

SOFTWARE DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made this 8 day of Nov., 1994, ("Effective Date") by and between Atari Corporation, a Nevada corporation, with offices at 1196 Borregas Avenue, Sunnyvale, California 94089 and its wholly-owned subsidiaries and its affiliates ("Atari") and Llamasoft, with offices at 49 Mount Pleasant, Tadley, Hampshire RG26 6BN, U.K., ("Developer").

WHEREAS, Atari desires that Developer develop, as work made for hire, a software product ("Game") designed to work with certain hardware systems built by Atari specified in Appendix A ("Hardware"), and;

WHEREAS, Developer desires to develop for Atari, as a work made for hire, the Game designed to work with the Hardware;

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, and the parties, intending to be legally bound, have agreed and do hereby agree as follows:

1. DEVELOPER'S OBLIGATIONS. Developer shall expend its best efforts according to industry standards, to develop and produce the "Game" in an efficient and timely manner.

1.1 Specifications. The Game shall be in accordance with the specifications described in Appendix A ("Specifications"). Developer agrees to prepare and propose, in writing, Specifications for the Game and to deliver the same to Atari within two (2) weeks following execution of this Agreement. The Specifications are the sole property of Atari and Developer shall have no rights therein. Atari in its discretion reserves the right to change the Specifications at any time. Developer may request changes in the Specifications when necessary to meet size of memory limitations, playability goals, or performance criteria. All such changes shall be made only when agreed upon in writing and signed by an authorized representative of both Atari and Developer. Any agreed-to changes in the Specifications shall be appended hereto, as an amendment to Appendix A.

1.2 Milestones. Developer agrees to prepare and propose, in writing, development milestones ("Milestones") for the Game and to deliver the same to Atari within two (2) weeks following execution of this Agreement. Should the Milestones be acceptable to Atari, they shall be signed by an authorized representative of Atari and Developer. Upon approval of the Milestones, they shall be appended hereto, as an amendment to Appendix A.

1.3. Delivery. "Deliver," "Delivered" and/or "Delivery" shall be defined as a transfer of actual possession to Atari of the Game program in object code via floppy disk or by modem transmission as required by a specific Milestone. Developer shall Deliver the Game to Atari in conformance with the Specifications and Milestones ("Deliverables"). The Game shall be deemed accepted as of any Milestone upon written notice to Developer that the Game has been received and found to meet the Specifications for that Milestone ("Acceptance" and/or "Accepted.") If the Game is disapproved at

any Milestone, Atari shall specify the reasons for disapproval and state what corrections or improvements are necessary for Acceptance in accordance with the Specification at that Milestone. After making all necessary changes, Developer shall re-Deliver the Game for Acceptance within the time period specified below. Included in the Deliverables of each Delivery, Developer shall provide a copy of the annotated source code in both machine and human readable form.

Should Atari notify Developer that the Game received as of any Milestone due date does not meet the Specifications, or if Atari has not received the Game in accordance with any Milestone due date, Developer shall have ten (10) days from receipt of such notice to conform the Game to the Specifications and/or Deliver the Game. If after twenty (20) days of receipt of notice, Developer has still not Delivered the Game completed to the appropriate Milestone, Developer will be deemed to be in material breach of this Agreement and Atari shall have the right to terminate this Agreement. In the event Atari should terminate this Agreement for such material breach, Developer agrees that it shall be liable to Atari for all reasonable costs incurred by Atari in the completion of the Game, including but not limited to the refund to Atari of any prior payments made by Atari to Developer, should such cost to complete the Game when added to such prior payments exceed the Development Fee (as defined in Appendix B).

1.4 Testing. Atari is obligated to act as the test and debug agent for Developer.

1.5 Continuing Developer Support. Although Developer will make every effort to ensure that the Game is free of errors and defects and in full conformance with the Specifications, it is possible that some errors may be hidden and unknown at the time the Game is Delivered and Accepted by Atari as fully conforming to the Specifications ("Final Acceptance). In the event Atari discovers errors or omissions in the Game within twelve (12) months after the date of Final Acceptance, Atari shall notify Developer in writing of such finding, and Developer shall make a best effort to effect corrections of said errors or omissions in a timely manner, but in no event more than thirty (30) days after receipt of notice from Atari. Should Developer fail to effect the corrections of said errors or omissions within the time herein specified, Atari shall have the right to do so. Atari shall have the right to recover all cost incurred by Atari to effect the correction of said errors or omissions as a reduction of any amounts due to Developer pursuant to this Agreement. If all amounts required to be paid to Developer pursuant to this Agreement have previously been paid, Developer shall, within ten (10) days of receipt of an invoice from Atari, reimburse Atari for all costs incurred by Atari to effect the correction of said errors or omissions.

