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U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office



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To the Director of the U.S. Patent and Trademark Office

Documents or the new address(es) below.

<p><b>1. Name of conveying party(ies)</b> FREE RADICAL DESIGN LIMITED</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		<p><b>2. Name and address of receiving party(ies)</b> Name: CRYTEK UK LIMITED Internal Address: C/O CRYTEK GmbH</p> <p>Street Address: HANAUER LANDSTRASSE 523</p> <p>City: FRANKFURT State: _____ Country: GERMANY Zip: 60386</p> <p>Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p><b>3. Nature of conveyance/Execution Date(s):</b> Execution Date(s) <u>3rd FEBRUARY 2009</u></p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Joint Research Agreement <input type="checkbox"/> Government Interest Assignment <input type="checkbox"/> Executive Order 9424, Confirmatory License <input checked="" type="checkbox"/> Other <u>SALE AGREEMENT</u></p>		<p><b>4. Application or patent number(s):</b> <input type="checkbox"/> This document is being filed together with a new application.</p> <p>A. Patent Application No.(s) _____ B. Patent No.(s) <u>6961055</u> 2003058238 ✓ <i>See pat</i></p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p><b>5. Name and address to whom correspondence concerning document should be mailed:</b> Name: CRYTEK GmbH Internal Address: _____ Street Address: HANAUER LANDSTRASSE 523 City: FRANKFURT State: GERMANY Zip: 60386 Phone Number: +49 69 2197 7660 Fax Number: +49 69 2197 76699 Email Address: karth@crytek.de; avni@crytek.de</p>		<p><b>6. Total number of applications and patents involved:</b> 1</p> <p><b>7. Total fee (37 CFR 1.21(h) &amp; 3.41) \$25.00</b></p> <p><input type="checkbox"/> Authorized to be charged to deposit account <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> None required (government interest not affecting title)</p> <p><b>8. Payment Information</b> Deposit Account Number _____ Authorized User Name _____</p>	
<p><b>9. Signature:</b> <u>[Signature]</u> Signature <u>Cameron Guan</u> Name of Person Signing</p>		<p>Date: <u>10 MARCH 2009</u> Date</p> <p>Total number of pages including cover sheet, attachments, and documents: <span style="border: 1px solid black; padding: 2px;">2</span></p>	

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1460, Alexandria, V.A. 22313-1460

THE ADMINISTRATOR ACTS AS AGENT OF THE COMPANY AND WITHOUT PERSONAL LIABILITY AT ALL TIMES

3 FEBRUARY 2009

SALE AGREEMENT

among

FREE RADICAL DESIGN LTD. (IN ADMINISTRATION)

THE ADMINISTRATOR OF FREE RADICAL DESIGN  
LIMITED (IN ADMINISTRATION)

CRYTEK UK LIMITED

and

CRYTEK GMBH

---

re. the business and assets of Free Radical Design Ltd.  
(in administration)

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One London Wall London EC2Y 5AB DX 123 LONDON/CHANCERY LN Tel 020 7002 8500 Fax 020 7002 8501  
[www.mms.co.uk](http://www.mms.co.uk)

Sale Agreement – Final (MMS – 03.02.09)

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THIS SALE AGREEMENT is made on the 3<sup>rd</sup> day of February 2009

AMONG:

- (1) FREE RADICAL DESIGN LTD. (IN ADMINISTRATION), incorporated and registered in England and Wales with company number 3658362 whose registered office is at c/o ReSolve Partners LLP, One America Square, Crosswall, London, EC3N 2LB (the "Company"), acting by its Administrator (as hereinafter defined);
- (2) CAMERON FRAZER GUNN, of ReSolve Partners LLP, incorporated and registered in England and Wales with company number OC317585 whose registered office is at One America Square, Crosswall, London, EC3N 2LB (the "Administrator");
- (3) CRYTEK UK LIMITED, incorporated and registered in England and Wales with company number 6800057 whose registered office is at 25 Moorgate, London, England, EC2R 6AY (the "Purchaser"); and
- (4) CRYTEK GMBH, incorporated and registered in Germany, of Hanauer Landstrasse 523, 60386 Frankfurt, Germany (the "Guarantor").

