

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM558522

SUBMISSION TYPE:	RESUBMISSION		
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL		
RESUBMIT DOCUMENT ID:	900521339		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Red Interactive Agency, LLC		07/15/2019	Limited Liability Company:
RECEIVING PARTY DATA			
Name:	Red Games Co, LLC		
Street Address:	3660 Inglewood Blvd		
City:	Los Angeles		
State/Country:	CALIFORNIA		
Postal Code:	90066		
Entity Type:	Limited Liability Company: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	86067381	PET PEAVES	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	9253514829		
Email:	johnpark@redgames.co		
Correspondent Name:	Red Games Co, LLC		
Address Line 1:	3660 Inglewood Blvd		
Address Line 4:	Los Angeles, CALIFORNIA 90066		
NAME OF SUBMITTER:	Brian Lovell		
SIGNATURE:	/Brian Lovell/		
DATE SIGNED:	01/22/2020		
Total Attachments: 25			
source=USPTO - Resubmission (Pet Peaves)#page1.tif			
source=USPTO - Resubmission (Pet Peaves)#page2.tif			
source=USPTO - Resubmission (Pet Peaves)#page3.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page1.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page2.tif			

source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page3.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page4.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page5.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page6.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page7.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page8.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page9.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page10.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page11.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page12.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page13.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page14.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page15.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page16.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page17.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page18.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page19.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page20.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page22.tif
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page23.tif

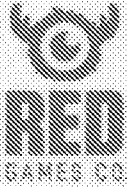
TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM547289

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Red Interactive Agency, LLC		07/15/2019	Limited Liability Company:
RECEIVING PARTY DATA			
Name:	Red Games Co, LLC		
Street Address:	3660 Inglewood Blvd		
City:	Los Angeles		
State/Country:	CALIFORNIA		
Postal Code:	90066		
Entity Type:	Limited Liability Company: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	86067381	PET PEAVES	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	9253514829		
Email:	johnpark@redgames.co		
Correspondent Name:	Red Games Co, LLC		
Address Line 1:	3660 Inglewood Blvd		
Address Line 4:	Los Angeles, CALIFORNIA 90066		
NAME OF SUBMITTER:		Brian Lovell	
SIGNATURE:		/Brian Lovell/	
DATE SIGNED:		10/30/2019	
Total Attachments: 17			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page1.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page2.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page3.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page4.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page5.tif			
source=RED Games - Contribution Transfer and Release Agreement (EXECUTED)#page6.tif			

OP 54000 86067381



January 22, 2020

United States Patent and Trademark Office
Assignment Recordation Branch
Public Records Division
P.O. Box 1450
Alexandria, VA 22313-1450
ATTN: Mary Benton

RE: Document ID #900521339
USPTO Trademark #4834370 ("Pet Peaves")

Letter of Explanation

USPTO Trademark #4834370 ("Pet Peaves" or "the Trademark") is currently registered under the following owner: RED Interactive Agency, LLC (located at: 3420 Ocean Park Blvd, Suite 2000, Santa Monica, CA 90405). On October 30th, 2019, we submitted a request to assign the Trademark to a new owner: Red Games Co, LLC (located at: 3660 Inglewood Blvd., Los Angeles, CA 90066).

The submission included a Contribution, Transfer, and Release Agreement ("the Agreement") which served as the basis for our request. The Agreement outlines a business transaction – part of which the Trademark has been fully assigned to Red Games Co, LLC.

We have since received a Notice of Non-Recordation (dated December 23rd, 2019) from the USPTO which requested additional clarification as it was not apparent the Agreement included an assignment of the Trademark. Please reference page 1, "Recitals" (paragraph 2) which states that RED (i.e. RED Interactive Agency, LLC) will "...contribute, convey, transfer, assign and deliver to the Company (i.e. Red Games Co, LLC), and the Company will accept and acquire from RED, the Contributed Assets (as defined below)..."

The "Contributed Assets" are further defined in Schedule 1 (PDF page 13) which includes Pet Peaves (USPTO Trademark No. 4834370) under the section titled "Intellectual Property." The contribution is defined as the right, title, and interest of the asset.

Please advise if anything additional is needed to complete the assignment process and thank you in advance for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read 'Brian Lovell', is written over a white background.

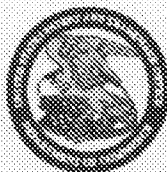
Brian Lovell

Red Games Co, LLC

3660 Inglewood Blvd | Los Angeles, CA 90066 | E: brian@redgames.co

Page 1 of 1

TRADEMARK
REEL: 006857 FRAME: 0120



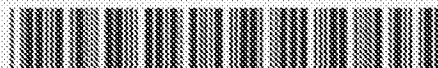
UNITED STATES PATENT AND TRADEMARK OFFICE

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

December 23, 2019

PTAS

RED GAMES CO, LLC
3660 INGLEWOOD BLVD
LOS ANGELES, CA 90066



900521339

United States Patent and Trademark Office
Notice of Non-Recordation of an Assignment Document

The enclosed document has been examined and found non-recordable by the Assignment Recordation Branch of the U.S. Patent and Trademark Office. The reason(s) for non-recordation are stated below:

1. The nature of conveyance indicates an Assignment and the documentation indicates a Release Agreement. Please clarify.

Documents being resubmitted for recordation must reflect the corrected information to be recorded, the Document ID number referenced above and all pages from this submitted document. The original date of filing of this assignment document will be maintained if resubmitted with the appropriate correction(s) by **Wednesday, January 22, 2020**, as outlined under 37 CFR 3.5i. The resubmitted document must include a stamp with the official date of receipt under 37 CFR 3. Applicants may use the certified procedures under 37 CFR 2.197 or 2.198 for resubmission of the returned papers if they desire to have the benefit of the date of deposit in the United States Postal Service.