1.6 Documentation. Developer shall, no later than five (5) working days before Delivery of the Game completed in accordance with the last Milestone to Atari for Final Acceptance, provide in writing to Atari all information and technical data pertinent to the performance of the Game to enable Atari to produce the necessary documentation (including, but not limited to, a User's Manual) pertaining to the Game ("Documentation").

2. ATARI'S OBLIGATIONS.

2.1 Payments/Consideration. Atari shall pay Developer a monthly fee of \$6,667.00 on the first day of each calendar month beginning November 1, 1994. The first \$50,000.00 paid shall be considered a non-refundable advance against sales royalties.

2.2 Sales royalties of 5% of Net Sales per cartridge. Sale of the Game shall exclude any intercompany transfer of the Game to any subsidiary or affiliate of Atari. Royalties on the Game transferred to any subsidiary or affiliate shall accrue upon sale to any unaffiliated purchaser. Royalties described herein shall first be credited against any advance against royalties paid by Atari. In the event Atari directly sells Products to consumers, Net Sales shall mean the average wholesale price for such Products during the reporting period.

2.3 Royalty payments for the preceding calendar quarter will be made to Developer within ninety (90) days after the last day of such quarter.

2.4 Atari will keep accurate records of all sales and other transfers of the Game. At the time each royalty payment is due, Atari will furnish Developer with a statement setting forth the data on which such royalty payment is based. Once each calendar year Developer will have the right, through an independent certified public accountant retained by Developer, to inspect these records to verify the accuracy of such statements, during normal business hours, provided Developer has given Atari thirty (30) business days prior written notice, and further provided that Developer and its agent agree in writing not to disclose such information to third parties.

2.5 No royalties will be paid on promotional or documentation copies of the Game distributed by Atari.

2.6 If Atari sells any Games on a close-out basis, the Royalty rate shall be at the rate of 5% of the net amount received from the sale. A close-out sale shall be for an amount less than two times Atari's manufacturing cost for the Game. Atari will notify Developer in writing of first close-out sale.

2.7 Equipment Licensed to Developer. Atari may license Developer for the use (at Developer's place of business) of development board systems and software ("Development System") adequate to perform the work described herein, as listed in Appendix C. Developer agrees that the Development System will be kept at the Developer's place of business and will not be moved to any other location without Atari's prior written consent to be given in Atari's sole discretion. Atari hereby grants to Developer and Developer hereby accepts, under the terms and conditions stated in this Agreement, a non-exclusive, non-transferable, non-sublicensable right and license to use the Development System only to create the Game for Atari in accordance with this Agreement. Developer acknowledges that the Development System contains trade secrets of Atari, constitutes Confidential Information, and the Developer's use of the Development System is limited. Developer has no right to make any other software, hardware or derivative work with or for the Development System or any Atari product. Developer agrees it will not remove any part the Development System and will not reverse engineer, copy, disassemble or modify any part of the Development System. This license does not include any license to make software, other than the Game, or use any of Atari's patents, trademarks, copyrights and/or trade secrets, except as necessary to develop the Game, and no such license is implied. Breach of these terms shall be considered a material breach entitling Atari to immediately terminate this Agreement without limitation to any additional remedies available at law or in equity. It is expressly understood that all right, title, interest and ownership in such Development System shall remain exclusively in Atari. As

the Development System is the exclusive property of Atari, it must be returned to Atari within fifteen (15) days after any termination of this Agreement, the completion of the Game or the written request of Atari. Failure to return Development System within the fifteen (15) day period will result in Developer being charged a daily rental fee of Five Hundred Dollars (\$500.00).

2.8 Equipment Sold to Developer. Atari may, upon request, provide Atari manufactured equipment to Developer at 25% of the domestic distributors' price. Developer will pay for the equipment prior to Final Acceptance, or at the termination of this Agreement. Atari may deduct amounts due from the final Milestone payment. Developer may purchase only one Atari system for each Development System licensed.

