

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	LICENSE
CONVEYING PARTY DATA	
Name	Execution Date
British Telecommunications plc	04/01/2013
RECEIVING PARTY DATA	
Name:	Strategic Animation Limited
Street Address:	13 Castle Street
City:	St Helier
State/Country:	JERSEY
Postal Code:	JE4 5UT
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	6549200
CORRESPONDENCE DATA	
Fax Number:	
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	+44(0)20 7468 2600
Email:	lhoward@davenportlyons.com
Correspondent Name:	Lucy Howard/ Andrew Priest
Address Line 1:	30 Old Burlington Street
Address Line 4:	London, UNITED KINGDOM W1S 3NL
NAME OF SUBMITTER:	Davenport Lyons
Signature:	/Davenport Lyons/
Date:	05/24/2013
This document serves as an Oath/Declaration (37 CFR 1.63).	

Total Attachments: 10
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EXCLUSIVE FIELD OF USE PATENT LICENCE AGREEMENT

This EXCLUSIVE FIELD OF USE PATENT LICENCE AGREEMENT ("*Agreement*") is entered into and made effective as of 01st April 2013 ("*Effective Date*") by and between British Telecommunications plc with a business office at 81 Newgate Street, London EC1A 7AJ ("*Licensor*"), and Strategic Animation Limited, a company registered in Jersey (with company number 112107) and having its registered office at 13 Castle Street, St Helier, Jersey JE4 5UT ("*Licensee*"). In consideration of the mutual covenants contained herein and other good consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. BACKGROUND

- 1.1 Licensor owns the patents listed in *Exhibit A* hereto.
- 1.2 Licensee wishes to take an exclusive field of use licence in the patents listed in *Exhibit A* hereto on the terms and conditions of this Agreement.

2. DEFINITIONS

- 2.1 "*Exclusive*" shall mean Licensor shall not, and shall ensure that Licensor Group shall not, grant a licence under any of the Patents in the Field of Use to any individual, firm or company other than Licensee; however Licensor, and Licensor Group, can itself practice the Patents in any field, including the Field of Use.
- 2.2 "*Group*" shall mean any holding company of Licensor or Licensee and any subsidiary company of Licensor or Licensee or such holding company (the terms 'holding company' and 'subsidiary company' having the meanings given in s1159 of the Companies Act 2006).
- 2.3 "*Field of Use*" shall mean virtual gaming technology, virtual gaming systems, virtual gaming software, virtual gaming content, and virtual gaming devices and accessories.
- 2.4 "*Licence*" means the exclusive patent licence granted by Licensor as referred to in clause 3.1.
- 2.5 "*Licensed Products*" means any and all products and services of Licensee (including Licensee's Group companies) that, without a licence, would infringe all or a portion of the Patents.
- 2.6 "*Patents*" means the patents listed in *Exhibit A* hereto.

3. PATENT LICENCE

- 3.1 Patent Licence. From the Effective Date, and subject to the payment set-forth in clause 4, Licensor hereby grants to Licensee within the Field of Use only an

Exclusive, perpetual, world-wide, non-assignable, non-transferable, fully paid up licence to make, have made, use, sell, license, offer, offer for sale, lease, import, export, distribute or otherwise dispose of or provide any Licensed Products and to practice or have practiced any method under the Patents.

- 3.2 Rights to Sub-License. Licensee shall have the right to grant sub-licences under the Patents to third party individuals, firms and companies provided that such sub-licences are always and only within the Field of Use and on terms that are at all times no more permissive than the rights and permissions set-forth in this Agreement. For the avoidance of doubt, as regards Licensor's exposure to any liability from such sub-licensing, then Licensee shall at all times be responsible for the acts or omissions of its sub-licensees.
- 3.3 Reservation of Rights. Except to the extent expressly set-forth in this Agreement Licensor retains for itself all rights under the Patents.

4. LICENCE PAYMENT

- 4.1 Payment. In full consideration for the licence grant set-forth in clause 3 above Licensee shall, by no later than 30th April 2013, pay Licensor the non-refundable price of one hundred and ninety two thousand Great British Pounds Sterling (GBP£ 192,000.00). Licensee will pay the price by wire transfer to the following bank account:

Account Name: BT PLC

Bank: Barclays London

Sort Code: 20 00 00

Account Number: 30097659

SWIFT CODE: BARCGB22

IBAN: GB68 BARC 2000 0030 0976 59

- 4.2 For the avoidance of doubt, no royalties or other sums shall at any time be payable by Licensee to Licensor, or Licensor Group, in respect of the Patents.