To file the resubmission electronically, navigate to the ETAS website at <http://etas.uspto.gov>, click the Start Resubmission button and enter the following information:

Document ID: 900521339
Access Code: 06XZ07SC6P2B61B

To file the resubmission in paper, send documents to: U.S. Patent and Trademark Office, Mail Stop: Assignment Recordation Branch, P.O. BOX 1450, Alexandria, VA 22313. If you have any questions regarding this notice, you may contact the Assignment Recordation Branch at 571-272-3350.

MARY BENTON
ASSIGNMENT RECORDATION BRANCH
PUBLIC RECORDS DIVISION

CONTRIBUTION, TRANSFER AND RELEASE AGREEMENT

This **CONTRIBUTION, TRANSFER AND RELEASE AGREEMENT** (this “**Agreement**”) is effective as of July 15, 2019 (the “**Effective Date**”), by and among RED Interactive Agency, LLC (“**RED**”), WME Investments, LLC (“**Seller**”), On the Lovell Management Consulting, LLC (“**Buyer**”), Brian Lovell (“**BL**”, and together with Buyer, the “**Buyer Parties**”) and Red Games Co, LLC (the “**Company**”). Each of RED, Seller, Buyer and the Company may also be referred to herein as a “**Party**”, and collectively as, the “**Parties**”.

RECITALS

WHEREAS, prior to the Effective Date, RED has been engaged in, among other businesses, the business of developing, publishing and exploiting mobile games (the “**RED Games Business**”);

WHEREAS, subject to the terms and conditions set forth herein, (i) RED will contribute, convey, transfer, assign and deliver to the Company, and the Company will accept and acquire from RED, the Contributed Assets (as defined below); and (ii) RED will transfer and assign to the Company, and the Company will acquire, accept and assume from RED, the Assumed Liabilities (as defined below) (collectively, the “**Contribution**”);

WHEREAS, RED owns beneficially and of record a one hundred percent (100%) membership interest in the Company (the “**Membership Interests**”), and immediately following the Contribution and prior to the Transfer (as defined below) RED will assign, transfer and convey all of the Membership Interests to Seller, its affiliate (the “**Assignment**”);

WHEREAS, immediately following the Assignment, Seller wishes to sell, assign, transfer and convey a ninety percent (90%) membership interest in the Company (the “**Transferred Membership Interests**”) to Buyer, and Buyer wishes to purchase and acquire the Transferred Membership Interests from Seller, all upon the terms and conditions set forth therein;

WHEREAS, prior to the sale of the Transferred Membership Interests to Buyer pursuant to this Agreement, each of RED, the Company, WME RED (as defined below), WMEE (as defined below) and Seller are classified for U.S. federal income tax purposes as entities disregarded as separate from the same parent entity, and accordingly the Contribution and the Assignment are each intended to be disregarded for U.S. federal income tax purposes; and

WHEREAS, on the Effective Date the Parties desire to (i) amend and restate the Company’s existing limited liability company agreement by entering into that certain Amended and Restated Limited Liability Company Agreement of the Company dated as of the Effective Date (the “**LLC Agreement**”) to govern Buyer’s and Seller’s respective rights and obligations as members of the Company; (ii) enter into that certain Transition Services Agreement, dated as of the Effective Date, by and among RED and the Company (the “**Transition Services Agreement**”); and (iii) enter into the Note Documents (as defined and further described below).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual representations, warranties, promises, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. **Contribution.**

a. Contributed Assets. Upon the terms and subject to the conditions set forth in this Agreement, effective immediately prior to the Assignment, RED hereby contributes, conveys, transfers, assigns and delivers to the Company, and the Company hereby accepts and acquires from RED, all of RED's right, title and interest in, to and under the Contributed Assets (as defined in Section 1 of Schedule 1 attached hereto). Notwithstanding anything herein to the contrary, RED shall retain all of RED's right, title and interest in, to and under all of the Excluded Assets (as defined in Section 2 of Schedule 1 attached hereto). Buyer hereby represents and warrants to RED and Seller that the properties and assets set forth on Section 1 of Schedule 1 attached hereto are solely used in or held solely for use in connection with the RED Games Business, and none of such properties or assets are used in or held for use in any way in connection with the RED Business (as defined below). If at any time after the Effective Date it is determined by RED that any such properties or assets were used in or held for use in any way in connection with the RED Business or were otherwise transferred to the Company inadvertently, the Company will (and hereby does) automatically and irrevocably contribute, convey, transfer, assign and deliver to RED all right, title and interest in and to such properties and assets.

b. Assumed Liabilities. Upon the terms and subject to the conditions set forth in this Agreement, effective immediately prior to the Assignment, RED hereby transfers and assigns to the Company, and the Company hereby acquires, accepts and assumes from RED, and shall pay, perform, satisfy and discharge (or cause to be paid, performed, satisfied and discharged) when due, all of the Assumed Liabilities (as defined in Section 3 of Schedule 1 attached hereto).

c. Acknowledgements. Each of the Parties hereby acknowledges and agrees that neither RED, Seller nor any of their Related Parties (collectively with RED and Seller, the "**Seller Related Parties**") shall have any further obligations or liabilities, monetary or otherwise, to the Company or any of the Buyer Parties or any of its or their respective Related Parties (collectively with the Company and the Buyer Parties, the "**Buyer Related Parties**"), and no Buyer Related Party shall have any rights or entitlements of any kind as against any Seller Related Party with respect to the Contributed Assets, the Assumed Liabilities, the RED Games Business and/or any business, activities or operations of RED or its affiliates (the "**RED Business**") (including, for clarity, that the Buyer Parties and the Company shall be solely responsible for all costs, and shall solely perform all obligations, necessary to ensure the prompt readiness and standalone operation of the Company as of the Effective Date), in each case other than as expressly set forth in this Agreement or the other Transaction Documents (as defined below). For purposes of this Agreement, the term "**Related Parties**" shall mean, with respect to any person or entity, such person's or entity's subsidiaries and affiliates and its and their respective directors, officers, employees, shareholders, managers, members, partners, joint ventures, representatives, agents, attorneys, insurers, lenders and advisors, and any successors, assigns, heirs, executors, administrators and trustees of any of the foregoing, in each case past or present.

d. Employee Matters.

