

## Licensing Information

Licensing agreements for Tora are based on five primary categories:

- \* Exclusivity
- \* Rules Aspect
- \* Distribution Coverage
- \* Production Aspect
- \* Donation Amount

Each primary category has a direct impact on any exclusivity that the production company wishes to possess, this protects the versatile nature of the game from stale and otherwise diminishing constraints a single exclusively licensed company may unwittingly create.

### **Exclusivity:**

Exclusivity is a very limited term, with a scope only as broad as the manufacturer's production, distribution, and seal abidance capabilities. A broader exclusive agreement would require a greater devotion by the manufacturer in question to requirements set forth by Kevin Conner - Ninja Nezumi Productions. A more limited agreement releases the manufacturer from the many demands, but has less of a guarantee for exclusivity.

An existing contract may never be canceled by the Exclusivity Level of another company. Provided a manufacturer/production company does not breach their licensing contract, their licensing contract will remain secure until the point that it expires (which may determined either by time frame or units contracted). This protects smaller companies from being ousted by a larger company and encourages growth of the license.

### **Rules Aspect:**

There are three main rules which are capable of being broken into separate licenses. Tournament Events license is currently prohibited from being licensed to a company that is also producing the games as well.

The Four licenses are:

- \* Long Board
- \* Short Board
- \* Tournament Events
- \* Electronic/Video Game

While Tournament Rules are permissible to be licensed with the Long Board and Short Board rules, Tournament Events themselves are only to be licensed to event based companies which do NOT produce their own boards for sale (this may be subject to change). The main reason for this is to prevent the event based companies from prohibiting boards, or pushing expensive boards, or requiring certain boards in order for players to participate in licensed tournaments. This is also to require event based companies to provide temporary boards free of charge for players. A tournament company which makes special arrangements may be allowed to produce boards as well, in limited quantities.

Some companies may only wish to produce one of the two main types of boards: long board and short board. There is no additional fee associated with licensing both types of boards, rather, the split of the two boards is entirely dependent on the company's desires and production capabilities.

Again, these aspects are interlocked with Distribution Coverage.

Electronic/Video Game licensing is described towards the end of the document, and has special rules regarding exclusivity.

## **Distribution Coverage:**

Distribution Coverage gauges the company's resources in reaching all markets. Coverage is determined by outlet capabilities as well as political borders.

Example: Company A receives a license to cover Colorado, and Utah. However, their distribution coverage is only through Supermarkets and a specific chain store. Company B opts to have a license for National Parks distribution. Company B is allowed such a license, since Company A has no outlet agreements with any National Park.

Distribution Coverage is also linked to the Production aspect category.

Example: Company A is producing only the Long Board in Colorado and Utah. Company C decides they want to produce the Short Board. Company C is allowed to distribute their Short Board games in Colorado and Utah.

Example: Company H is a bookstore, and decides that it wishes to release a limited edition exclusive through their chain. Since they have a unique Distribution Coverage (their own store chain) they are allowed a license, even if they have chain stores in Colorado and Utah. However, Company H cannot sell their board games in Supermarkets and Company A cannot sell their board games in Company H's bookstores.

Obviously, the more distribution coverage the production company is capable of handling, the more exclusive their agreement becomes.

Unless the coverage deals with Electronic (Videogame) distribution, Internet sales are not applicable for exclusivity enforcement.

## **Production Aspect:**

Production Aspect is partially interlocked with Long Board/Short Board licensing, as well as these following categories:

- \* Board Type (i.e.: Travel - Tournament - Cardboard - Artisan and any other unique category)
- \* Value (\$0-10, \$11-20, \$21-30, \$31-40, \$41-50, \$51-100, \$101-250, \$251-499, \$500 + are not applicable for exclusivity)
- \* Franchise Affiliation (this in and of itself will be exclusive to the franchise authority)
- \* Translated Rule Licenses. Although all translations are provided upon request, a company which requests a partial exclusivity over licensed reproduction of copyrighted rules may be allowed such depending on negotiation. Keeping in mind that translations of the rules are covered and held by Kevin Conner under various intellectual property laws.

## **Donation Amount:**

Since the purpose of Tora is entirely devoted to supporting ecological concerns (local, national, international - based on location of distribution), the most important aspect is the Donation Amount.

Upon licensing Tora, the company must agree to various levels of Donation Amounts associated with their production of the game. In certain instances, a higher Donation Amount will supercede any other company's exclusivity, allowing both companies the same distribution area.

These instances are gauged on a Copper, Silver, Gold rating, as well as major aspects.

A Copper Seal Trademark denotes a total of 4% Royalties to Ninja Nezumi Productions, and 4%-12% Royalties to the ecological concern of manufacturer's choice. A Copper Seal Trademark may never prevent a Gold or Silver Seal Trademark from distribution in the same area, although other aspects of exclusivity may come into play (Franchise, production type, etc...). A Copper Seal Trademark may prevent another Copper Seal Trademark from distribution in the same area depending on the ecological concern and other aspects (i.e. same ecological concern provides exclusivity).

A Silver Seal Trademark denotes a total of 4% Royalties to Ninja Nezumi Productions, and 13-89% Royalties to the ecological concern of manufacturer's choice. A Silver Seal Trademark may never prevent a Gold Seal trademark from distribution in the same area, although other aspects of exclusivity may come into play (Franchise, production type, etc...). A Silver Seal Trademark may prevent another Silver Seal Trademark from distribution in the same area depending on the ecological concern and other aspects (i.e. same ecological concern provides exclusivity).

A Gold Seal Trademark may only be treated with exclusivity against the same ecological concern, through the same company. 90-100% of royalties the Gold Sealed boards must be given to the ecological concern. Other aspects of exclusivity may come into play (Franchise, production type, etc...).

Variations of Seals are denoted by the letters present on the seals themselves:

**L** - For Local

**N** - For National

**I** - For International

**M** - Mixture of any one of the above three forms of donation

While exclusivity concerning the three seals is unlikely for any company to establish, it is possible.

The ecological concern(s) supported by the seals must be clearly stated within the contents of the package or on the packaging itself.

Copies of the receipts of total donations to the ecological concern(s) in question, or any other verifiable form of confirmation with a statement of total donations must be provided to Kevin Conner - Ninja Nezumi Productions at least once per year. Variations of this requirement are negotiable per individual licensing agreement.

An agreement may be reached to have Ninja Nezumi Productions itself determine and/or distribute the % royalty to an International ecological concern for donation.

Any company found in breach of the Seal System will have their licensing immediately suspended, and pending an agreement to sort out the breach, may either be revoked, renegotiated, or resumed. A revoked license might allow for a negotiation and purchase at production cost the remaining printed boards, to be redistributed until the run is exhausted in the marketplace.

Special Edition Gold Seal productions, which have most if not all royalties going to a single ecological concern (such as a specific National Park, or a specific ecological concern), may not be prohibited from sales by any other agreement. i.e. if a Route 66 preservation society produces a special edition game with a Gold Seal, they are not restricted from any appropriate sales location. These such productions may themselves be limited by their own agreements, capabilities, and customer awareness.

Finally, a mixture of Seal Licenses may be a package sought by manufacturers. This is the easiest way to guarantee a higher level of exclusivity in the contracts. The mixture levels range from a 1c:1s:1g ratio to a 50c:25s:1g ratio. Any ratios smaller than that would be allowable, but would not guarantee any form of exclusivity based on seal production rates. C standing for Copper, S standing for Silver, G standing for Gold.

### **Video Game Licensing:**

Video Game Licenses are more restrictive in "exclusivity", and in many cases, "exclusivity" simply won't exist. Among the previous aspects described, the following are present in video game licensing of Tora:

- \* Advertisement and or Pay to Play Revenue being subject to the Seal System.
- \* Console/Computer Platform versions possibly subject to exclusivity.
- \* CD, DVD, Programming Language (java/flash/c++/etc...), Website Location are all part of distribution agreement portion and thus possibly subject to exclusivity.
- \* Multiplayer, Single Player, Custom Aspects may be required depending on exclusivity or other portions of the licensing contract.

## Licensing Package:

Upon completion of licensing negotiations, the licensee will receive the following in their Licensing Package in addition to that which has been stipulated in the licensing contract. This package is referenced and itemized in all licensing agreements. Any and all trademarked images must be marked as: “[name of image] is ™ 2008 of Ninja Nezumi Productions, LLC.” Copyright information must be given as: “Portions of rules and images owned by Ninja Nezumi Productions which are not protected through Trademark or Copyright are ©2004 - 2008 Ninja Nezumi Productions, LLC.” Such information must then identified as: “Licensed with approval by Ninja Nezumi Productions, LLC”.



- Authorized use of the **TORA** Trademark, complete with a master page hard copy and an electronic master file - provided in licensee negotiated format that Ninja Nezumi Productions is capable of facilitating.

Minimum size requirements for use of the Tora Trademark are:

- No smaller than 1” x 1” for a container with the largest surface being equal to or less than 20 square inches
- No smaller than 1.5” x 1.5” for a container with a largest surface being greater than 20 square inches.



- Authorized use of the **Ninja Nezumi Productions** Trademark, complete with a master page hard copy and an electronic master file - provided in licensee negotiated format that Ninja Nezumi Productions is capable of facilitating. Use of Ninja Nezumi Productions Trademark is optional, but reference to Ninja Nezumi Productions must be present somewhere within each unit. If used, the Ninja Nezumi Productions Trademark has no other requirements than that it must be legible.



- Authorized use of the **TORA Seal of Approval** Trademark, complete with a black and white master page hard copy and a black and white electronic master file - provided in licensee negotiated format that Ninja Nezumi Productions is capable of facilitating.

Minimum size requirements for use of the Tora Trademark are:

- No smaller than 1.5” diameter for a container with the largest surface being equal to or less than 20 square inches
- No smaller than 2” diameter for a container with a largest surface being greater than 20 square inches.