3. WARRANTY AND INDEMNIFICATION. Atari warrants and represents that it is the owner or licensee of the Specifications to be developed by the Developer. Developer warrants and represents that the Game it produces under the terms of this Agreement is original to Developer in all respects and shall be free of any encumbrances on rights of ownership or use, regardless of whether the Game is developed by Developer or by a third party contracted by Developer. Developer further warrants and represents that all materials or any part thereof Delivered to Atari pursuant to this Agreement do not infringe in any manner upon the rights of any third party including, but not limited to, patent, copyright, tradename, trademark or trade secret. Developer undertakes to effect suitable agreements in the form as shown in Appendix D attached hereto to be executed by its employees and any other persons acting on its behalf, releasing any and all rights of said employees or other persons in and to the Game and all Deliverables (including but not limited to copyright, patent, trademark, tradename or trade secret). Said Agreement between Developer and its employees and/or other persons acting on its behalf shall preclude any claim by such third parties to any right, title or interest in the Game or the Deliverables. Developer hereby agrees to indemnify and hold Atari and its directors, officers and employees harmless from any and all claims, losses, liabilities, damages, costs and expenses, including reasonable attorneys' fees and court costs, resulting from the Developer's failure to effect such agreement or its breach of the warranties and representations contained in this Agreement. Atari hereby agrees to indemnify and hold Developer and its directors, officers and employees harmless from any and all claims, losses, liabilities, damages, costs, and expenses, including reasonable attorneys' fees and court cost resulting from Atari's breach of the warranties and representations contained in this Agreement.

4. DEFENSE OF INFRINGEMENT CLAIMS. In the event that any claim and/or allegation is made by any party against Atari or any distributor or end user that the Game infringes any patent, copyright or trade secret of any third party, Developer shall defend, hold harmless, and indemnify Atari at Developer's expense against such claim brought by such third party, whether statutory or common law based, and will pay any settlements, judgments, awards or costs including reasonable attorneys' fees, incurred in connection with the claim provided that:

- (a) Developer is notified in writing by Atari promptly after receiving notice of such claims; and
- (b) Atari provides Developer, at Developer's expense, with all reasonably necessary assistance, information and authority to perform the above.

Should Developer refuse or be unable to defend such action, Atari may defend the action at Developer's expense and under Atari's sole authority and discretion. This, however, shall not limit any liability of Developer as stated above.

5. CONFIDENTIALITY. Developer and Atari understand that certain information which either party may receive from time to time from the other party will be confidential and/or proprietary to the disclosing party. Such information includes, but is not limited to:

(i) the fact that either party intends to develop or market any particular hardware or software product;

(ii) the designs, schematics, specifications, object code, source code and other technical information of or concerning the Game or methods of developing the Game;

(iii) this Agreement and the subject matter and terms and conditions of this Agreement;

(iv) nonpublic information concerning the business or finances of either party;

(v) the Development System, and/or any other development boards and software provided to Developer by Atari, and

(vi) any other information the disclosure of which might impair or destroy a competitive advantage of either party.

All of (i) through (vi) shall be referred to collectively as "Confidential Information."

6. NONDISCLOSURE AND CONFIDENTIALITY. Developer agrees to hold all Confidential Information in strictest confidence and not to, directly or indirectly, copy, reproduce, distribute, manufacture, duplicate, reveal, report, publish, disclose, cause to be disclosed, or otherwise transfer any such Confidential Information to any third party, or utilize any such Confidential Information for any purpose whatsoever other than as specifically authorized by this Agreement. This obligation shall survive the termination or expiration of this Agreement. Developer acknowledges and agrees that Atari's Confidential Information is and shall at all times remain the sole and exclusive property of Atari. In the event that any of Developer's employees, agents, or contractors are terminated, Developer shall use its reasonable best efforts to recoup any and all materials and information of or concerning the Confidential Information within any third party's custody and/or control. In the event of termination or expiration of this Agreement for any reason, Developer shall return immediately to Atari all Confidential Information and any copies thereof in its possession or under its control. Upon the return of such Confidential Information, Developer shall provide Atari with a signed written statement certifying that it has returned all Confidential Information and any copies thereof to Atari. Except with the prior written consent of Atari, Developer shall not have permission to make an archival or other copies of the Confidential Information.