5. ASSIGNMENT & SUB-LICENSING

- 5.1 Licensee shall not assign, sublicense (except as expressly permitted at clause 3.2 above), novate, transfer, mortgage, charge (except for any floating charge on company assets), encumber or otherwise deal with the whole or part of this Agreement or its rights, obligations or duties under this Agreement or the Licence without the prior written consent of Licensor.

- 5.2 Licensor may assign, novate, or sub-license any of its rights, obligations or duties under this Agreement to any person, firm or company at any time during the duration of this Agreement provided that the assignee, novatee or sub-licensee undertakes to be bound by the terms and conditions of this Agreement as though it were the assignor, novator or sub-licensor, mutatis mutandis. In the event that Licensor assigns, novates or sublicenses to a third party that is not a Group Company of Licensor then Licensor shall notify the Licensee in writing.
- 5.3 No Other Rights. Other than as expressly stated herein, no rights or licences are granted or may be construed under this Agreement to Licensee or Licensee's Group, whether by implication, inducement, estoppel or otherwise, with respect to the Patents.
- 5.4 No Agency. This Agreement shall not create any agency or similar relationship between the parties. Neither party shall have authority to waive any applicable privilege or doctrine on behalf of the other party; nor shall any waiver of an applicable privilege or doctrine by the conduct of either party be construed to apply to the other party. Nothing in this Agreement shall be construed to affect the separate and independent representation of the parties by their respective counsel.

6. REPRESENTATIONS AND WARRANTIES

- 6.1 Licensor hereby represents and warrants to Licensee the following:
- (a) Licensor is the owner of the Patents and has the right and authority to enter into this Agreement and to grant the licence as set forth in clause 3, which for the avoidance of doubt shall include a warranty that Licensor has not granted a third party a named patent licence in the Field of Use;
 - (b) for so long as it is able, Licensor shall maintain the Patents in force in all countries identified in Exhibit A (GB, France, Germany and USA);
 - (c) to the best of Licensor's knowledge (Licensor having made all reasonable enquiries), there are no actions, suits, investigations, claims or proceedings threatened, pending or in progress relating in any way to the Patents; and
 - (d) none of the Patents have been or are currently involved in any re-examination, re-issue, interference proceeding, or any similar proceeding and no such proceedings are pending or threatened.
- 6.2 The maximum aggregate liability of Licensor for all claims under this Agreement will not exceed GBP £192,000 (one hundred ninety two thousand Great British Pounds Sterling).
- 6.3 A breach of warranty claim in respect of any of the warranties set-forth in clause 6.1 cannot be brought unless the liability pursuant to such claim exceeds GBPE75,000 (Seventy Five Thousand Great British Pounds Sterling only).

- 6.4 A breach of warranty claim can only be brought once the value of the claim is greater than GBP£75,000 (Seventy Five Thousand Great British Pounds Sterling only) in aggregate, provided always that all such claims of the same or similar breach shall be aggregated for the purpose of determining whether such threshold has been reached.
- 6.5 DISCLAIMER. Except as expressly set forth in this clause 6, Licensor makes no other warranties, express, implied, statutory or otherwise, with respect to the Patents or this Agreement, including but not limited to any implied warranty of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement or arising from course of performance, dealing, usage or trade.
- 6.6 Nothing in this Agreement shall limit or exclude any liability for fraud or fraudulent misrepresentation.

7. INFRINGEMENT

- 7.1 Nothing in this Agreement shall be interpreted as granting an explicit or implicit licence to manufacture, have manufactured, use, import, license, sub-license, or sell any equipment, system or product which infringes any intellectual property right of Licensor other than the Patents.
- 7.2 Licensor shall not be liable to Licensee for any loss of profits, loss of revenue, business, goodwill, contracts, anticipated savings or by any special, indirect or consequential losses whatsoever, whether sustained by Licensee or any other person as a result of a claim made or action brought by any third party for infringement of any intellectual property right by reason of the manufacture, use or licensing of Licensed Products.
- 7.3 In the event of any infringement or suspected or threatened infringement by any third party of any Patent:
- (a) coming to the notice of Licensee, Licensee shall promptly on becoming aware of it notify Licensor of it in writing and supply all details known by Licensee to Licensor;
 - (b) Licensor shall be under no obligation to take any action whether through the institution of legal proceedings or otherwise but should Licensor in its absolute discretion decide to take any such action it shall do so at its own cost and the Licensee shall have no claim to any sums recovered by Licensor; and
 - (c) if Licensor is unwilling to take any action or to fund legal proceedings in relation to such infringement or suspected or threatened infringement but is willing for Licensee to fund such proceedings, then Licensee shall have the right to take those steps independently with the reasonable co-operation of Licensor but at the entire expense of Licensee. Licensee shall bear all costs

but shall be entitled to retain for its own absolute benefit any damages, costs any other expenses awarded or recovered in any such proceedings.