WHEREAS:

- (A) The Administrator was appointed as administrator of the Company by notice of appointment of an administrator by directors pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986 filed at the Companies Court, Chancery Division, High Court on 17 December 2008; and
- (B) The Company, acting by the Administrator, has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Company, acting by the Administrator, such right, title and interest that the Company has in and to the Business and Assets (both as hereinafter defined) on the terms and subject to the conditions of this agreement (the "Agreement").

NOW THEREFORE IT IS HEREBY AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following words and expressions shall have the meanings set opposite them below:

"Agreed Form" in the form and terms agreed between (or on behalf of) the Administrator and the Purchaser;

- "Assets"** the Chattels, Intellectual Property Rights, Information Technology and Goodwill (to the extent that the Company has right, title and interest in them and can transfer them, as at the Completion Date); but excluding always, for the avoidance of doubt, the Excluded Assets;
- "Book Debts"** the book or other debts or any other sums of whatever nature accruing or due to the Company and/or the Administrator in respect of the Business and referable to the period prior to the Completion Date;
- "Business"** the business of video games development carried on by the Company at the Properties as at Completion (to the extent that the Company can transfer it);
- "Business Day"** a day which is neither a Saturday or Sunday, nor a public or bank holiday in London;
- "Chattels"** - the office furniture, electrical goods, musical equipment, fixtures and fittings, telephone systems, software, computer equipment and development kits that are in the ownership of the Company and are situated at the Properties, all as the same are listed in Schedule 1; but excluding always, for the avoidance of doubt, the Excluded Assets and any fixtures and fittings belonging to the Landlords;
- "Company Records"** all books and records relating to the Book Debts and all books and records required to be retained by the Company and/or the Administrator under or pursuant to any statutory provision, including the VAT Records, the statutory registers of the Company, all records in respect of PAYE and national insurance contributions and all records generated or made for or in the course of the administration of the Company by or on behalf of the Administrator;
- "Completion"** completion of the sale and purchase of the Business and Assets in accordance with Clause 4;
- "Completion Date"** the date of this Agreement;
- "Consideration"** has the meaning ascribed to it in Clause 3;
- "Contract Rate"** 4% per annum above the base lending rate for the time being of the Bank of England calculated on a day to day basis;

- “Employees”** the employees employed by the Company for the purposes of the Business, all as the same are listed in Schedule 3;
- “Excluded Assets”** (i) any assets used by the Company which are subject to retention of title clauses or otherwise not in the unencumbered ownership of the Company as at the Completion Date; (ii) the Book Debts; (iii) any cash in hand or at a bank; (iv) any shares held by or registered in the name of the Company; (v) any asset or right not expressly sold to the Purchaser under the provisions of this Agreement (including any tax refunds, third party refunds, prepayments and rent deposits, all in relation to the period before Completion, and all intellectual property rights not owned by the Company but in the possession of the Company before Completion and which come into the possession of the Purchaser at Completion); and (vi) the Company Records;
- “Goodwill”** the goodwill and the business connection of the Business;
- “Group Company”** in relation to a company, any subsidiaries (as defined in section 1159 of the Companies Act 2006) of the company, any holding company (as defined in section 1159 of the Companies Act 2006) of the company and any subsidiary of any such holding company (all from time to time);
- “Information Technology”** information technology infrastructure (including, without limit, hardware, software, firmware, networks and connecting media) and all manuals, specifications or other documents relating thereto owned by the Company and used exclusively in the Business;
- “Intellectual Property Rights”** copyright and rights in the nature of copyright, data rights affording equivalent protection to copyright, database rights, registered designs, design rights, patents, rights in inventions, unregistered and registered trade marks (including all goodwill in them), service marks, business names, trade names, logos and domain names (including, but not limited to, domain names with URLs: <http://www.frd.co.uk>, <http://www.freeradicaldesign.co.uk>, <http://www.freeradicaldesign.com> and <http://www.timesplitters.co.uk>), rights in the nature of unfair competition rights, registrations and applications for registration of any of the above, moral rights, know-how, trade secrets, confidential information, Registered IPR or any other intellectual or industrial

property rights, whether now known or in the future arising and whether or not registered or capable of registration and whether subsisting in the United Kingdom or any other part of the world, used in or for the purpose of the Business;