Without limiting the general obligations specified above, Developer agrees to implement the following security steps in order to protect the confidentiality and security of the Confidential Information:

(a) Implement internal procedures to limit, control and supervise the use of Confidential Information;

(b) Make the Confidential Information available only to full-time employees of Developer and such other parties who have executed written agreements requiring them to recognize the proprietary and confidential nature of such information and the nondisclosure obligations set forth herein;

(c) Notify Atari in writing of any suspected or known breach of the obligations and/or restrictions set forth in this Paragraph; and

(d) Use those security procedures that a reasonable person would use for his/her own confidential or proprietary information which he/she protects against unauthorized disclosure, appropriation or use.

7. OWNERSHIP. The development work and work product performed and produced by Developer hereunder is at Atari's request, and the resultant Game (including all Deliverables) and work product shall be a work made for hire. Therefore, all right, title and interest relating to the Game and the Deliverables belong exclusively to Atari. Developer hereby irrevocably assigns to Atari any and all worldwide rights, title and interest to the Game, the Deliverables, the work product, and any derivatives thereof including but not limited to any patent, copyright and/or mask work rights therein. Atari, its successors and assigns shall have the right to obtain and hold in its and their own name any and all applications and registrations of copyrights, patents, and other proprietary rights and interests of any kind which may be available in the Game, the Deliverables, the work product or any derivatives thereof. Developer further agrees, at Atari's expense, to take all actions and execute all documents which may be reasonably necessary to vest Atari with those ownership rights.

8. TERMINATION.

8.1 Either party may terminate this Agreement upon thirty (30) days, or such shorter period as elsewhere herein provided, written notice of an uncured material breach of any of the terms herein.

8.2 This Agreement may be terminated by the mutual consent of Atari and the Developer.

8.3 Atari may, in its sole discretion, terminate this Agreement if a judgment or decree is entered against Developer approving a petition for an arrangement, liquidation, dissolution or similar relief relating to bankruptcy or insolvency and such judgment or decree remains unvacated for thirty (30) days; or immediately if (a) Developer files a voluntary petition in bankruptcy under the bankruptcy or insolvency laws of any jurisdiction or any petition or answer seeking any

arrangement, liquidation or dissolution related to bankruptcy or insolvency, or (b) debtors of and/or Developer seeks or consents to, or acquiesce in, the appointment of any trustee or receiver, or the liquidation of Developer's business and/or property.

8.4 Upon termination of this Agreement for any reason, Developer shall return the Development System and any other Confidential Information of Atari to Atari in accordance with Subparagraph 2.2 and Paragraph 6. Developer acknowledges that its failure to comply with the terms of this Subparagraph will result in immediate irreparable and irremediable damage to Atari. Developer acknowledges and admits that there is no adequate remedy in law and agrees that in the event of such failure, Atari shall be entitled to equitable relief including but not limited to injunctive relief and such other and further relief as any court with jurisdiction may deem just and proper.

8.5 Upon the expiration or earlier termination of this Agreement, all rights granted to Developer hereunder shall revert to Atari, and Atari shall have all right, title and interest in the Game, the work product of the Developer, the Deliverables and any derivatives thereof as of the date of expiration or termination.

8.6 Upon termination of this Agreement by Atari, Atari shall have the right, but not the obligation, to complete the Game in accordance with the Specifications and Developer agrees that it shall be liable to Atari for all reasonable costs incurred by Atari to complete the Game should Atari elect to do so to the extent that such cost of completion exceed the Development Fee reduced by payments previously made by Atari to Developer hereunder.

8.7 The rights and remedies set forth herein are in addition to any other rights or remedies which may be otherwise available to Atari, in law or in equity, consistent with the terms of this Agreement.

8.8 The following Paragraphs and Subparagraphs shall survive the expiration or termination of this Agreement: Developer's obligation of continuing support pursuant to Subparagraph 1.5; the parties' rights and obligations pursuant to Subparagraph 2.2; the parties' warranties, representations and indemnities pursuant to Paragraph 3; Developer's obligations and indemnities pursuant to Paragraph 4; the parties respective obligations and commitments with respect to Confidential Information pursuant to Paragraphs 5 and 6; the parties' representations, warranties and indemnities pursuant to Subparagraph 9.11; the Developer's representations, warranties and indemnities pursuant to Subparagraph 9.12.

