COST-FREE EDUCATIONAL SITE LICENSE AGREEMENT

(the "Agreement")

dated as of _____

between

Crytek GmbH Hanauer Landstraße 523 60386 Frankfurt am Main

- "Crytek" -

and

- "Licensee" -

- Crytek and Licensee hereinafter jointly called "Parties" -

WHEREAS Crytek has developed the game engine software "CryEngine";

WHEREAS Licensee desires to use, and Crytek desires to grant a license to use, the "CryEngine" as cost-free educational software pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein the Parties hereby agree as follows:

1. Definitions

- 1.1. "Confidential Information": defined in clause 6.1.
- 1.2. "CryEngine": the game engine software called "CryEngine" and the other software components created by Crytek in object code form and its documentation as further defined in <u>Exhibit 1</u> attached hereto and incorporated by reference herein. "CryEngine" shall include updates and bug fixes to "CryEngine" provided, however, that they will be made publicly available during the Term.
- 1.3. "Term": defined in clause 7.1.
- 1.4. "Territory": The Territory shall be the campus of Licensee with the following address(es):
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 - •

2. Grant of License, Delivery

2.1. <u>Grant</u>: Subject to strict and continuous compliance with the restrictions in the Agreement and by the CryEngine documentation by Licensee, its students and teaching staff, Crytek grants to Licensee a non-exclusive, non-transferable, cost-free educational limited license in the Territory only:

- 2.1.1. to use the CryEngine by its students or teaching staff for the creation of games or other audiovisual projects and related tuition;
- 2.1.2. to use rendered screenshots and videos of the self-created games or other audiovisual projects as promotional material for Licensee, its students or teaching staff ("portfolios").
- 2.2. <u>Other Use</u>: All other use shall be subject to prior written approval of Crytek.
- 2.3. <u>Restrictions on Use</u>: Licensee shall in no case:
- 2.3.1. publish, distribute or exploit the CryEngine in any form, be it as source code or as object code, in whole or in part, be it embedded in other products or not;
- 2.3.2. use CryEngine in any manner which may disclose the CryEngine source code or other Confidential Information to any third party;
- 2.3.3. give anybody access to the CryEngine outside the Territory (e.g. by internet) or to any other person as its students or teaching staff;
- 2.3.4. use, copy, reproduce or duplicate, in any manner or form, in whole or in part CryEngine and any supporting documentation pertaining thereto (except only as necessary to exercise its license rights herein);
- 2.3.5. reverse engineer and/or decompile the CryEngine object code;
- 2.3.6. copy, replicate or mimic Crytek games (e.g. "Crysis"), or the CryEngine itself, in any way;
- 2.3.7. create any assets which infringe any third party right or which are libelous, defamatory, obscene, false, misleading or otherwise illegal or unlawful.
- 2.3.8. commercially exploit the self created games or other audiovisual projects in any form (be it in connection with the CryEngine or in rendered form).

2.4. Crytek shall deliver the CryEngine within 15 days from signature of this Agreement.

3. Service and Support

- 3.1. Crytek is not obliged to render any technical support (no telephone support, no training, no bug fixing).
- 3.2. Licensee may access public developer support forums and online support pages as they are made available to the public by Crytek in Crytek's sole discretion.
- 3.3. Crytek, in its sole discretion, may agree to render training or support at a man-week charge of € 5,000.00 plus costs of traveling, accommodation and meals (if any) based on mutually agreed availability and schedules.
- 3.4. Crytek's staff members, at their sole discretion, may provide voluntary training at a lectures fee of € 25.00 per hour plus costs of traveling and accommodation. Crytek may publish requests by Licensee in Crytek's intranet but shall in no way obliged to provide such training.

4. License Fee

Licensee shall not be obliged to pay any license fee.

5. Warranty, Indemnification

- 5.1. Crytek warrants that it is duly organized and validly existing under the laws of the Federal Republic of Germany and that it has full right, power and authority to enter into this Agreement.
- 5.2. CRYTEK WARRANTY DISCLAIMER. EXCEPT AS SPECIFIED IN CLAUSE 5.1 CRYTEK GIVES NO WARRANTY. THE CRYENGINE IS DELIVERED "AS IS". SINCE THE CRYENGINE IS "SOFTWARE IN DEVELOPMENT" WITH SOME RIGHTS BEING IN THE PROCESS OF CLEARANCE AND THE LICENSE BEING FOR INTERNAL USE ONLY CRYTEK DOES NOT WARRANT OR GUARANTEE THAT THE CRYENGINE DOES NOT VIOLATE THIRD PARTY RIGHTS. CRYTEK

DOES NOT MAKE AND HEREBY DISCLAIMS ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRATICE.