- "Landlords"** the persons having an interest in the Properties and Unit 4 immediately expectant upon the reversion of the terms granted by the Leases and the lease for Unit 4 and any persons with superior interests from whom consent for the Licence needs to be obtained pursuant to the provisions of any superior leases;
- "Leased Items"** those assets used in connection with the Business which are subject to leasing, hiring or hire purchase agreements or to conditional sale or deferred payment agreements or the like, including those which are listed in Schedule 5;
- "Leases"** the leases, short particulars of which are set out in Schedule 2, Part B, and "Lease" shall be construed accordingly;
- "Licence"** the licences to occupy the Properties and Unit 4 granted in terms of Clause 4.1.3 and Schedule 2, Part C;
- "Licence Fee"** the monthly sum of £14,268.75 (exclusive of VAT and rates) in respect of rent, insurance and reasonably payable service charges under the Licence for the period during which the Purchaser is in occupation of the Properties and Unit 4 pursuant to the Licence;
- "Nominated Account"** the account with Bank of Scotland under account number 00101456 and sort code 80-26-23 (IBAN: GB25 BOFS 8026 2300 1014 56; BIC: BOFSGB21462) or such other account as the Administrator (or the Administrator's solicitors on his behalf) may nominate in writing to the Purchaser at least three Business Days prior to the Completion Date;
- "Properties"** the properties, short particulars of which are set out in Schedule 2, Part A, and "Properties" and "Property" shall be construed accordingly;
- "Registered IPR"** the registered Intellectual Property Rights set out in Schedule 4;
- "Regulations"** the Transfer of Undertakings (Protection of Employment) Regulations

1.9 Any right to rescind the Agreement which is available to the Company shall be exercisable without liability on the part of the Company but reserving all rights (if any) competent to the Company against the Purchaser.

1.10 References to "the Purchaser will indemnify..." and similar references in this Agreement shall, for the avoidance of doubt, be interpreted as the Purchaser granting the indemnity as at Completion under the terms of this Agreement.

## 2. SALE AND PURCHASE

Subject to the provisions of this Agreement, the Company, acting by the Administrator, shall sell and the Purchaser shall purchase as a going concern such right, title and interest as the Company may have and can transfer as at the Completion Date in and to the Business and the Assets.

## 3. CONSIDERATION

3.1 The consideration payable for the Business and Assets shall be the sum of £275,000 (exclusive of VAT) (the "Consideration") and shall be apportioned among the Business and Assets as follows:

3.1.1	Chattels:	£125,000;
3.1.2	Intellectual Property Rights:	£149,998;
3.1.3	Information Technology:	£1; and
3.1.4	Goodwill	£1.

3.2 Subject to Clause 10, the Consideration (together with any VAT payable thereon) shall be credited in full and in cleared funds by the Purchaser to the Nominated Account on the Completion Date.

## 4. COMPLETION

4.1 Completion shall take place on the Completion Date when, in exchange for payment of the Consideration (and any VAT payable thereon) in cleared funds by same-day electronic bank transfer to the Nominated Account:

4.1.1 the Company shall let the Purchaser into possession of the Business and Assets where they are situate (insofar as the Company is able to do so);

4.1.2 title to and risk in the Business and Assets shall (insofar as the Company is able to transfer the same) pass to and vest in the Purchaser (title (in so far as the Company is able to transfer the same) to all of the Assets which are capable of transferring by delivery shall pass by delivery at Completion);