9. GENERAL PROVISIONS.

9.1 Atari Name, Patents, Copyrights and Trademarks.

(i) Patents, Copyrights, and Trademarks. Developer acknowledges the validity of Atari's patents, copyrights, trademarks, and trade names and the ownership or license thereto by Atari. Developer agrees not to attempt to register, use, or exploit, directly or indirectly, any of the foregoing without the prior written consent of Atari, and further agrees promptly to notify Atari in writing if any such attempted registration, use, or infringement by any third party comes to its

attention. Any use by Developer of Atari intellectual property shall be strictly in accordance with the terms of this Agreement for the sole purpose of the development of the Game.

(ii) Use of Atari Name and Trademarks. Developer shall have no right to use Atari's trademarks or trade names or refer to Atari or any of its subsidiaries in connection with any product or promotion without the prior approval of Atari.

9.2 Authority to Contract. Each of the parties to this Agreement hereby represents and warrants that all required corporate [or individual] authorizations have been procured prior the execution of this Agreement and the parties designated as signatories are the properly authorized persons and each have the requisite authority to do so.

9.3 Assignment; Binding Effect. This Agreement shall be binding on the parties and on any subsidiaries or other business entities controlling, controlled by or under common control with such party. Developer acknowledges that Atari has entered into this Agreement after consideration of the unique talents and experience of Developer. Because Atari has entered into this Agreement upon the basis of the particular abilities of Developer, Developer shall not sell, transfer, assign or subcontract any right or obligation hereunder, except as expressly provided herein, without the prior written consent of Atari, which consent Atari can withhold in its sole discretion. The term "Assign" shall include the transfer or assignment of this Agreement to a third party as a result of the sale or transfer of all or substantially all of Developer's assets or voting stock. Subject to the foregoing, this Agreement shall inure to the benefit of the parties, their successors and permitted assigns.

9.4 Legal Costs and Expenses. In the event it is necessary for either party to employ legal counsel to enforce the provisions of this Agreement, or to defend any action by the other party arising in connection with this Agreement, then the prevailing party in any such action shall be entitled to recover from the other its reasonable attorneys' fees and related costs and expenses. "Reasonable attorneys' fees" shall be measured at the rate of \$100.00 per attorney hour for a reasonable number of attorney hours.

9.5 California Law Applicable. The validity, interpretation or performance of the terms of this Agreement, and all rights and obligations of the parties hereunder, shall be governed and construed in accordance with the laws of the State of California applicable to contracts made and performed wholly within California without regard to its principals of conflicts of laws. The parties agree that service of process with respect to any such action or proceeding shall be sufficient if provided in accordance with the provisions of Subparagraph 9.10 below. ANY ACTION WHICH MAY ARISE OUT OF THE AGREEMENT SHALL BE CONDUCTED IN COURT OF COMPETENT JURISDICTION WITHIN THE STATE OF CALIFORNIA, COUNTY OF SANTA CLARA. EACH OF THE PARTIES HERETO CONSENTS TO THE JURISDICTION AND VENUE OF ANY SUCH COURT IN CONNECTION WITH ANY SUCH LITIGATION AND WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED ON LACK OF PERSONAL JURISDICTION, SERVICE OF PROCESS, IMPROPER VENUE OR FORUM NON CONVENIENS.

9.6 Entire Agreement. This Agreement (including its Appendices) is the entire agreement between the parties hereto with regard to the subject matter described herein and supersedes all prior or contemporaneous proposals or communications, agreements, contracts, and representations between the parties whether oral or in writing.

9.7 Headings and References. The headings and captions used in this Agreement are used for convenience of the parties only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, and Appendices shall unless otherwise provided, refer to sections and paragraphs hereof and Appendices attached hereto, all of which are incorporated herein by this reference.

9.8 Counterparts. This Agreement may be executed in counterparts. In the event of such execution by the duly authorized representatives of Atari and Developer, each originally executed counterpart shall function as an original of this Agreement for all purposes. Each party to this Agreement shall sign two copies of this Agreement so that each party will have an original signed copy.

