

AGENCY AGREEMENT

between Name
Street

Place, Postal Code

Country

GERMANY

- hereinafter referred to as 'Author' -

and

PROJEKT SPIEL / Lizenz-Agentur Christian Beiersdorf Zasiusstr. 76 D - 79102 Freiburg

hereinafter referred to as 'Agency'

hereby conclude the following agreement with effect from the date of the last signature. The Agreement has been drawn up in duplicate and signed by both parties. Each party has received a copy hereof.

- **1.** Object of the Agreement is the Author's work, as stated in *Appendix A* hereinafter referred to as 'Object'. It is the task of the Agency to negotiate placement and market the Object of the Agreement.
- 2. The author declares that to the best of his knowledge and belief he has the sole disposal over the copyright of the Object of the Agreement and does not infringe the rights of any third party. The author undertakes to keep the Agency free of all obligations in the case of legal action regarding the copyright; in as far as the author has infringed the copyright of a third party.
- 3. The Author agrees to supply the Agency with one to three playable prototypes of the Object of the agreement, as required. If this is not possible, or if further special expenditure becomes necessary by the Agency for a successful presentation, both parties of the Agreement shall agree on a distribution of the costs.
- 4. The Agency is herewith commissioned by the Author to market the Object of the Agreement in the best possible way and is herewith granted the rights required to do so. This includes in particular presentation and exclusive negotiations with potentially interested parties. The Agency may in consultation with the Author make changes to the content and appearance of the Object of the Agreement if conducive to the aims of the latter. The Author also authorises the Agency to conclude licensing agreements in its own name and on the customary terms and to transfer the use of the relevant exploitation rights to the licensee(s).
- 5. The Agency undertakes to actively market the Object of the Agreement. Furthermore, the Agency undertakes to handle the content of the Object of Agreement confidentially beyond the duration of the Agreement and not to capitalise on it in any way other than intended here by the parties contracting.
- 6. The marketing extent includes all forms of exploitation known at the time of conclusion of the Agreement, in particular the marketing publication and marketing as a game for all commercial exploitation and for industrial customers, e.g. as promotion game. Furthermore, the commercial exploitation in the form of large-scale games e.g. for games parks and the rights for books, newspapers, magazines, theatre rights, music rights, film rights, TV rights, video rights, DVD/CD/CDI/CD-ROM rights, audio and radio play rights, software rights, versions for the internet, merchandising rights etc. These include production, distribution and, where appropriate, public demonstration thereof.
- 7. The author undertakes not to offer or have other parties offer the Object of the Agreement. The author furthermore undertakes to list in *Appendix* A to the Agency, where appropriate, any previous contacts to possible licensees affecting the Object of the Agreement. The Author shall be liable to the Agency for any possible damage due to violation hereof. Should the Author wish to exclude a particular company from the terms of the Agreement, that company can be named in *Appendix A*.
- 8. The author grants the Agency for the duration of this Agreement or for the duration of existing License Agreements with this Object the option to all substantive continuation of the work and for all object-related works. Agency and Author agree to conclude for each continuation Object an own Agency Agreement with the existing conditions.
- 9. Territories of the Agreement are all countries for which no licensing agreement has been concluded yet. Exceptions are listed under Appendix A. If the Agency concludes an Agreement for a limited contractual territory, the Agency is entitled to look for further licensees in the remaining territories.
- **10.** The Agency shall keep the Author regularly informed of all presentations and provide prompt notification of all agreements awaiting conclusion or already concluded (with a copy). The Agency is entitled to prepare and conclude appropriate licensing agreements with a minimum royalty rate of 6 % (of net proceeds). Consent from the Author shall be required in the event of a lower royalty percentage being agreed.

Don't worry we will help you. Up to single payments of €5,500 or annual totals of €40,000 it is free. It's time enough after negotiating the first Licence Agreement or after launching the product.



- 11. The Agency undertakes to obtain the consent of the Author for any major changes which the licensee wishes to make to the game system or fundamental nature of the Object of the Agreement. Otherwise the configuration of the Object is at the licensee's discretion. The Agency shall ensure that the Author is named on the cover and in the rules as its originator. If this is not possible, the Author's consent must be obtained.
- 12. In the case of successful placement, the Agency shall receive 40 % of the royalty payments as commission.

 The Author shall receive 60 % of the royalty payments. There is no limitation of duration and territory to this provision.
- 13. All billing and payments to the Author shall be made quarterly, 6-monthly and/or annually in accordance with the appropriate licensing agreement. It is up to the Agency to see that the licensee fulfils its obligations. The Agency shall forward to the Author a copy of the licensee's written statements of account within 30 days. The percentage payment of royalties as stated in *Clause 10* and *Clause 12* shall then be transferred by the Agency to the account of the Author stated in *Appendix A* within 30 days of receipt of the licensee's payment minus any bank charges incurred. Sales tax shall be additionally reimbursed if claimed back by the in Germany resident author. If the Author is resident abroad, tax will be deducted at source at the current rate of 20% unless the Author submits a notice of exemption from the German *Federal Central Tax Office*.
- **14.** This Agreement shall run for the period of 12 months. Both parties are entitled to terminate this Agreement with a notice period of 60 days to the end of duration of the Agreement; otherwise the Agreement is renewed automatically for a further 12 months. If during the duration of the Agreement it should become evident that a further marketing of the Object of the Agreement does not seem promising, the Agency may terminate the Agreement at an earlier date with a prior notice of 30 days, stating the relevant reasons. This shall not affect the right of either party to termination for important reasons e.g. violation of *Clauses 5, 7, 11 or 13*.
- **15.** Termination or expiry of the Agreement shall not apply to licensing agreements that have already been concluded or licensing negotiations that can be proven to be already in progress and/or periods of consideration already in progress at potential licensees.
- **16.** All materials submitted for the Object of the Agreement and all associated rights transferred under this Agreement shall in all cases revert immediately to the Author on termination of the Agreement.
- 17. No collateral agreements have been made. Alterations, additions and termination of agreement must be made in writing. If any parts of the Agreement should be or become void, the rest of the Agreement shall remain effective and unchanged. The void provision shall then be replaced by a valid one that comes closest to the financial Objective of the parties contracting. The Agreement shall also apply to the parties' heirs and legal successors.
- 18. Place of jurisdiction if legally permissible shall be the location of the Agency.

| A. Appendix: | | up to a turnover of €17.500. That duty starts in the following |
|------------------------------|--------------------------|--|
| Object of Agreement | Working Title | year after exceeding this amount. Authors resident abroad panalogue in the part of the par |
| Contractual territory | worldwide | |
| Previous contacts | none | |
| Author's bank details | Bank (name and address): | |
| | A/C no.: | Bank sorting code: |
| | IBAN + SWIFT(BIC): | |
| German sales tax: | Sales tax: ☐ no ☐ yes → | Sales tax rate: 7% |
| (only for German residents!) | Tax no.: | Tax office: |
| Only for US citizen: | SSN EIN TIN – N | 0. |
| Further information/remarks: | - | Choose one of these! |
| | | |
| Freiburg, | P | Place, |
| PROJEKT SPIEL / Lizenz-Ager | ntur | |
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| | | |
| Christian Beiersdorf | Д | author |