(i) Employment Offers. The Company shall extend employment offers to all current employees of RED set forth on Schedule 2 (all employees receiving such offers referred to herein as "**Business Employees**"). The terms and conditions of such employment offers (including benefits and salary and wage structure) shall be no less favorable to the terms provided to such Business Employee by RED and its affiliates immediately prior to the Effective Date. Buyer shall, and shall cause the Company and its other affiliates to, take all necessary or appropriate actions to cause Business Employees to accept the Company's offers of employment. All costs, expenses, Liabilities and other obligations due from RED or any of its affiliates in connection with the termination of employment of the Business Employees with

RED and its affiliates (other than the Company) in connection with or otherwise related to the transactions contemplated hereby (whether or not such Business Employee accepts and/or commences employment with the Company), including (A) accrued wages and unpaid vacation and other paid time off, (B) any other obligations or Liabilities under any Benefit Plan or (C) payments or obligations as may be required under applicable Law, shall constitute Assumed Liabilities.

2. **Assignment.** Effective immediately following the Contribution and prior to the Transfer, RED hereby assigns, transfers and conveys all of the Membership Interests to Seller, its affiliate, and Seller hereby accepts and acquires from RED all of the Membership Interests, which assignment shall be treated for all purposes as (a) a distribution of the Membership Interests from RED to WME RED, LLC (“**WME RED**”), its sole member; (b) a subsequent distribution of the Membership Interests from WME RED to William Morris Endeavor Entertainment, LLC (“**WMEE**”), its sole member; and (c) a subsequent contribution of the Membership Interests from WMEE to Seller, its wholly-owned subsidiary (collectively, the “**Assignment**”).

3. **Transfer.**

a. Transfer of the Transferred Membership Interests. Effective immediately following the Assignment, Seller hereby sells, assigns, transfers and conveys to Buyer, and Buyer hereby purchases, accepts and acquires from Seller (collectively, the “**Transfer**”), all of the Transferred Membership Interests, free and clear of all encumbrances, other than those arising under the LLC Agreement, the other organizational documents of the Company, and applicable federal and state securities law restrictions (“**Permitted Encumbrances**”).

b. Delivery of Consideration. In consideration for the Contribution of the Contributed Assets and Transfer of the Transferred Membership Interests, (i) Buyer shall pay to Seller on the Effective Date an amount equal to \$750,000 (the “**Initial Payment**”) by wire transfer of immediately available funds to the account designated by Seller on Schedule 3 attached hereto (the “**Specified Account**”); (ii) Buyer shall pay to Seller prior to December 31, 2019 an amount equal to \$250,000 (together with the Initial Payment, the “**Initial Payments**”) by wire transfer of immediately available funds to the Specified Account; (iii) the Company shall issue to Seller a \$2,000,000 senior secured note, pursuant to that certain Two-Year Senior Secured Promissory Note, dated as of the Effective Date, by and between the Company and Seller (the “**Note**”, and together with that certain Guarantee and Collateral Agreement, dated as of the Effective Date, by and between the Company, Buyer and Seller (the “**Guarantee and Collateral Agreement**”), and all other documents contemplated to be delivered in connection with the Note or the Guarantee and Collateral Agreement, the “**Note Documents**”), on the terms and conditions set forth therein; and (iv) Buyer shall pay to Seller any Post-Closing Earnout Amount as defined on and in accordance with the terms and conditions set forth on Schedule 4 attached hereto.

4. **Deliveries.** Concurrent with the execution of this Agreement, the Parties shall deliver, and/or cause to be delivered, to the other Parties fully executed copies of the LLC Agreement, the Transition Services Agreement and the Note Documents (collectively, the “**Transaction Documents**”), each in form and substance reasonably satisfactory to the parties thereto.

5. **Release.**

a. Release. Each Buyer Party and the Company, on behalf of itself and the other Buyer Related Parties, agrees to fully and forever unconditionally and irrevocably release, remise, acquit and discharge the Seller Related Parties and covenants not to sue or threaten to sue, or otherwise institute, threaten to institute or cause to be instituted, or in any way participate in or otherwise support, facilitate or

enable any third party to sue or institute, any claim, complaint, action or other legal or administrative proceeding (each, an “**Action**”) against or involving any Seller Related Party with respect to any matter (including, without limitation, any loss, damage, injury, liability, obligation, contract, wage, debt, lien, claim, demand, settlement, judgment, award, fine, penalty, tax, fee (including any outside legal fee, accounting fee, expert fee or advisory fee), charge, cost (including any cost of investigation, defense and settlement, and interest and penalties) or expense of any nature, kind or description, in law, equity or otherwise, which heretofore do or may exist, whether or not arising from or in connection with any third party claim, and whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, disclosed or undisclosed, matured or unmatured, direct or indirect, due or to become due, vested or unvested, executory, determined, determinable, contingent, conditional, implied, vicarious, derivative, joint, several, secondary or otherwise (collectively, “**Claims**” or “**Liabilities**”) which any Buyer Related Party now owns or holds or has at any time heretofore owned or held or may in the future own or hold as against any Seller Related Party) arising out of, related to or in any way connected with the Contribution, Transfer, Contributed Assets, Assumed Liabilities, RED Games Business and/or RED Business, except those arising from the express rights of the Buyer Parties and/or the Company under and in accordance with this Agreement and the other Transaction Documents. Each Buyer Party and the Company, on behalf of itself and the other Buyer Related Parties, represents and warrants that it has not assigned or transferred, or purported to assign or transfer, voluntarily or by operation of law, any matter released herein, or any part or portion thereof, to any other person and has not filed, caused to be filed, supported, facilitated or enabled any third party to file or presently is a party to any Action against or involving any Seller Related Party in any forum or form.