9.9 Severability. In the event that any provision of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid, or otherwise unenforceable under the appropriate laws and/or regulations, either such provision shall be deemed amended to conform to such law and/or regulation without materially altering the intent of the parties or shall be deleted while the remainder of this Agreement shall continue in full force and effect.

9.10 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be properly addressed to the other party at the following address or to such other address as may be provided in writing by either party from time to time, shall be sent by any recognized commercial overnight courier or United States registered or certified mail, return receipt requested, and shall be concurrently sent by facsimile.

To Atari: Atari Corporation
 1196 Borregas Avenue
 Sunnyvale, California 94089
 Attention: President

Fax: 408-745-8861

cc: Legal Department
 Atari Corporation
 1196 Borregas Avenue
 Sunnyvale, CA 94089

To Developer: Llamasoft
49 Mount Pleasant
Tadley, Hampshire
RG26 6BN, U.K.
Attention: Jeff Minter

Any such notice shall be effective as of the date of facsimile transmission, other than service of process, which shall be effective upon receipt.

9.11 Independent Contractors. In performing their respective obligations hereunder, each of the parties shall operate as and have the status of an independent contractor and shall not act as or be an agent, partner, or employee of the other party. Neither party shall have any right or authority to assume or create any obligations of any kind or to make any representations or warranties on behalf of the other party, whether express or implied, or to bind the other party in any respect whatsoever and nothing contained herein shall give or is intended to give any rights of any kind to any third persons. Each party agrees to indemnify and hold the other party harmless from and against all suits, claims, injuries, liabilities, losses, damages, settlements, costs and expenses (including but not limited to reasonable attorneys' fees) whether as a direct or indirect result of an asserted obligation of either party stemming from any act, omission or obligation of or by the other party, or any of its agents, employees, or contractors.

9.12 Taxes and Employee Benefits. Developer represents and warrants that it shall be responsible for any withholding taxes, payroll taxes, disability insurance payments, unemployment taxes and other similar taxes or charges on the payments received by Developer hereunder. Developer warrants that it is responsible for, and Atari shall under no circumstances be liable for, any payment to any employee of Developer, or any programmer or party or entity other than Developer for any payments hereunder. Developer agrees to indemnify and hold Atari, its officers, directors and employees harmless from any and all claims, suits, liabilities, loss, damage, cost or expense, including reasonable attorneys' fees based upon any breach of Developer's representations and warranties contained in this Subparagraph.

9.13 Waiver or Modification. No waiver or modification of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom such waiver or modification is sought to be enforced. No failure or delay by either party in exercising any right, power or remedy under this Agreement shall operate as a waiver of any such right, power, or remedy.

9.14 No Action. No action arising out of any claimed breach of this Agreement or transactions arising out of this Agreement may be brought by either party hereto more than two (2) years after the cause of action has accrued.

9.15 Time Is Of The Essence. It is agreed between the parties that time is of the essence with regard to the development and Delivery of the Game.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the Effective Date.

LLAMASOFT

ATARI CORPORATION

By: Heminger

By: [Signature]

Title: Partner

Title: Director

Dated: 31-10-94

Dated: 11-8-94

1-11-94 Hem

By: [Signature]

Title: _____

Dated: _____

ctllamde10/3/94

APPENDIX A
SPECIFICATIONS AND HARDWARE

Game Title: "Defender 2000"
("Game")

Hardware: Atari Jaguar

1. Detailed Game Description ("Specifications") and Milestones.

To be proposed and provided by Developer within 2 weeks of signing of this Agreement.

Art and sound to be provided by Atari.

APPENDIX C

Equipment Provided to Developer by Atari

1 each Jaguar Development System not including Atari-branded computers and monitors.

APPENDIX D

"D1"

I, _____,

employees of _____, "Developer," do hereby represent and warrant:

(i) that the Software Program "Game" adaptation to be delivered under this Agreement will be original with me in all respects, and

(ii) to the best of my and Developer's knowledge, the adaptation of the Game does not infringe in any way on any copyright, trade secret, patent or other intellectual or proprietary rights of any third party.

