

DATED 13-01 1987

TO

NAME: Joest... Hanky.....

AGREEMENT

(Centre)

CAPITAL SOFTWARE DEVELOPMENTS (UK) LTD.
CAPITAL HOUSE.
110 LOWER DOCK STREET.
NEWPORT
GWENT
TEL: 0633-62039.

THIS AGREEMENT is made the 21 day of AUGUST 1987.
BETWEEN (1. ~~Secret~~ ~~Admiral~~ ("the company") and
(2) CAPITAL SOFTWARE DEVELOPEMENTS (UK) LTD. Capital House. 110 Lower
Dock St.
NEWPORT. Gwent.

WHEREAS

- A. The Company has the exclusive right and licence to reproduce, manufacture, sell, distribute, transmit, advertise, perform, display, modify, publish, convert, or otherwise use or deal with in any other way whatsoever throughout the world certain ("sell") computer programmes ("the Program(s)") owned and/or controlled by the Company as either copyright owner or exclusive licensee with unlimited rights to sublicense the said rights.
- B. The company has agreed to sell and assign the copyright and/or grant to Capital the exclusive right and licence to reproduce, manufacture, sell, distribute, sublicense, transmit, advertise, perform, display, modify, publish, convert or otherwise use or deal with in any other way whatsoever the Program(s) on the following terms and conditions.

NOW IT HEREBY AGREED AS FOLLOWS:

- 1. This Agreement shall take effect from the date hereof
- 2. In this Agreement the following words shall have the following meanings
 - 2.1 The word "Program(s)" shall mean a set of instructions composed, created, or invented by computer programmer(s) to make a computer perform a specified activity and accompanying instruction (if any) and without limitations the ideas processes designs and methods related to or incorporated therein.
 - 2.2 The word "cassette" shall mean and include all cassette disc diskette cartridge magnetic discs in all configurations transmission and all forms of recording and reproduction now known or which may hereafter become known embodying program(s) including without limitation duplication in written form by printing or otherwise

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2.3 The word "multipack" shall mean packs containing more than one Program in each pack for sale

2.4 The word "developments" shall have the meaning in Clause 14.1

- 3.1 The company hereby as beneficial owner sells and assigns to "Capital" the copyright and all other rights in the Program(s) detailed in the Schedule hereto for use on all computer formats or systems now in use or which may hereafter become in use during the term hereof including all forms of transmission ("the Format") for all the residue of the term copyright therein and all renewals and extensions thereof ("the Term") throughout the world ("the Territory")
- 3.2 The Company further hereby grants to Capital for the Term the exclusive right and licence for the Territory to use all written and pictorial matter currently or previously in use or pending pertaining to the Program(s) as well as any trademarks trade names copyright or other marks on promotional displays and advertising material as may in the absolute discretion of Capital be necessary to promote the sale of the program(s);
4. The company further (insofar as such rights are not granted to Capital by the provisions of Clause 3 above) grants to Capital the sole and exclusive right on cassette to reproduce, manufacture, sell, distribute, sublicense, transmit, advertise, perform, display, modify, publish, convert or otherwise use or deal with in any other way the Program(s) detailed in the Schedule hereto for the residue of the term of copyright therein and all renewals and extensions thereof throughout the Territory.
5. In consideration of the rights acquired hereunder Capital shall pay the following: the sums payable exclude VAT, and the royalties payable are calculated on the basis that VAT and any other sales tax are excluded from such calculation

25% on the signing and production of demo disc hereof, of which the Company acknowledges receipt.

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6 A The company hereby represents and warrants to Capital

- 6.1 Recital A and B hereof are true accurate and complete in all respects
 - 6.2 That it has and will have during the term hereof all such rights in the Program(s) as are necessary to enable it to enter into its agreements and warranties hereunder
 - 6.3 The making of this Agreement by the company does not violate any agreements rights or obligations existing between the Company and any other person firm or corporation
 - 6.4 That the rights sold hereunder and the sale of the Program(s) by Capital will not contravene any Act or Parliament statutory instrument regulation or bye-law and will not infringe any rights of any third party
6. B Company shall indemnify Capital and keep it indemnified against all actions, claims, demands, liabilities, costs and expenses whatsoever (including legal fees) which may be brought against Capital or which Capital may suffer or incur as a result of any breach or alleged breach of any of the warranties representations or undertakings given to Capital in this Agreement
- 7.1 The terms and provisions herein constitute the entire agreement between the parties and shall supercede all previous communications either oral or written
 - 7.2 Nothing in this Agreement shall be construed as constituting any partnership between the parties hereto
8. This Agreement shall be governed by English Law and the High Court of Justice in England shall be the Court of Jurisdiction
9. The Company shall supply without charge the master cassette(s) embodying the Program(s) (which shall be of sufficiently good quality to make high quality cassettes therefrom) and the source code for the Program(s) both of which shall be and remain the property of Capital.