- 7.4 Licensor shall have sole control over and shall conduct any such action(s) as it shall deem necessary in pursuance of clause 7.3 (b) and Licensee shall provide or procure such assistance (including the furnishing of documents and information and the execution of all necessary documents and being joined as a party) as Licensor may reasonably request, and Licensor shall bear Licensee's reasonable costs and expenses in so doing.
- 7.5 Licensee shall at all times indemnify and keep indemnified Licensor against all or any costs or claims damages or expenses incurred by Licensor or for which Licensor may become liable with respect to any product liability claim with respect to Licensed Products licensed or put into use by Licensee pursuant to this Agreement, provided that:
- (a) Licensor shall as soon as reasonably practicable on becoming aware of such claim notify Licensee of it in writing and supply all details known by Licensor to Licensee;
 - (b) Licensee shall be given full control of any proceedings and negotiations in connection with such claim;
 - (c) Licensor shall give Licensee all reasonable assistance for the purpose of any such proceedings or negotiations, and Licensee shall bear Licensor's reasonable costs and expenses in so doing; and
 - (d) Licensor shall not settle such claim, or compromise any such proceedings, without the consent of the Licensee (which shall not be unreasonably withheld or delayed).

8. TERMINATION

- 8.1 This Agreement (and the Licence) shall automatically terminate if Licensee is or is deemed by applicable laws to be unable to pay its debts as they fall due within the meaning of Section 123 of the Insolvency Act 1986, a voluntary agreement is approved, or an administration order is made, or a receiver or an administrative receiver is appointed over any of Licensee's assets or an undertaking or a resolution or petition to wind up Licensee is passed or presented (other than for the purpose of an amalgamation or reconstruction) or if any circumstances arise which entitle the court or a creditor to appoint a receiver, an administrative receiver or administrator or to present a winding up petition or order in respect of Licensee.
- 8.2 Licensor may (without prejudice to its other rights) terminate this Agreement (and the Licence) forthwith by written notice to Licensee at any time upon any one of the following events:

- (a) if Licensee fails to pay in accordance with clause 4; and
- (b) if Licensee infringes any intellectual property right, including, without limitation, any trade or service mark or logo of Licensor and fails to cease such infringement within 30 days from the effective date of a notice from Licensor requiring such cessation and stating an intention to terminate if such infringement does not cease.

9. MISCELLANEOUS

- 9.1 Governing Law. This Agreement, and any claim arising under or relating to this Agreement, shall be governed by English law without regard to or application of choice of law rules or principles.
- 9.2 Jurisdiction. Each party hereby submits to the exclusive jurisdiction of the courts of England for all disputes and litigation arising under or relating to this Agreement.
- 9.3 Compliance with Laws. Notwithstanding anything contained in this Agreement to the contrary, the obligations of the parties shall be subject to all laws, present and future, of any government having jurisdiction over the parties and this transaction, and to orders, regulations, directions or requests of any such government.
- 9.4 Confidentiality of Terms. The parties hereto shall keep the terms (but not existence) of this Agreement confidential and shall not now or hereafter divulge any of this information to any third party except: (a) with the prior written consent of the other party; (b) as otherwise may be required by law or legal process, including in confidence to legal and financial advisers in their capacity of advising a party in such matters; (c) during the course of litigation, so long as the disclosure of such terms and conditions are restricted in the same manner as is the confidential information of other litigating parties; or (d) in confidence to its legal counsel, accountants, banks and financing sources and their advisers solely in connection with complying with financial transactions; provided that in (b) through (d) above, (i) the disclosing party, exercising all commercially reasonable efforts, shall use all legitimate and legal means available to minimise the disclosure to third parties, including but not limited to seeking a confidential treatment request or protective order whenever appropriate or available; and (ii) so far as it is reasonably able the disclosing party shall provide the other party with at least five (5) business days prior written notice of such disclosure.
- 9.5 Entire Agreement. The terms and conditions of this Agreement, including its exhibits, constitute the entire agreement between the parties with respect to the subject matter hereof, and merge and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions with respect to such subject matter. Neither of the parties shall be bound by any conditions, definitions, warranties, understandings, or representations with respect to the subject matter hereof other than as expressly provided herein. The clause headings

contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. No oral explanation or oral information by either party hereto shall alter the meaning or interpretation of this Agreement. No amendments or modifications shall be effective unless in writing signed by authorised representatives of both parties. These terms and conditions will prevail notwithstanding any different, conflicting or additional terms and conditions which may appear on any purchase order, acknowledgment or other writing not expressly incorporated into this Agreement.

- 9.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, all of which, taken together, shall be regarded as one and the same instrument.
- 9.7 Notices: All notices required or permitted to be given hereunder shall be in writing, shall make reference to this Agreement, and shall be delivered by hand, or dispatched by facsimile, prepaid air courier or by registered or certified airmail, postage prepaid, addressed as follows:

<u>Licensor</u>	<u>Licensee</u>
British Telecommunications plc	Strategic Animation Limited
Group Legal IP Department	13 Castle Street
PPCSA	St Helier
BT Centre	Jersey
81 Newgate Street	JE4 5UT
London EC1A 7AJ	
Ref: L78043	
Fax: +44 (0)20 7600 6891	

Such notices shall be deemed served when received by addressee or, if delivery is not accomplished by reason of some fault of the addressee, when tendered for delivery. Either party may give written notice to the other party of a change of address and, after notice of such change has been received, any notice shall thereafter be given to such party at such changed address.

- 9.8 Relationship of Parties. The parties hereto are independent contractors. Neither party has any express or implied right or authority to assume or create any obligations on behalf of the other, or to bind the other to any contract, agreement or undertaking with any third party other than as expressly set forth herein. Nothing in this Agreement shall be construed to create a partnership, joint ventures, employment or agency relationship between Licensor and Licensee.

- 9.9 Severability. The terms and conditions stated herein are declared to be severable. If any paragraph, provision, clause or clause in this Agreement shall be found or be held to be invalid or unenforceable in any jurisdiction in which this Agreement is being performed, the remainder of this Agreement shall be valid and enforceable and the parties shall use good faith to negotiate a substitute, valid and enforceable provision which most nearly effects the parties' intent in entering into this Agreement.
- 9.10 Waiver. Failure by either party to enforce any term of this Agreement shall not be deemed a waiver of future enforcement of that or any other term in this Agreement or any other agreement that may be in place between the parties.
- 9.11 No Third Person Beneficiaries Other Than Affiliates and Authorised Third Parties. This Agreement shall not be enforceable by any person who is not a party or a member of the other's Group and nothing in this Agreement is intended to imply or shall confer on any person other than the parties, or their respective Group companies an independent right of enforcement; provided, however, that nothing in the foregoing shall be interpreted as limiting the scope of the licences contained in clause 3.
- 9.12 Further Assurance. To the extent necessary at the sole and entire expense of the Licensee and only if so requested by Licensee, Licensor shall provide such reasonable assistance and execute such documents as may be necessary in accordance with applicable law and practice so as to assist Licensee in registering or notifying the relevant patent offices of the grant of the Licence to Licensee.

[signatures appear on the next page]

In witness whereof, the parties have executed this Exclusive Field of Use Licence Agreement as of the Effective Date:

STRATEGIC ANIMATION LIMITED

BRITISH TELECOMMUNICATIONS PLC


Signature


Signature

Carol Annen
Printed Name

PETER. A. RATCLIFFE
Printed Name

Director
Title

CHIEF COUNSEL IPR
Title

Date

April 2nd 2013
Date

CONFIDENTIAL

Exhibit A

Patents To Be Licensed

Inventors: Andrew Nicholas Mortlock, Philip Julian Sheppard, Nicholas James Wallin

BT Ref: A25444

Country	Application Number	Application Date	Grant Number/File Number	Grant Date	Status
DE	EP98930876.2	17-June-1998	69807479.3	28-Aug-2002	Live and Granted
FR	EP98930876.2	17-June-1998	EP0990224	28-Aug-2002	Live and Granted
G8	EP98930876.2	17-June-1998	EP0990224	28-Aug-2002	Live and Granted
US	125141/09	17-June-1998	6549700	15-April-2003	Live and Granted