Name: _____
Address: _____
City/State: _____
Phone: _____ (w)
_____ (h)

Name: _____
Address: _____
City/State: _____
Phone: _____ (w)
_____ (h)

Name: _____
Address: _____
City/State: _____
Phone: _____ (w)
_____ (h)

APPENDIX D (continued)

"D2"

INVENTION AND TRANSFER OF OWNERSHIP

1. The undersigned hereby agrees to promptly disclose to Developer and Atari (as such terms are defined in the Software Development Agreement dated _____, 19__ by and between Atari Corporation and _____ ("Agreement"), all developments involving me during the term of my employment by, or providing of contracted services to, Developer, including but not limited to inventions, products or processes, designs, ideas, writings and/or computer programs which are conceived, developed, or reduced to practice solely by me or jointly with others, wherever done, and which:

- a. Relate to the development work performed pursuant to the Agreement; or
- b. Involve the use of any Confidential Information (as defined in the Agreement) of Atari.

All of (a) through (b) above shall be referred to collectively as "Developments."

2. I understand that any Developments and any and all work product resulting from the Agreement or any part thereof, or any work product derived from Confidential Information or any derivative of such, shall be the sole and exclusive property of Atari. I agree that since Atari is the sole owner of such work product that any right, title or interest which may in any manner vest to me or any agent, employee, or third party will be fully assigned to Atari including but not limited to any copyright, patent, service mark, trade mark, or trade secret thereon, except inventions which qualify fully under the provisions of California Labor Code Section 2870814,18 or 2870. Employment agreements; assignments of rights. Any provision in an employment agreement which provides that an employee shall assign any of his or her rights in an invention to his or her employer shall not apply to an invention of which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time and (a) which does not relate (1) to the business of the employer or (2) to the employer's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against public policy of this state and is to that extent void and unenforceable by any other equivalent law applicable hereto. I further agree to execute any and all assignments and any and all documents related thereto which may be required to effect the sole ownership of all such rights strictly and exclusively in Atari.

3. I have indicated on a separate piece of paper attached hereto any intellectual property which I currently have any right, title or interest in which could be used by me during the development work to be performed by me pursuant to the Agreement. (If you do not have any

intellectual property to indicate, write "none" on this line:

_____);

4. The above provisions shall be separately construed. If any provision is held to be invalid or unenforceable, the remaining provisions shall not be effected; and

5. This Invention and Transfer of Ownership Agreement shall be governed by the laws of the State of California applicable to contract made and to be performed wholly with said state without giving effect to its choice of law principals. Any dispute brought hereunder shall be resolved in any court of competent jurisdiction within Santa Clara County, California.

UNDERSTOOD AND AGREED

Name: HEMINTER
Address: 49 Mount Pleasant
TADLEY
Phone: 0734 814478 (w)
_____ (h)

Date: 1-11-97

APPENDIX D (continued)
"D3"
CONFIDENTIAL DISCLOSURE AGREEMENT

The undersigned acknowledge that they have been given copies of Paragraph 5 and Paragraph 6 of the Software Development Agreement dated _____, 19__ by and between Atari Corporation and _____ ("Agreement"), that they have read and fully understand the meaning of those Paragraphs and do hereby agree to be bound by all of the terms, covenants and conditions contained therein. The undersigned further agree that all information relating to the Agreement shall be considered Confidential Information.

The undersigned agree to use the same degree of care to avoid unauthorized dissemination of the Confidential Information as a reasonable person would employ with respect to information of a similar nature which such reasonable person would not desire to have disseminated; provided, however, that this Confidential Disclosure Agreement shall impose no obligation upon the undersigned with respect to any Confidential Information which: (i) is now or which subsequently becomes generally known or available by publication, commercial use or otherwise, through no fault of the undersigned; (ii) is substantiated to have been known by the undersigned at the time of receiving such information; (iii) is furnished by the disclosing party to third parties without restriction on disclosure; (iv) is subsequently rightfully furnished to the undersigned by a third party without the breach of a confidentiality agreement and without a restriction on disclosure; or (v) is substantiated to have been independently developed by the undersigned, provided that the person or persons developing the same have not had access to the Confidential Information.

UNDERSTOOD AND AGREED:

Name: HEMinter Date: 1-11-94
Address: 49 Mount Pleasant
City/State: PAROLEY Hants
Phone: 0734 814478 (w)
(h)

Name: _____ Date: _____
Address: _____
City/State: _____
Phone: _____ (w)
(h)