b. Section 1542 Waiver. It is understood and agreed that, except for any claims not released in this Section 5 arising from a breach of a representation, warranty, covenant or obligation under this Agreement, the releases in this Section extend to all claims of every nature and kind, known or unknown, suspected or unsuspected, past, present or future, with respect to the matters covered by the release in this Section and that any and all rights granted to the parties under Section 1542 of the California Civil Code or any analogous state law or federal law or regulation are hereby expressly waived. Said Section 1542 of the Civil Code of the State of California reads as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

Each Buyer Party and the Company warrants that he or it has read this Agreement, including this waiver of Section 1542 of the California Civil Code, and that he or it has consulted counsel or has had the opportunity to consult counsel about this Agreement and specifically about the waiver of Section 1542 of the California Civil Code, and that each Buyer Party and the Company hereto understands this Agreement and the waiver of Section 1542 of the California Civil Code, and each Buyer Party and the Company freely and knowingly enters into this Agreement. Each Buyer Party and the Company acknowledges that such Party may later discover facts different from or in addition to those such Party now knows or believes to be true regarding the matters released or described in this Agreement, and even so such Party agrees the releases and agreements contained in this Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Each Buyer Party and the Company assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies described in this Agreement or with regard to any facts now unknown to such Party relating to those matters.

6. **Further Assurances.** The Buyer Parties and the Company agree to execute all documents and take all such further actions necessary to evidence the Contribution and Transfer and to give effect to the other transactions contemplated hereby, as may be reasonably requested by RED or Seller.

7. **Representations and Warranties of Seller.** Seller hereby represents and warrants to Buyer as of Effective Date that:

a. Authorization; Enforceability. Seller has full power and authority to execute and deliver this Agreement and any other agreement or document relating to the transactions contemplated herein and to perform its obligations thereunder, all of which have been duly authorized by all requisite action on behalf of Seller. This Agreement has been duly authorized, executed and delivered by Seller and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.

b. Non-Contravention; No Consents. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated herein, by Seller does not and will not violate or breach or constitute a default under (with or without the passage of time or notice) any provision of any law or any order of any court, tribunal, or regulatory or governmental authority to which Seller or any of its properties or assets are bound or subject. No notice to, filing with, or authorization, registration, consent or approval of any governmental authority or other person or entity is necessary for the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby.

c. Title. Seller is the record and beneficial owner of the Transferred Membership Interests, free and clear of all encumbrances other than Permitted Encumbrances. Without limiting the foregoing, Seller has not (i) assigned or transferred, or purported to assign or transfer, all or any portion of the Transferred Membership Interests to any third party, (ii) granted any interest, right or option to any third party to acquire all or any portion of the Transferred Membership Interests, or (iii) taken any action to transfer, assign, sell or otherwise dispose of all or any portion of the Transferred Membership Interests, in each case, except as set forth in this Agreement.

d. Legal Actions and Orders. There are no Actions in progress, pending or, to the knowledge of Seller, threatened by or against Seller or its affiliates that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contribution or Transfer.

e. No Broker. Neither Seller nor any of its affiliates has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the Contribution or Transfer for which a Buyer Related Party could become liable or obligated.

8. **Representations and Warranties of the Buyer Parties.** Each Buyer Party hereby represents and warrants to Seller and RED as of the Effective Date that:

a. Authorization; Enforceability. Such Buyer Party has full power and authority to execute and deliver this Agreement and any other agreement or document relating to the transactions contemplated herein and to perform their obligations thereunder, all of which have been duly authorized by all requisite action on behalf of such Buyer Party. This Agreement has been duly authorized, executed and delivered by such Buyer Party and constitutes a valid and binding agreement of such Buyer Party, enforceable against such Buyer Party in accordance with its terms.

b. Non-Contravention; No Consents. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated herein, by such Buyer Party does

not and will not violate or breach or constitute a default under (with or without the passage of time or notice) any provision of any law, any order of any court, tribunal, or regulatory or governmental authority, or any agreement or other instrument to which such Buyer Party or any of its properties or assets are bound or subject. No notice to, filing with, or authorization, registration, consent or approval of any governmental authority or other person or entity is necessary for the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby.

c. No Other Representations. Such Buyer Party acknowledges that, in entering into this Agreement, it has relied solely upon the specific representations and warranties of Seller expressly set forth in Section 7 and not on any representations, warranties, statements or omissions by any person other than Seller, or by Seller other than those specific representations and warranties expressly made by Seller in Section 7. Such Buyer Party understands and agrees that the Transferred Membership Interests, Contributed Assets and Assumed Liabilities are being transferred, subject only to the representations and warranties of Seller in Section 7, “as is”, “where is” and with all faults and without any other representation or warranty of any nature whatsoever.

d. Investment. Buyer is acquiring the Transferred Membership Interests for investment for its own account and not with a view to, or for sale in connection with, any distribution of such Transferred Membership Interests in violation of federal and state securities laws. Buyer is an “accredited investor” as defined in Regulation D promulgated under the Securities Act of 1933, as amended (the “**Securities Act**”), and has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Transferred Membership Interests and is capable of bearing the economic risks of such investment. Buyer acknowledges that the Transferred Membership Interests have not been registered under the Securities Act or any state or foreign securities laws and that the Transferred Membership Interests may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of unless such sale, transfer, offer, pledge, hypothecation or other disposition is pursuant to the terms of an effective registration statement under the Securities Act and is registered under any applicable state or foreign securities laws or pursuant to an exemption from registration under the Securities Act and any applicable state or foreign securities laws.

a. No Broker. Neither such Buyer Party nor any of its affiliates has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the Contribution or Transfer for which a Seller Related Party could become liable or obligated.