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- 10 The Company shall provide to Capital the original artwork for all existing inlay cards, instructions sheets, and advertising and promotional material and all other materials as are necessary for Capital's use in its production of the cassette, packaging, inserts, advertising and promotional material but the copyright and all other rights therein together with the right to use the existing names denoted thereon as producing and/or supplying the cassette will remain with the Company
- 11 The Company agrees to assist Capital in every possible way as Capital may reasonably from time to time require with the conversion of the Program(s) and at Capital's sole expense subject to Clause 5.3 from one format to another, whether supplied by the Company to Capital in the format referred to in the Schedule or otherwise including but not limited to the delivery up to Capital of all documents specifications papers magnetic discs cassette tapes and other software processes and knowhow necessary to assist in the most efficient and speedy conversion from one format to another and at Capital's sole expense including advice concerning the investigation and correction of errors, the incorporation of amendments and enhancements to the Program(s) and the rights granted in Clause 3 and 4 hereof shall apply to all adaptations, modifications and enhancements thereof if and when transferred to different formats
- 12 The contents of the following Schedule, including any Special Conditions, shall be regarded as incorporated in this Agreement.
- 13 The Company hereby grants to Capital during the term hereof a right of first refusal to acquire the rights granted in Clauses 3.1, 3.2, 4.3, 9 and otherwise herein for all the Program(s) and matters in Clause 10 above the Company not hereby granted. The right of first refusal means the right to acquire the rights thereto on terms which are no less favourable than those which the Company is prepared to accept from another potential party. For the purpose of this clause "the Company" shall include the Company, and/or associate, or subsidiary company, or any individual or firm which with he/or any member of his family is directly or indirectly associated with or in which or with which he or any member of his family has a direct or indirect interest.

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- 14.1 The word "developments" shall mean any proven improvements and all adaptations, enhancements, amendments or modifications to the Program(s), artwork, packaging, instruction sheets, advertising and promotional material, or any other matter without limitation (and the rights granted hereunder shall apply to all adaptations, modifications, amendments, and enhancements to the matters referred to in this sub clause during the term of this Agreement)
- 14.2 The Company agrees to make available to Capital during the currency of this Agreement all the Company's developments which will be on a royalty free basis to Capital and Capital shall therefore not be obliged to make any additional payment in addition to the royalty payable under Clause 4 hereof

SCHEDULE

TITLES *Roller Board.*

PROGRAM

FORMAT ON WHICH MASTER SUPPLIED

(1).

~~ATARI ST~~ *C 64*

WITNESS the hands of the parties the day and year first written

SIGNED for and on behalf of
the PROGRAMER

)
)

SIGNED for and on behalf of
CAPITAL SOFTWARE DEVELOPMENTS LTD

)

[Signature]
[Signature]

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SIDE LETTER

IN CONSIDERATION of Capital Software Developements (UK) Ltd. ("Capital")

entering into an Agreement with *James Smith* ("the company")
dated *13-09* day of *September* 1987
a copy of which agreement is attached hereto, I, _____, on
my own behalf and on behalf of the Company (of which I am director) do
hereby warrant represent and undertake as follows:-

1. That the Company is the sole owner of the copyright in the Program(s) and all other matters referred to therein as such and has not licensed or otherwise authorised and 3rd party to manufacture reproduce distribute sell sublicense transmit advertise perform display modify publish convert or otherwise deal with in any other way copies of the Program(s) or any part thereof anywhere in the world
2. That the warranties given by the Company therein are true complete and accurate in all respects
3. That I and the Company shall and do hereby undertake to indemnify Capital against (a) any award of damages and/or costs made against them in favour of any third party claiming any rights to or interest in the copyright of the Program(s) including any right to manufacture reproduce distribute sell or sublicense transmit advertise perform display modify publish convert or otherwise use or deal with in any other way the Program(s) anywhere in the world and against (b) any liability loss costs or damages incurred by Capital in connection with any such claim.

SIGNED *[Signature]*

Dated the *13-09* day of *September* 1987

PAYMENT AGREEMENT

1. The total amount payable for the Program. Will be 20% Net in Royalties.
2. This amount will be payable on either the:
 - A. Completion of the product which will include the debugging of said product to the satisfaction of "Capital"
 - B. Or completion of specified stages
 - 25% Initial screens and programming
 - 25% All screens, first movements and routines
 - 25% Finished game
 - 25% Fully debug
3. Any Royalty Payments will be made at 3 monthly intervals from the first day the product is marketed.
- 4) The cost of Development machines which are supplied by Capital will be deducted from the total payable to the programmer.