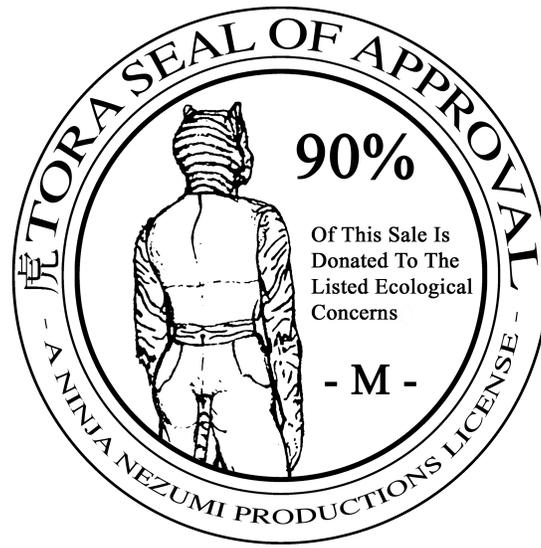
### **TORA Seal of Approval Trademark:**

The Seal of Approval Trademark is provided in Black and White Fashion, with a blank area on the right side. It is the licensee's duty to reproduce the Seal of Approval Trademark with the appropriate color coordination, and information, to their reproduction as per their licensing agreement.

The use of the blank area must follow these guidelines:

- The appropriate Royalty Percentage is in the above right portion of the open area at the right of the Trademark (the Tiger Woman is on the Left Side). Royalty Percentage is determined by the licensing contract.
- The statement of donation phrase, or similar (as translated, pluralize and modify appropriate):  
“Of This Sale Is Donated To The Listed Ecological Concern/Organization”  
Must be below the determined Royalty Percentage.
- The appropriate numeral designation of locality of the ecological concerns benefiting from sales must be listed below the statement of donation phrase.

Below is a black and white example of a Gold licensing agreement which donates 90% royalties to multiple listed ecological concerns:



- Licensed Access to all translated versions of the Tora game rules, with the stipulation that any new translations or modifications to the translations themselves must be approved by, and become property of Ninja Nezumi Productions. Appropriate credit for the translation procurement will be given to said company and translator. Tora Game Rules which are not protected by patent, are protected by copyright.
- Company listing on the toraBoardgame.com website, including listing of any information approved of by said company and Ninja Nezumi Productions, concerning licensing of the Tora Board Game and company contact information.
- Access to shared contact information between those holding Production Licensing and Tournament Event Licensing, to insure joint efforts if any are to be made. Should two manufacturers wish to contact and collaborate, contact information will be given depending on manufacturer contact status.
- Licensed usage of copyrighted “Konekomimi” and other images (she's the Tiger-Woman mascot of the Tora Board Game).
- Other aspects not listed here, may be added as per agreement.

## **Breach of Contract:**

The majority of contract breaches, such as accidental production of more units than initially negotiated, will be given a chance to resolve the issue with said company through a re-negotiation. The general rule of thumb is a 3 strike rule for simple oversight breaches.

A “No-Fault” breach is a breach which has not been an intentional breach, and thus may not be considered part of a three strike rule. These situations are to be resolved. Re-negotiation may be necessary, however, the older contract will be given right of first refusal.

Example: Sudden discovery that Store X does indeed carry Company A's and Company B's board game, despite exclusivity agreement with Company A and Company B not knowing about Store X).

A major contract breach, or repeated minor contract breaches, may result in immediate dismissal of contract. The company is then given the option to re-negotiate a new contract. Failing successful renegotiation, the company must immediately cease production of units, and has 3 months to distribute and sell the remaining units while continuing to abide by the seal system. If the company is unable to unload their remaining product in that time, the company must allow another licensed company the option of purchasing their stock at production cost.

Failure to uphold the contracted production and distribution of units (including verifiable distribution), will be considered a major contract breach. A company which fails to meet its production deadline by 2 months, has a 2 month grace period to either re-negotiate its deadline and the contract (extending the expected production by a maximum of 6 months for each re-negotiation), or suffer the penalties of breach of contract (including confiscated items relating to production at cost to the company). A contract deadline can only be re-negotiated a maximum of 3 times, before permanent loss of contract (leading to confiscation of related production items at cost to the company).

A Tournament Event company found in breach of licensing guidelines, must immediately renegotiate. Failing a successful renegotiation, the Tournament Event Company will have their contract canceled within 3 months. During that 3 months, tournament player information will be acquired by Ninja Nezumi Productions, retaining the original player rankings for those registered tournament attendees. This information will be used and given to whomever takes over the Tournament Events of that area/division.

A company which causes a massive contract breach is any company which openly commits fraud as to where Tora Board Game associated royalties are going. Falsifying ecological concerns (i.e. donation amounts), is not acceptable.

Any company which finds that it has made this error, and rectifies the error within a negotiated amount of time, may be forgiven and contract reinstated/renegotiated. However, repeated offenses will not.

A company which does not rectify the error, will have their goods and services confiscated, be reported to the appropriate authorities and may be subject to a lawsuit.

As always, Ninja Nezumi Productions would rather have fruitful business partners in all endeavors than anything else, and will make available all attempts to resolve any confusions or unintentional conflicts.