9. **Indemnification.**

a. Each Buyer Party and the Company hereby agrees to jointly and severally indemnify and hold the Seller Related Parties harmless from and against any and all Claims incurred by a Seller Related Party arising out of, related to or in any way connected with (a) the Contributed Assets, Assumed Liabilities and/or RED Games Business, or (b) a breach or alleged breach of this Agreement or the other Transaction Documents by the Buyer Parties and/or the Company (including with respect to their respective representations, warranties, covenants or obligations hereunder, including, without limitation, any Buyer Related Party instituting, participating in, supporting, facilitating or enabling any Action against or involving any Seller Related Party in violation of this Agreement); provided, that in the event that any portion of any Claim subject to indemnification pursuant to this Section 9 is satisfied by the Company, each Buyer Party hereby further agrees to indemnify and hold harmless the Seller for the portion of such Claim indirectly borne by Seller as a result of Seller’s membership interest in the Company. Seller shall have the right, but not the obligation, to control and manage any Action in connection with any and all such Claims, and in any event neither the Buyer Parties nor the Company shall settle, compromise, discharge or otherwise admit to any liability for any such Claims or Actions without the prior written consent of Seller.

b. Each of RED and the Seller here agrees to jointly and severally indemnify and hold the Buyer Related Parties harmless from and against any and all Claims incurred by a Buyer Related Party arising out of, related to, or in any way connected with the Assignment.

10. **Tax Matters.**

a. The Parties agree that (i) the Contribution and Assignment are each intended to be disregarded for U.S. federal income tax purposes and (ii) in accordance with Revenue Ruling 99-5, 1999-1 C.B. 434 (Situation #1), the sale of the Transferred Membership Interests pursuant to this Agreement is intended to be treated as a purchase by Buyer from Seller of a 90% interest in each of the Company's assets, followed immediately by a contribution by each of Buyer and Seller of their respective interests in those assets to a newly formed partnership in exchange for ownership interests in the partnership. The Parties further agree that the consideration under this Agreement for the Transferred Membership Interests (including the Initial Payments, any Post-Closing Earnout Amount and any liabilities of the Company to the extent properly taken into account for relevant tax purposes, including Buyer's allocable share of the liabilities represented by the Note) shall be allocated among the assets of the Company in accordance with applicable tax law, including Section 1060 of the Code. Within ninety (90) days after the Effective Date, Seller shall provide such allocation to Buyer, and the Parties shall (and shall cause their affiliates to) file all tax returns in a manner consistent with such allocation, unless otherwise required by a determination by a governmental authority; provided, that this sentence shall not require any Party (or their affiliates) to litigate, or prevent any of them from settling, a dispute or other proceeding with a governmental authority relating to such allocation. Following the initial delivery of the allocation pursuant to this Section 10(a), if there are any subsequent adjustments to the amount of consideration for applicable tax purposes, Seller shall prepare and deliver to Buyer an updated allocation to reflect such adjustments. For the avoidance of doubt, nothing in this Section 10(a) is intended to or shall prevent Seller (or any of its direct or indirect owners) from reporting the sale of the Transferred Membership Interests on the installment method for U.S. federal or other income tax purposes, if Seller (or such direct or indirect owner) wishes to do so.

b. Buyer shall bear any and all transfer, conveyance, stamp, property and other similar taxes in connection with the transactions contemplated by this Agreement.

11. **Nonsolicitation.**

a. Nonsolicitation. During the Restriction Period, the Buyer Parties and the Company shall not, and shall cause their respective Related Parties not to, directly or indirectly, hire, retain or attempt to hire or retain any person who is during such period or was at any time in the immediately preceding six (6) month period, an employee of RED or its Related Parties; provided, that this Section 11(a) shall not (i) relate to an person that is not an employee of RED or its Related Parties on the Effective Date; and (ii) in any case prohibit a general solicitation for employment (or hiring pursuant thereto) not specifically directed to employees of RED or its Related Parties.

b. Restriction Period. For purposes of this Section 11, "**Restriction Period**" means the period from the date hereof until the first (1st) anniversary of the date hereof.

c. Specific Performance; Modification of Covenant. Each Party acknowledges and agrees that the agreements and covenants contained in this Section 11 are reasonable in scope and duration, an integral part of the Contribution and Transfer and necessary to protect and preserve legitimate business interests of RED and to prevent any unfair advantage. Each Buyer Party and the Company further acknowledges and agrees that if he or it breaches any provision of this Section 11, any remedy at law may be inadequate and insufficient and may cause RED and/or Seller, in addition to seeking monetary damages

in connection with such breach, to seek specific performance and injunctive and other equitable relief to prevent or restrain a breach of this Section 11 or to enforce the provisions hereof without the requirement of posting bond or other security. If a final judgment of a governmental authority determines that any term or provision contained in this Section 11 is invalid or unenforceable, then the Parties agree that the court or tribunal will have the power to reduce the scope or duration of the term or provision, to delete specific words or phrases or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision. This Section 11 will be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

12. **Miscellaneous.**

a. Expenses. Each Party shall bear all costs and expenses (including attorneys' fees and other out-of-pocket expenses) incurred by such Party in connection with the negotiation, execution and consummation of the transactions contemplated by this Agreement and the other Transaction Documents.

b. Confidentiality; Non-Disparagement. The Buyer Parties and the Company shall not, and shall instruct the other Buyer Related Parties not to, use or disclose, including by way of press release, public announcement or public statement, the existence or contents of this Agreement or the other Transaction Documents or the transactions contemplated herein or therein, any discussions, negotiations or any other matter (including any dispute) arising from or related hereto or thereto, or any other information disclosed by or relating to the Seller Related Parties or their respective businesses (other than to the extent solely relating to the Company, its subsidiaries or their respective businesses) without obtaining the prior written approval of Seller except to the extent compelled to make such disclosure by judicial or administrative process or by other applicable law; provided, that, the party intending to make such disclosure shall use its best efforts to consult with Seller with respect to the details of such disclosure and shall then disclose only what is so compelled. The Buyer Parties and the Company shall not, and shall instruct the other Buyer Related Parties not to, (a) verbally or in writing, criticize, call into disrepute or otherwise disparage or denigrate any Seller Related Party or their respective businesses, or (b) except as expressly permitted pursuant to the Transition Services Agreement, make any reference to, suggest any affiliation with or otherwise use the "RED" brand name or trademark in any way without RED's prior written approval in each instance.