- 5.2.1. CRYTEK INDEMNIFICATION DISCLAIMER. IN NO EVENT SHALL CRYTEK BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOSS OF PROFITS, REVENUE, DATA OR USE, INCURRED BY LICENSEE OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EVEN IF CRYTEK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CRYTEK'S MAXIMUM AGGREGATE LIABILITY TO LICENSEE IN CONNECTION WITH OR IN ANY MANNER RELATED TO THIS AGREEMENT (WHETHER IN AN ACTION IN CONTRACT OR TORT (INCLUDING NEGLIGENCE) OR OTHERWISE) WILL BE LIMITED TO THE TOTAL AMOUNT PAID BY OR ON BEHALF OF LICENSEE TO CRYTEK UNDER THIS AGREEMENT. THE FOREGOING ALLOCATION OF RISK IS REFLECTED IN THE AMOUNT OF THE COMPENSATION CONTEMPLATED UNDER THIS AGREEMENT (NONE).
- 5.3. <u>Warranties by Licensee</u>: Licensee warrants that it is duly organized and validly existing under the laws of _____, that it has full right, power and authority to enter into this Agreement and that it will comply with the conditions of this Agreement including but not limited to the restrictions in clause 2.3 and 2.4.

6. **Proprietary Rights**

6.1. <u>Confidential Information</u> consists of any information designated as confidential, the economic terms of this Agreement and the nature of the relationship between Crytek and Licensee, any trade secrets related to CryEngine, any information relating to Crytek's products, plans, product designs, product costs, product prices, product names, finances, marketing plans, business opportunities, business plans, marketing concepts and plans, personnel, research, development, or know-how, and CryEngine's (and other Crytek)

source code, including without limitation its underlying logic and concepts. Licensee shall use Confidential Information solely to the limited extent necessary for exercising its rights under this Agreement. Licensee shall prevent and not allow any Confidential Information or materials to be disclosed, used, sold, assigned, leased, sub-licensed, commercially exploited or marketed in any way or manner by Licensee or its employees, agents or representatives to any third parties. Licensee shall limit disclosure of Confidential Information to those of its employees who have "reason to be exposed to it" as determined in Licensee's business judgment being mindful of the concerns of disclosure articulated by Crytek and then only to those of its employees who have agreed in writing to abide by the non-disclosure requirements of this Agreement. Any such Confidential Information shall be protected by the recipient from disclosure to others with at least the same degree of care as that which is accorded its own proprietary information, but in no event with less than reasonable care. Licensee acknowledges that CryEngine is a confidential and proprietary product, that it embodies valuable trade secrets of Crytek and that Crytek has certain intellectual property rights in and to CryEngine, including, but not limited to, patents, copyrights, trade secrets and trademarks. Licensee agrees to retain and treat CryEngine in confidence, and shall not provide, disclose or otherwise make available CryEngine, or any part thereof, in any form to any person or entity, other than its employees or authorized third party consultants that have a need to know of it on Licensee's behalf and then only to such consultants who have agreed in writing to abide by the non-disclosure requirements of this License. Further, Licensee shall immediately advise Crytek of any suspected breaches by such third parties. Nothing in this clause shall restrict disclosure by the Licensee when it is required by law.

6.2. <u>Title</u>. Licensee acknowledges and agrees that nothing in this Agreement constitutes, or shall be construed to constitute, any transfer of title or ownership with respect to CryEngine including without limitation transfer of any copyrights, patents, trademarks, trade secrets, intellectual property, source code, improvements, enhancements, sequence, logic, structure, and other proprietary rights therein, now or hereafter existing.

7. Term and Termination

7.1. <u>Term.</u> The Term of this Agreement shall begin upon signature and end after three (3) years unless sooner terminated in accordance with the provisions hereof. The Term will

renew automatically for three (3) more years unless terminated 90 days prior to expiration by either Party.

