

# Livestreaming & VODs for Gaming

## Partner Program

### Commercial Contract & Service Level Agreement

between

**own3D Entertainment GmbH**

Address Redacted

and

**Steven Bonnell II**

Address Redacted

NOTE: legal entity needed (e.g. tax registration)

#### PURPOSE & OVERVIEW

own3D Entertainment GmbH (hereinafter "own3D") offers a one-stop service for publishers offering gaming related online videos delivery to Steven Bonnell II (hereinafter the "Partner", the "Publisher", each a Party, jointly the Parties).

The Partner is one of the most popular Starcraft II players, regularly broadcasting live entertainment and video games related content.

The Parties have agreed to enter into this Commercial Contract & Service Level Agreement (SLA) starting on the 1<sup>st</sup> December 2011.

#### OWN3D SERVICES

own3D agrees to provide the following services:

- Livestreaming and Video-On-Demand Services for Gaming
- Channel Management and Publisher Web Site integration
- Advertising Revenue Share
- Sponsorship
- Statistics for revenue, content reach and demographics

own3D will be exclusively hosting and distributing all of the Publishers gaming video content. own3D will deliver marketing services to the Publisher, at specific levels of support, and at an agreed-upon revenue-share in the Service Terms section below.

This SLA sets forth the terms and conditions of the provision of services by own3D and formalizes the rights and obligations of each Party hereunder.

Scope of own3D Services - own3D will provide the following services to the Publisher:

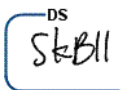
- a) Livestreaming and Video-On-Demand Services

- Global content delivery network (hosting & bandwidth)
  - Video-Player
  - APIs for Web integration
- b) Channel Management and Publisher Web Site integration
- Channel design and wallpapers with links
  - Widgets and APIs for integration into publisher web site
- c) Advertising Revenue Share
- own3D pays publishers fixed international revenue share of 50% on video ad revenues and 60% on premium subscription revenues
- d) Price Money Sponsorship
- own3D will pay the Partner a sponsorship fee for price money for event development and branding and PR
- e) Statistics for revenue, content reach and demographics
- Overall stats for whole channel
  - Specific stats for individual streams

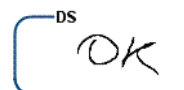
## PARTNER SERVICES

Additionally to providing own3D with exclusive broadcasting and content distribution rights – the Partner agrees to provide the following services to own3D for the duration of the Agreement:

1. Branding & PR:  
own3D Logo @ Partner Website
2. Minimum 50 hours live broadcasting per month



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## FEATURES

Standardized and exclusive partner features provided by own3D are documented in the attached Appendix.

## DEFINITIONS

“Publisher Earnings” means the total revenue own3D generates by running advertising campaigns for the Publisher using the Advertising Materials.

“own3D Network” means the publisher and advertising network consisting of several Publishers operated by own3D.

“Publishers Premium Content” are video on demand files or live broadcasts that belong to the Publisher and are uploaded to own3D servers by Publishers to his own3D account.

“Ad Revenues” are defined as all revenues actually collected from third-party advertisers for the exhibition of pre-roll advertisements and mid-roll advertisements, net of any (i) taxes, (ii) cancellations, charge-backs, disputed payments and fraudulent transactions, and (iii) transaction fees paid to third parties (e.g. ad-serving fees, PayPal fees, charges and fees for credit cards, bank transfers, pre-paid retail cards, mobile or land line transfers, or any other payment method to effect payments and transfers). Ad Revenues expressly exclude revenues for any other branding, advertising or promotional materials which may appear near, adjacent, before, during or after the Publisher’s Premium Content.

“Pre-Roll” means a video advertisement that plays before the start of a video that user selected to play, shown prior to the user’s selected content starting to play.

“Post-Roll” means a video advertisement shown at the end of the video a user selected to view.

“Mid-Roll” means a video advertisement shown in the middle of the video that user selected to play.

“CPM” means price per 1.000 video ad impressions.

“Gross CPM” means price that own3D receives for showing 1.000 video ad impression on its sites.

“Net CPM” means price that own3D pays to Publisher for 1.000 video ad impressions generated by Publishers content.

“Premium Subscriptions” are defined as all streams that can only be watched based on a pay-per-view business model that offers an ad free experience.

## REPORTS

own3D will present monthly reports encompassing all service activities by function. own3D will use its best efforts to meet the Publisher’s reporting requirements. The basic indicators for reporting will be monthly ad impression views and revenue.