**SCHEDULE 4**

**The Registered IPR**

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TRADEMARK	COUNTRY	NUMBER	CLASSES	RELEVANT DATE	STATUS
Timesplitters (word)	UK	2231532	09, 16, 25, 28, 41	Renewal date: 06/05/10	Registered
"Self Defense" (word and logo)	UK	2499209	09, 16, 25, 28, 41	Filing date: 03/10/08	Examined
Free Radical Design (word)	EU	E2780112	09, 16, 25, 28, 41, 42	Renewal date: 18/07/12	Registered
Watborne (word)	EU	E4597399	09, 16, 25, 28, 41, 42	Renewal date: 19/08/15	Registered
Timesplitters Future Perfect (word)	EU	E3619378	09, 16, 25, 28, 41	Renewal date: 05/05/14	Registered
Future Perfect (word)	EU	E3777208	09, 16, 25, 28, 41	Renewal date: 15/04/14	Registered
Second Sight (word)	EU	E3064664	09, 16, 25, 28, 41, 42	Renewal date: 21/02/13	Registered
Timesplitters (word)	EU	E1887181	09, 16, 25, 28, 41	Renewal date: 05/10/10	Registered
Timesplitters (word)	Australia	852375	09, 16, 25, 28, 41	Renewal date: 06/10/10	Registered
Second Sight (word)	Australia	965547	09, 16, 25, 28, 41, 42	Renewal date: 12/08/13	Registered
Timesplitters Future Perfect (word)	Australia	909589	09, 16, 25, 28, 41, 42	Renewal date: 27/04/14	Registered
Second Sight (word)	Canada	TMA651565	Wares, services (specified)	Registration date: 26/10/05	Registered
Timesplitters Future Perfect (word)	Canada	TMA654816	Wares, services (specified)	Registered: 13/10/04	Registered

Timesplitters (word)	Canada	TMA58669	Wares, services (specified)	Registered: 05/12/03	Registered
Second Sight (word)	US	3144148	IC 009. US 021 023 026 036 038 IC 016. US 002 005 022 023 029 037 038 050 IC 025. US 022 039 IC028. US 022 023 038 050 IC 041. US 100 101 107 IC 042. US 100 101	Registration date: 19/09/06	Registered
Timesplitters (word)	US	2634171	IC 009. US 021 023 026 036 038	Registration date: 15/10/02	Registered

PATENT	COUNTRY	CLASSIFICATION	APPLICANT	RELEVANT DATE	STATUS
Methods and apparatus for constructing virtual environments	US No. US2003058238 Canada No. CA2347290	International: G06F15/16; G06T15/00; G06T17/40; G06F15/16; G06T15/00; G06T17/40; (IPC1-7) G06F15/16 European: G06T17/40	David Doak; Stephen Ellis; Company	Publication date: 27/03/03	Granted

AS WITNESS WHEREOF, this Agreement is hereby executed on the date first above mentioned by:

FREE RADICAL DESIGN LTD.  
(IN ADMINISTRATION):

*[Signature]*  
Cameron Frazer Gunn  
Administrator, as agent and without liability

in the presence of:

*[Signature]*  
Witness

Witness Name: *Lindsay Mahon*  
Witness Address: *8 Oliver Road, Sutton SM1 4QF*  
Witness Occupation: *Civil Servant*

CAMERON FRAZER GUNN  
(AS ADMINISTRATOR OF FREE RADICAL  
DESIGN LTD.):

*[Signature]*  
Cameron Frazer Gunn

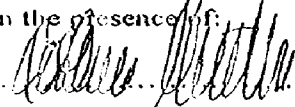
in the presence of:

*[Signature]*  
Witness

Witness Name: *Lindsay Mahon*  
Witness Address: *8 Oliver Road, Sutton SM1 4QF*  
Witness Occupation: *Civil Servant*

CRYTEK UK LIMITED:

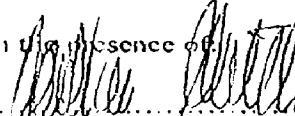
  
.....  
Director - Avni Yerli

in the presence of:  
  
.....  
Witness

Witness Name: Karlheinz Möschke  
Witness Address: Jahnstr. 5, 65232 Taunusstein,  
Germany  
Witness Occupation: Financial Controller

CRYTEK GMBH:

  
.....  
Director - Avni Yerli

in the presence of:  
  
.....  
Witness

Witness Name: Karlheinz Möschke  
Witness Address: Jahnstr.5, 65232 Taunusstein,  
Germany  
Witness Occupation: Financial Controller