c. Entire Agreement; Survival. This Agreement and the other Transaction Documents constitute the entire understanding and agreement among the Parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements relating thereto (written or oral), all of which are merged herein and therein. All representations and warranties made by Seller in this Agreement shall survive until the expiration of the applicable statute of limitations.

d. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and permitted assigns, but neither this Agreement nor any of the rights or obligations hereunder may be assigned (whether by operation of law, through a change in control or otherwise) by any Buyer Party or the Company without the prior written consent of Seller. Notwithstanding the foregoing, the Buyer Parties may, upon written notice to Seller, assign their rights and obligations hereunder to an affiliate of the Buyer; provided, that any such assignment shall not relieve the Buyer Parties of their direct, continuing and full responsibility and liability to Seller and/or RED for or with respect to any obligation owed by the Buyer Parties to Seller and/or RED under this Agreement. Except as set forth herein, this Agreement is not intended, and shall not be deemed, to create or confer any right or interest for the benefit of any person or entity not a party hereto.

e. Notices. All notices, requests, demands, claims and other communications which are required or may be given under this Agreement shall be in writing and will be deemed to have been given and received (a) on the date delivered if by electronic transmission, courier or other means of personal delivery, (b) on the next business day after being sent by a nationally recognized overnight mail service in time for and specifying next day or next business day delivery, or (c) on the fifth (5th) day after mailing by United States Postal Service certified or registered mail, in each case postage prepaid and with any other costs necessary for delivery paid by the sender. In each case notice shall be sent to:

If to Seller or RED:

c/o Endeavor Operating Company, LLC
11 Madison Avenue
New York, NY 10010
Attention: Chief Legal Officer
Email: skrauss@endeavorco.com; jkaransky@endeavorco.com

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attention: Justin Hamill and Rick Offsay
Email: justin.hamill@lw.com and rick.offsay@lw.com

If to the Buyer Parties or the Company:

On the Lovell Management Consulting, LLC
4055 Redwood Avenue, Unit 206
Los Angeles, CA 90066
Attention: Brian Lovell, Managing Member
Email: brian@redgames.co

with a copy (which shall not constitute notice) to:

Davis Shapiro Lewit Grabel Leven Granderson & Blake LLP
150 South Rodeo Drive, Suite 200
Beverly Hills, CA 90212
Attention: Corey N. Martin
Email: cmartin@davisshapiro.com

f. Governing Law. This Agreement, and all Actions (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any Action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by the internal laws of the State of Delaware as applicable to agreements made and to be performed entirely within the State of Delaware, without regard to conflict of law principles or rules.

g. Dispute Resolution. The Parties hereby agree that, to the fullest extent permitted by the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 et seq (as amended from time to time) and other applicable law, all Actions (whether in contract or tort) arising out of or relating to this

Agreement, or the negotiation, execution or performance of this Agreement (including any Action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall, unless otherwise agreed, be resolved exclusively by arbitration, before a single arbitrator, in accordance with the rules and regulations of JAMS or its legal successor in effect at the time of the arbitration. The arbitration award in any such arbitration may be confirmed by any court of competent jurisdiction. Any such arbitration shall take place in Los Angeles, California. In the event of any such arbitration, the prevailing party shall be awarded its costs and reasonable attorney's fees as part of the award, and the costs of the arbitration shall be borne by the parties on such equitable basis as the arbitrators shall determine. Judgment upon any such arbitration award or decision may be entered by any court having jurisdiction thereof. Nothing in this clause (g) shall be construed as preventing Seller or RED from seeking conservatory, injunctive or similar relief (but in any event, not damages) in any court of competent jurisdiction in order to enforce any provision of this Agreement.

h. Amendment or Modification; Waivers. Except as otherwise provided herein, no amendment to this Agreement shall be valid or effective unless in writing and authorized by each of the Parties. No course of dealing or omission or delay on the part of any Party in asserting or exercising any right hereunder shall constitute or operate as a waiver of any such right. No waiver of any provision hereof shall be effective, unless in writing and signed by or on behalf of the Party granting the waiver. No waiver shall be deemed a continuing waiver or waiver in respect of any other or subsequent breach or default, unless expressly so stated in writing.

i. Severability of Provisions; Counterparts. The provisions hereof are severable and in the event that any provision of this Agreement shall be determined to be illegal, invalid or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions hereof shall not be affected, but shall, subject to the discretion of such court, remain in full force and effect, and any illegal, invalid or unenforceable provision shall be deemed, without further action on the part of the parties hereto, amended and limited to the extent necessary to render such provision, as so amended and limited, legal, valid and enforceable, it being the intention of the parties that this Agreement and each provision hereof shall be legal, valid and enforceable to the fullest extent permitted by applicable law. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

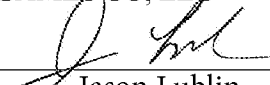
j. Guaranty. Notwithstanding anything to the contrary in this Agreement, BL hereby absolutely, unconditionally and irrevocably guarantees, to and for the benefit of Seller and RED, the payment by the Buyer of the Initial Payments. BL hereby represents and warrants that: (i) BL has the financial capacity to pay and perform all of his obligations under this Section 12(j) of this Agreement; and (ii) BL is the sole owner of Buyer.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Contribution, Transfer and Release Agreement as of the date first above written.

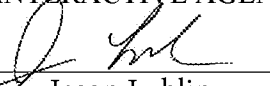
COMPANY:

RED GAMES CO, LLC

By: 
Name: Jason Lublin
Title: Authorized Representative

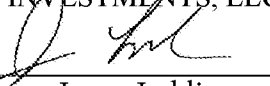
RED:

RED INTERACTIVE AGENCY, LLC

By: 
Name: Jason Lublin
Title: Authorized Representative

SELLER:

WME INVESTMENTS, LLC

By: 
Name: Jason Lublin
Title: Authorized Representative

BUYER:

ON THE LOVELL MANAGEMENT CONSULTING,
LLC

By: _____
Name: _____
Title: _____

BRIAN LOVELL:

IN WITNESS WHEREOF, the Parties hereto have executed this Contribution, Transfer and Release Agreement as of the date first above written.

