

AMENDMENT TO CROWD FUNDING AGREEMENT

WHEREAS James Maliszewski ("the Creator") and Autarch LLC ("the Company"), entered into the Crowd Funding Agreement to secure funds for the development and distribution of the Dwimmermount role-playing game module ("the Product");

WHEREAS the cooperation of the parties under the Crowd Funding Agreement generated certain funds on Kickstarter ("the Kickstarter Revenues");

WHEREAS the Creator spent portions of the Kickstarter Revenues to contract for, commission, and purchase the rights to use specific works of art, illustration, cartography, graphic design, and layout in the Product ("the Purchased Rights");

WHEREAS the Company suffered damage to its business and reputation due to the Creator's failure to meet the estimated dates of delivery as represented to the Company for use in the Kickstarter page;

WHEREAS the Company was obliged to offer coupons to the Kickstarter backers in partial compensation for the delays in fulfilling the Product caused by the Creator's inaction ("the Coupons"), the reimbursement of which will negatively impact the Company's future revenues;

WHEREAS the Creator transferred the unspent portions of the Kickstarter Revenues to the Company by wire transfer on 3/22/13;

WHEREAS the parties wish to modify their Crowd Funding Agreement in order to release the Creator from certain of his obligations;

THEREFORE, this Amendment to the Crowd Funding Agreement ("Amendment") is entered into as of the 26th of March, 2013, between the Company and the Creator.

Part 1. This section shall modify clause 2 ("Products, Rewards, and Goals") of the Crowd Funding Agreement.

- 1) Assumption of Kickstarter Obligation. Company hereby assumes authority over and responsibility for the development of the Product and the Rewards and Goals as defined in the Crowd Funding Agreement, and assumes the obligations defined by the Kickstarter Terms of Service associated with receiving the Kickstarter Revenues.
- 2) License to Product. In consideration of the Assumption of Kickstarter Obligation, Creator hereby grants an exclusive, world-wide, irrevocable, perpetual license to edit, develop, publish, distribute, sell, and otherwise exploit the Product in any medium to Company ("the License").
- 3) Transfer of Purchased Rights. To effectuate the License, Creator shall transfer to Company the Purchased Rights, and agrees that publication by the Company according to the License shall be the publication covered by the Purchased Rights.
- 4) Transfer of Product Materials. The Creator shall transfer to Company all physical documents and electronic files related to the Product, including but not limited to edited drafts, playtest feedback, and the original manuscripts which were promised in donation to research archives according to the

first Kickstarter bonus goal.

- 5) Open Game Content. The Creator and Company agree to use designation of Open Game Content according to the Open Game License to enable their mutual use and re-use of existing and future publications.

5a) In order to enable the Creator to make future use of such of his intellectual property as is contained in the Product, in all publication under the License the Company shall designate as Open Game Content all elements found in the Transfer of Product Materials, and will not claim as Product Identity any text or elements found in the Transfer of Product Materials. Such publication shall include the following citation in Section 15 of the Open Game License: "Dwimmermount Copyright 2012, James Maliszewski."

5b) In order to enable the Company to better assume the obligation to develop the Product, the Creator shall designate as Open Game Content the entirety of any post made to his blog Grognardia which contains the word Dwimmermount, and will not claim any text or elements found in these posts as Product Identity. Publication of this content by the Company under the License shall include following citation in Section 15 of the Open Game License: "Grognardia Copyright XXXX, James Maliszewski," where XXXX shall stand for the year in which the post was made.

- 6) Royalty. Creator shall be entitled to a royalty of 10% of net revenues of Company from the distribution of the Product ("the Royalty"). The value of the Coupons redeemed shall be deducted from the Royalty owed to the Creator. The \$8,000 of the original Kickstarter Revenues budgeted to the Creator and kept by him following the Transfer of Production Funds shall be considered a recoupable advance to Creator against the Royalty.

Part 2. This section shall modify clause 3 ("Mutual Promotion") of the Crowd Funding Agreement.

- 7) Creative Attribution. As part of its promotion of the Creator's brand and business, the Company shall list the Creator as first or lead author of all publication under the License. Unless given written permission to do so by the Creator, the Company shall not represent that any of its publications under the License reflect the Creator's final creative vision for the Product.
- 8) Labyrinth Lord. The Company agrees not to publish a version of the Product using the Labyrinth Lord rules, leaving this option open to the Creator as a vehicle for publication of his final creative vision, and will cooperate in good faith to promote any such efforts in future. Such publication will be exempt from the requirement to carry the Autarch logo and state compatibility with the *Adventurer Conqueror King System*.
- 9) Blog Posts. The Creator shall fulfill his obligation to detail the progress of the Rewards and Goals via a blog post on his website Grognardia. In this post he shall announce that further development of the Product will be undertaken by the Company and make a good faith effort to promote the Company's brand and business.
- 10) Petty Gods. In order to enhance the Company's ability to promote the Creator's brand and business, and to reduce collateral damage to the Company's brand and business suffered through association with the non-fulfillment of other obligations undertaken by the Creator, the Creator shall transfer all files and materials submitted to him for inclusion in the Petty Gods project to Gorgonmilk at flowthrake@gmail.com. The Creator shall then make a post at his blog Grognardia giving his blessing to the continuation of the Petty Gods project under Gorgonmilk's stewardship.

Miscellaneous

- 11) Choice of Law. The laws of the state of North Carolina shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties hereto. The parties hereby submit to the personal jurisdiction of the state and federal courts of North Carolina.
- 12) Severability. If any provision of this Amendment is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Amendment shall remain operative and binding on the Parties.

IN WITNESS WHEREOF the undersigned have executed this Amendment as of the day and year first written above. The parties hereto agree that facsimile signatures shall be as effective as if originals.

Autarch

By:


Partner

James Maliszewski

By:

