Schedule C hereof and this Schedule “B”.

Total Co-development Fee: CAD $20,000

Schedule C

Game Scope Baseline Document

This document lays out an agreed baseline between the Publisher and the Licensor for the scope of the content, as well as quality expectations for key features. The document is appended to the contract to serve as an agreed reference point in the development of the title and the approval of milestones. This Statement of Work will further define deliverables and specifications.

The Product:

* Name: Pattern Battles (tentative title)
* Platforms: iOS
* Developer: BZR Empire Inc.
* Genre Description: Age rating: TBD

Production Milestones:

* Ideation and preproduction – CAD $2,500
* Prototype – CAD $2,500
* First Playable – CAD $2,500
* Pre-Alpha – CAD $2,500
* Alpha – CAD $2,500
* Closed Beta – CAD $2,500
* Beta – CAD $2,500
* Release – CAD $2,500

Bug Definitions:

**Blocker (A):** An issue of the highest importance that would have such a negative effect on the game it would be to detrimental to release with.   
Examples are server crashes, client crashes, unplayable gameplay, exploits etc.  
The product cannot be released with such a bug.

**Critical (B):** An issue which severely effects game play or player enjoyment but does not stop the player from progressing or playing the game. A work around may exist but its use is unsatisfactory.  
The product can, but should not be released with such a bug

**Major (C):** An issue which is easily noticeable and affects the player in a negative manner.

Should the bug affect a lot of players it should be bumped up in severity accordingly, as these types of bugs reflects poorly on the game.  
The product can, but should not be released with such a bug

**Normal (D):** A normal issue, often this will be used for graphical or design issues that do not impact game play but do not meet the standards we expect from our products. Should the bug affect a lot of players it should be bumped up in severity accordingly, as these types of bugs reflects poorly on the game.

**Minor (E):** Small issues which will not affect game play and is unlikely to be noticed by a player.

**Trivial:** An issue which is negligible and often due to personal taste or a difference of opinion or difficult to notice graphical issues.

**Enhancement:** This encompasses suggestions and feedback.