COMPANY:

RED GAMES CO, LLC

By: _____
Name: _____
Title: _____

RED:

RED INTERACTIVE AGENCY, LLC

By: _____
Name: _____
Title: _____

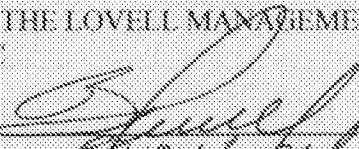
SELLER:

WME INVESTMENTS, LLC


By: _____
Name: _____
Title: _____

BUYER:

ON THE LOVELL MANAGEMENT CONSULTING,
LLC

By:  _____
Name: Brian Lovell
Title: CEO

BRIAN LOVELL:

 _____

Schedule 1

Contributed Assets, Excluded Assets and Assumed Liabilities

1. Contributed Assets. The “**Contributed Assets**” shall only include the right, title and interest of RED in, to and under the following, in each case, solely to the extent used in or held solely for use in connection with the RED Games Business:

a. the following mobile games (the “**RED Games**”) (and any software or other intellectual property solely related to the RED Games):

- Mobile Games:

Pet Peaves (iOS)
PBR (Google Play, iOS, Fuse)
Boxtrolls (iOS, Google Play, Tapjoy)
Kwazy Cupcakes (iOS, Google Play, Tapjoy)
Battle of the Beards (Chartboost)
OWN Bold Moves
The Raft VR

- Intellectual Property:

Pet Peaves (including USPTO Trademark No. 4834370)
Bold Moves
PBR (For the avoidance of doubt, this shall not include any intellectual property rights, registered or unregistered, held by any affiliates of RED in “PBR,” “Professional Bull Riders” or any related trademarks.)
Boxtrolls
Kwazy Cupcakes
Battle of the Beards
The Raft VR
Googooswap

- Hosting Accounts (for the avoidance of doubt, this shall not include any transfer of any of the following RED Games from their existing hosting accounts to another hosting account):

Red Games (Joyent) (for the avoidance of doubt, this shall not include hosting services from WeAreRed.com on an ongoing basis)
--

Battle of the Beards (Joyent)
Pet Peaves (Joyent)
OWN Bold Moves (AWS, Joyent)
Googooswap

- Software & Subscriptions:

Atlassian (RED Games subscription)
ZenDesk
Unity Pro Licenses
SLACK (RED Games subscription)
10000ft (RED Games subscription)
Esoteric Spine 3D Software
Motion Media (Adobe) (RED Games subscription)
Motion Media (Maya)
G-Suite Apps (RedGames + FF0000Games) (RED Games subscription)
MSFT Visual Studio Pro
Think Gaming Subscription
Github (RED Games subscription)
Apple Developer ID

b. that certain Lease Agreement, dated as of June 3, 2008, by and between RED and Boston Building LLC (as successor in interest to HP Boston Building, LLC, as successor in interest to HP Utah Management – Boston Building), as amended by (i) that certain First Addendum to Lease Agreement, dated as of March 26, 2009, (ii) that certain Second Addendum to Lease Agreement, dated as of May 24, 2013, (iii) that certain Third Addendum to Lease Agreement, dated as of September 2017, and (iv) that certain Extension of Lease Expiration, dated as of October 18, 2016 (the “**Lease**”);

c. all Contracts (other than the Lease) to which RED is bound which solely relate to the RED Games Business, including, for clarity, the following (the “**Assumed Contracts**”):

- The following Master Services Agreements, by and between RED and the following:

Crayola LLC, dated June 20, 2016
Hasbro
LEGO Systems, Inc., dated October 4, 2016

- The following Statements of Work, pursuant to the Master Services Agreements described above:

Statement of Work	Est. Completion Date
Crayola SOW13	6/1/19
Crayola SOW14	6/30/19
Hasbro SOW22	7/1/19
Hasbro SOW24	5/17/19
LEGO Brawls Production	9/1/19

- Contracts with the following third party contractors:

Jacqueline Rawson
Sage Gullo
Thomas Sincich
Brad Kloos
Brianne Christiansen
Mark Beechy
Lance Montgomery
Eric Liebman / Footprint Entertainment
Brijan Powell / Feint LLC
Josh Aker / Somakat
Victor Rios Respato
Jordan Leary

- The following Contracts:

First Digital
ADT Security

For purposes hereof, “**Contract**” means any mortgage, note, bond, indenture, guarantee, lease, license, sublicense, covenant, agreement, contract, trust, instrument, arrangement or other commitment or obligation, to which a person or entity is a party or by which a person or entity or its assets or properties are bound;

- d. 100% of the issued and outstanding equity interests of Googoo Swap, LLC;

e. (i) all cash held by RED or its subsidiaries which solely relates to the RED Games Business, as of June 30, 2019, as set out on the balance sheet attached at Schedule 1-A, less (x) the amount of payroll attributable to Business Employees paid on July 15, 2019, less (y) the amount of any vendor payments made by RED or its subsidiaries between July 1, 2019 and July 15, 2019 which solely relate to the RED Games Business, including, without limitation, in respect of American Express credit cards, less (z) the amount of any payments made by RED in connection with the termination of employment of the Business Employees (“**Cash**”) and (ii) accounts receivable of RED which solely relate to the RED Games Business, collected between July 1, 2019 and July 15, 2019 (the “**Contributed Accounts Receivable**”), which such aggregate amount shall be the amount set out on Schedule 1-B and, in lieu of contribution, shall offset the Initial Payment; and

f. copies of the minute books, organizational documents, records and other books and records (excluding records relating to taxes paid or payable by RED or its direct or indirect owners or subsidiaries) of RED, in each case which (i) relate solely to the Contributed Assets, Assumed Liabilities and/or the RED Games Business, (ii) are available and in the possession and control of RED and (iii) are not subject to attorney-client privilege or other privilege from disclosure (the “**Contributed Books and Records**”) (it being agreed that RED shall be permitted to retain copies of all Contributed Books and Records).