## REVENUE SHARE

Subject to the terms and conditions of this Agreement, own3D agrees to pay the Publisher a fixed percentage of the Pre-Roll and Mid-Roll Ad Revenues (“Pre-Roll and Mid-Roll Ad Fees”) as defined under Commercial Terms below. Except for the Ad Revenues defined above (Definitions), own3D shall have no obligation to share with the Publisher, pay the Publisher, or account to the Publisher

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for any other revenues or other consideration obtained by own3D in connection with any branding, advertising or other content which may appear near, adjacent, before, during or after the Publisher's Premium Content.

The Publisher agrees that own3D has the right to display, place, serve and otherwise make available any branding, advertisements and promotional materials, the nature, size, display, and other characteristics of which shall be determined in own3D's sole discretion, near, adjacent, prior to, during or after the display, exhibition, streaming or other distribution of any of the Publisher's Premium Content.

Also, own3D shall have no obligation to any third parties whose content is included within the Publisher's Premium Content, including third parties who provided authorized third party content to the Publisher, regardless of whether such third party has an account with own3D or whether such third party makes such content available through such third party's own account or channel, if any, via the own3D Service. For purposes of clarity, the Publisher will be solely responsible and liable for any payment, if any, of any nature to such third party relating to such third party's content.

**PAYMENT**

Within 30 (thirty) days of receipt of revenues from advertising, and only in the event of receipt of revenues, own3D shall remit the Publisher's proportionate share thereof to the Publisher, through direct deposit. The Publisher is responsible for providing correct banking information to own3D, including the name of the bank, the bank account type, the routing number, the account number and the primary account holder name as it appears on the bank account).

In case a payment due to own3D is delayed, own3D has the right to delay the corresponding payment to the Publisher until own3D is paid. own3D will accrue and withhold payment until the minimum amount due to the Publisher is at least USD 50.00.

The Publisher is advised that own3D uses the ad impressions accounting of the advertiser for revenue reporting.

**TAXES**

All amounts stated herein are net of any taxes and fees. By participating in the own3D Network, Publisher assumes complete and sole responsibility for any taxes owed as a consequence thereof.

**LIABILITIES**

The Publisher guarantees that none of the following or similar content is promoted or published on the Publisher's web sites. The Parties agree that user generated content on forums and comment sections are not the responsibility of the Publisher.

<b>Adult Content</b>	<ul style="list-style-type: none"> <li>• Pornography</li> <li>• Exposed or minimally covered breasts, buttocks, or genitals</li> <li>• Sex acts (real or implied)</li> <li>• Underwear/Lingerie</li> <li>• Sexually suggestive poses</li> <li>• Concentrated attention on particular body parts</li> <li>• Adult toys or products (e.g., condoms and sexual aids)</li> </ul>
<b>Hateful/Anti Content</b>	<ul style="list-style-type: none"> <li>• Content that advocates against any person, organization or group of people.</li> </ul>

**INDEMNIFICATION**

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own3D Entertainment GmbH | Address Redacted | UID ATU49892709 | CEO: Zvetan Dragulev

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The Publisher acknowledges that advertisers and not own3D are responsible for advertising materials. own3D shall not be liable for any claims, losses or liabilities related to or arising from advertising material and own3D content such as text, software, scripts, graphics, photos, sounds, music, videos, interactive features provided on own3D's website.

The Publisher agrees to defend, indemnify and hold harmless own3D and its partners, and each of their officers, directors, employees, and suppliers, from and against any and all suits, claims, demands, damages, obligations, losses, liabilities of any nature or kind, costs or debt, and expenses (including but not limited to attorneys' fees) arising from or in any way relating to the Publisher's activities related to this SLA.

## **DURATION & TERMINATION**

This SLA comes into force on the date the last of the Parties signs this SLA and shall terminate 18 (eighteen) months later unless terminated earlier by either Party as provided below.

Either Party may terminate this SLA in writing with immediate effect if the other Party breaches any of its obligations hereunder, or if such breach is capable of remedy, the breaching Party fails to remedy such breach to the satisfaction of the other Party within 45 (forty five) calendar days.

In the event of termination of this SLA, or upon the expiry of its duration: (i) the activities hereunder shall be brought to a prompt and orderly conclusion, and any further agreements entered into pursuant to this SLA in respect of any services shall also terminate; and (ii) any rights granted hereunder by one Party to the other Party shall revert immediately to the originating Party.