- 7.2. <u>Termination</u>: Each Party shall have the right to terminate this Agreement or the license grants prior to the end of the Term immediately upon written notice delivered to the other party if, at any time: (a) the other party is in material breach of any term, condition or covenant of this Agreement and fails to cure such breach within thirty (30) days of written notice thereof; or (b) the other party (i) becomes insolvent; (ii) admits in writing its insolvency or inability to pay its debts or perform its obligations as they mature; (iii) makes or attempts an assignment for the benefit of creditors; or (iv) files a petition for reorganization, readjustment or rearrangement of its business or affairs under any laws or governmental regulations relating to bankruptcy or insolvency, or is adjudicated bankrupt or if a receiver is appointed for such other party and such action is not dismissed within sixty (60) days. In addition, Crytek shall have the right to terminate this Agreement in the event it ceases generally to provide the CryEngine to its customers.
- 7.3. Effect of Termination. Upon termination of this Agreement, all license grants shall end and Licensee shall immediately take the following measures: (i) Licensee returns any and all material regarding the CryEngine to Crytek (including all date carriers and documentation); and (ii) Licensee deletes and/or destroys any and all copies of the CryEngine, be they in object code or source code, in whole or in part, permanent or temporary; and (iii) Licensee will provide a statement signed by an authorized officer of Licensee that any and all material regarding the CryEngine have been returned to Crytek and any and all copies of the CryEngine have been deleted and/or destroyed. Sections 7.3, 8, 9 and 10 shall survive any termination of this Agreement, as well as any other provisions which by their terms or sense are intended to survive. Termination of this Agreement shall not relieve the parties of any obligation accruing prior to such termination.

8. Non-Competition

Licensee shall not engage in the business of selling or licensing any competing game engine or middleware to third parties for the Term of the Agreement and five (5) years thereafter.

9. General provisions

- 9.1. This Agreement (including the exhibits attached hereto) constitute the entire agreement between the Parties and supersede all prior agreements and understandings, oral or written, between the Parties. This Agreement may not be changed, altered or modified except by written instrument duly executed by both of the Parties.
- 9.2. All notifications and declarations of intent according to this contract shall be in writing. Facsimile shall be considered as writing. E-mail shall not be considered as writing.
- 9.3. Only the following persons are entitled to giving notifications according to this agreement:
 - for Crytek: managing director, Carl Jones, Martin Franz
 - for Licensee: _____
- 9.4. All communication, correspondence and/or and payments of the parties shall be addressed as follows:
 - for Crytek: managing directors
 - address: Hanauer Landstr. 523, 60386 Frankfurt, Germany
 - phone: +49 69 2197766-0
 - fax: +49 69 2197766-99
 - for Licensee: ______ address: ______ phone: _____ fax: _____
- 9.5. Nothing herein contained shall in any way create any association, partnership, joint venture or the relation of principal and agent between the Parties hereto or be construed to evidence the intention of the Parties to constitute such.

- 9.6. If any provision of this Agreement shall be found to be invalid or unenforceable for legal or factual reasons the invalidity or unenforceability of such provisions shall not affect the other provisions of this Agreement and all provisions of this Agreement not affected by such invalidity or unenforceability shall remain in full force and effect. The Parties hereby agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible the economic and legal objective of the Agreement. This applies as well in case of an omission or invalidity of the whole Agreement.
- 9.7. This Agreement is governed and construed by the laws of the Federal Republic of Germany. Place of performance and jurisdiction shall be Frankfurt am Main.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above

Crytek GmbH	
by	by
its authorized signatory	its

EXHIBIT 1

- CryENGINE object code (with all modules other than those provided by third parties to Crytek under separate license)
- Sandbox Editor in object code format (with all modules other than those provided by third parties to Crytek under separate license)
- Example MOD DLL Source Code demonstrating usage of most major CryENGINE features
- Sample art assets for most major classes of objects (i.e. characters, faces, vegetation, buildings, terrain features, and vehicles) sufficient to allow any experienced game development team to create their own assets which are compatible with the CryENGINE
- CryEngine Example Code, Sandbox Editor, Exporters, & Plug-In User Documentation and Training Videos