Notwithstanding the foregoing, the rights and obligations set forth in the clauses entitled "Indemnification" and "Confidentiality" shall survive, and is without prejudice to, the termination or expiry of this SLA.

In case of termination without good reason and without any breach of obligations – the terminating party is obliged to pay a termination penalty. The penalty fee amounts to 60 percent of the average monthly revenues (including sponsorship fees) that have been generated before termination for the remaining months of the Agreement. For example, if the contract is terminated after 10 months and average monthly revenues have been \$1000 during this period – the terminating party is obliged to pay \$600 for the remaining 8 months of the contract or \$4800.

## **MODIFICATION**

No modification of this SLA shall be binding unless in writing and signed by both Parties. Each provision hereunder is severable and distinct. To the extent that any provision hereof is held to be invalid, illegal or unenforceable, this shall not affect or impair the continuation in force of the remainder of this SLA.

## **CONFIDENTIALITY**

Any non-public information regarding a Party's business, including but not limited to a Party's Service and Commercial Agreement, plans, processes, products, costs, equipment, finances, operations or customers, which is furnished or disclosed by that Party (the "Disclosing Party") to the other (the "Receiving Party") is considered confidential, and shall include information which is designated as confidential or information which should be regarded as confidential given the nature and circumstances of its disclosure (collectively "Confidential Information"). The Receiving Party will hold Confidential Information in confidence and will not, without written permission of the Disclosing Party, disclose such Confidential Information to any person other than its own employees

and consultants who have a need to know in connection with this Agreement. The Receiving Party will use Confidential Information exclusively in connection with the performance of its obligations under this Agreement and shall not use such Confidential Information for any other purpose or use whatsoever. The Receiving Party agrees to exercise the same degree of care in handling Confidential Information that it exercises toward its own but in no event less than due care. These provisions will survive the term of this SLA.

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### **NON-COMPETITION & EXCLUSIVITY**

During the term of this SLA, own3D will act as the Publisher's sole and exclusive live video platform. The Publisher warrants that it will not engage any other video platform during the term of this SLA. The Parties agree that user generated content, including links and embedded code of third party video providers do not constitute an engagement of a third party video provider. Notwithstanding the foregoing, the Publisher may obtain exclusive third party content not available to own3D, after having requested such content from own3D and provided own3D a commercially reasonable time period to acquire such third party content.

The Publisher agrees that no other own3D Partners (3<sup>rd</sup> party Publishers and their affiliates that already participate in own3D partner programs) will be approached with the intention to join the Publishers account – without written permission from own3D.

### **DISTRIBUTION RIGHTS**

The Publisher provides own3D with exclusive rights to distribute the Publisher's digital content outside the own3D platform and Publisher network. Where the own3D player is used for distribution the Commercial Terms of this agreement apply. In case of content distribution to platforms that use 3<sup>rd</sup> party player and advertising technologies – a 50:50 revenue share model will apply. Video on demand uploads to the Publisher's YouTube account are exempt from the Distribution Rights clause.

### **INDEPENDENCE OF THE PARTIES**

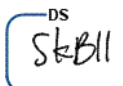
This SLA shall not be deemed to create any joint venture, joint liability partnership, association or company of any sort between the Parties, nor shall any Party be deemed an agent of the other. The Parties shall be independent of each other and the relationship between them shall be that of two independent contractors.

### **ASSIGNMENT**

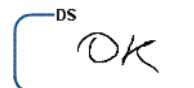
Neither Party shall assign or transfer this SLA or any part hereof to any third party. No provision hereof shall be enforceable by any third party, being any person other than the Parties to this SLA.

### **APPLICABLE LAW.**

Austrian law is applicable.



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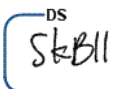
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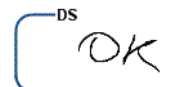
**CONTACT DETAILS**

Customer: Steven Bonnell II	Address: Redacted
Customer contact:	Email: Redacted Phone: Redacted
Customer billing contact:	Email: Phone:
own3D Account Manager: Oleg Kogut	Email: Redacted Phone: Redacted

**SERVICE DETAILS – SPECIAL TERMS**

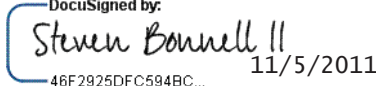
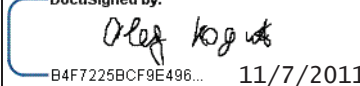
<b>Web Sites</b>	<a href="http://www.quantica-destiny.com">http://www.quantica-destiny.com</a>
<b>Commercial Terms</b>	<p><u>Video Ad Revenue Share:</u> 50:50 Revenue share on all Ad Revenues generated by either own3D's or the Publisher's ads. own3D guarantees a minimum CPM of 4\$.</p> <p><u>Premium Subscription Revenue Share:</u> The Partner receives 60% of all Premium Subscription and Pay-Per-View Revenues.</p> <p>Measurement will be based on own3D's Reporting.</p> <p><u>Sponsorship Fees:</u> Signing bonus: A one-time fee of USD 20,000.00 – this is split into USD 15,000 as sign bonus payment, and the rest of the USD 5000 to be managed by own3D to run events for the Publisher.</p> <p>50% upfront payments for the first month of the contract</p>
<b>Start Date &amp; Duration Terms</b>	Starting on 1 <sup>st</sup> December 2011 13 months.


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**AGREEMENT**

The Publisher acknowledges that the Services to be supplied under this Service Level Agreement will be governed by own3D Entertainment GmbH's Standard Terms. The Publisher confirms that to have full legal authority to enter business relationships on behalf of the web sites listed in the Service Section above.

<b>Company:</b>		own3D Entertainment GmbH
<b>Name:</b>	Steven Bonnell II	Oleg Kogut
<b>Title:</b>		COO
<b>Signature:</b>	 <small>DocuSigned by: Steven Bonnell II 46F2925DFC594BC... 11/5/2011</small>	 <small>DocuSigned by: Oleg Kogut B4F7225BCF9E496... 11/7/2011</small>
<b>Date:</b>		

**Return to:** own3D Entertainment GmbH, **Address Redacted**



## Appendix I

# Partner Features

### Multiple Live Channels

Create multiple live channels in a single account. This feature is ideal for larger projects with many broadcasters who want to work as one. Multiple live channels can be combined in a single player embed to simplify integration with your website.

### Content Partner Management

Working with partners leads to more viewers and revenue. The Content Partner Management feature enables you to invite other broadcasters to share your live channel without giving away your main account data.

own3D provides revenue statistics for each individual live channel which enables revenue sharing between partners.

Case study: The ESL Intel Extreme Masters was streamed via 24 live channels in 7 languages. Their content was partly provided by 3rd party broadcasters. Using this feature, ESL was able to ensure creative control over their event.

### Global HD & Fail-Over Delivery

own3D has implemented a unique solution to deliver live streams for own3D partners; we are gamers and understand how important smooth, low-latency and delay-free streaming is for gaming.

own3D works with multiple vendors that have many data-centers around the world in order to provide the best possible industry solution. Global streaming in HD especially requires local data-centers in order to be lag-free.

Our fail-over technology checks the connection speed of users' clients to our networks. In case there is a slow connection or any other problem - we automatically switch users to the network with the best connectivity.

During the Dreamhack Summer 2011 festival our technology provided record breaking 250,000 concurrent viewers with a lag-free HD experience.

### Advanced Usage Statistics

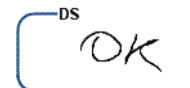
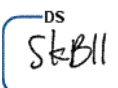
We offer transparent real-time stats for usage & revenues. Partners can understand and plan their own business and can share critical marketing information with sponsors regarding reach, engagement and demographics.

### Channel Design

Customize your channel page to include your own logo, colors, links and more. Integrate your channel page on your own web site with iFrame embed code or API.

### Stream Delay

Your broadcast can be delayed by up to 8 minutes on own3D servers, therefore allowing fair gameplay during live online competitions.



### **Multi bit-rate & mobile**

Reach slow and fast users with different qualities.

Reach mobile users: HTML5 / iOS compatible. We provide automatic re-encoding of main stream. Android, iPhone and iPad apps.

### **YouTube Upload**

Easily upload your own3D live recordings to the largest online video community in the world.

### **Video Editing**

Edit and cut your recordings - cut short clips from long recording archives and create professional videos.

### **Exclusive Partner Features**

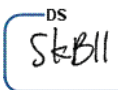
The following features are available only to large partner projects with exclusive content.

### **Brand Your Player**

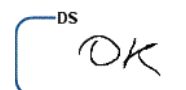
Large gaming projects can add their own or their sponsors logo to the player for extra branding. This is ideal since the logo can include a URL link. own3D provides all relevant statistics for traffic through this player.

### **Language Menu**

For large projects with an international reach, own3D has developed a language drop-down menu for your player. International audiences are just one click away from hearing your broadcast in their native language.



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