2. Excluded Assets. Notwithstanding anything in the Agreement to the contrary, the Contributed Assets shall expressly exclude all right, title and interest of RED in, to and under the following (collectively, the “**Excluded Assets**”):

a. all properties and assets of RED or its subsidiaries which do not relate solely to the RED Games Business;

b. all rights of RED under this Agreement and the other Transaction Documents;

c. all leases of real property held by RED or its subsidiaries (other than the Lease) and all leasehold estates created thereby and all subleases thereof;

d. all Contracts to which RED or its subsidiaries are bound other than the Assumed Contracts;

e. all cash and cash equivalents (including marketable securities and short term investments) held by RED or its subsidiaries other than the Cash, and all accounts receivable (whether billed or unbilled) of RED or its subsidiaries other than the Contributed Accounts Receivable;

f. all corporate seals, minute books, organizational documents, records (including records relating to taxes) and other books and records of RED or its subsidiaries, other than the Contributed Books and Records;

g. all insurance policies of RED or its subsidiaries;

h. all assets related to any Benefit Plan. For purposes of this Agreement, “**Benefit Plan**” means each “employee benefit plan” as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), whether or not subject to ERISA, and any other plan, policy, agreement, arrangement, program or contract providing for compensation, retirement, pension, profit sharing, deferred compensation, savings, bonus, incentive, cafeteria, medical, dental, vision, hospitalization, life insurance, accidental death and dismemberment, medical expense reimbursement, dependent care assistance, tuition reimbursement, disability, sick pay, holiday, vacation, employment,

retention, severance, change of control, equity purchase, equity option, restricted equity, phantom equity, equity appreciation rights, equity-based, fringe benefit or other benefits to any current or former director, officer, employee or independent contractor, which are maintained, sponsored or contributed to (or been obligated to maintain, sponsor or contribute to) by the RED or any of its subsidiaries, or with respect to which RED or any of its subsidiaries has or could have any obligation or liability, whether absolute or contingent (including, without limitation, any plan sponsored, maintained or contributed to (or been obligated to maintain, sponsor or contribute to) by any ERISA affiliate);

- i. all prepaid taxes, tax refunds, tax credits and other tax assets; and
- j. all other properties and assets of RED or its subsidiaries that do not constitute Contributed Assets.

3. Assumed Liabilities. The “**Assumed Liabilities**” shall include all Liabilities relating to the RED Games Business, in each case whether arising prior to or from and after the Effective Date, including the following:

- a. all Liabilities pursuant to or arising under or in connection with the RED Games, the Lease, the Assumed Contracts and/or any of the other Contributed Assets;
- b. all Liabilities pursuant to or arising out of any Action relating solely to the RED Games Business;
- c. all accounts payable (whether billed or unbilled) of RED or its subsidiaries which relate to the RED Games Business;
- d. all Liabilities pursuant to or arising out of any indebtedness with respect to the RED Games Business;
- e. all Liabilities or other obligations in connection with or otherwise related to, in whole or part, the employment or service relationship with (or termination of employment or service of) any Business Employee or any former or other current employee of any Seller or any of its affiliates who primarily provides services to RED Business, regardless of whether such liability or obligation arises prior to, on or following, the Effective Date (including (i) all Liabilities and obligations (including statutory or contractual severance benefits (and pay in lieu of statutory or contractual notice requirements)) arising as a result of the actual or constructive termination of a Business Employee’s employment or service relationship with any Seller or any of its affiliates prior to, on or after the Effective Date, (ii) all Liabilities and obligations under or with respect to any Benefit Plan , whether incurred prior to, on or after the Effective Date, and (iii) all Liabilities and obligations with respect to vacation and other paid time off earned or accrued on or prior to the Effective Date); and
- f. all taxes (and similar duties, charges, fees and other amounts) with respect to the RED Games Business or the Contributed Assets that are due after the consummation of the transactions contemplated by this Agreement or otherwise relate to periods (or portions thereof) following the consummation of the transactions contemplated by this Agreement.

RED Games Business - as of June 30, 2019

Schedule 1-A

ASSETS		LIABILITIES	
Current Assets			
11002	Cash (CNB Checking 9725)	171,288.41	
11200	Accounts Receivable	266,449.43	
11306	Prepaid Expense	4,275.64	
11307	Prepaid Rents	19,410.21	
11329	Purch. Prepayments - Total	23,685.85	
11399	Current Assets - Total	461,423.69	
11400	Earned Revenue-(Unbilled)	404,555.84	
16001	Computers	119,594.10	22050 Deferred Revenue
16022	A/D-Computers	-79,760.89	22051 Accrued Expenses
16010	Equipment	16,220.80	22101 Operating Lease Liability - ST
16011	A/D-Equipment & Other	-10,878.16	22102 Operating Lease Liability - LT
16015	Furniture	34,849.23	22304 Vacation
16025	A/D-Furniture	-14,009.20	22799 Personnel Liabilities - Total
16020	Leasehold Improve	4,500.00	
16030	A/D-Leasehold Improvements	-4,500.00	29999 Liabilities - Total
16999	Fixed Assets - Total	66,015.88	-1,589,644.03
17002	Right-of-Use Asset - Operating	793,881.70	
17050	Security Deposits	21,004.14	
17075	GoGoSwap	0.00	
18003	Intangible: OWN Bold Moves	1,790,402.50	
18004	Acc Amort: OWN Bold Moves	-1,591,468.80	
19909	Other Assets - Total	1,013,819.54	
19999	ASSETS - Total	1,945,814.95	
			35199 Total Stockholder's Equity
			39959 TOTAL LIABILITIES AND EQUITY
			-1,945,814.95

Schedule 1-B

Cash:	\$	171,288.41
Payroll:		(133,137.00)
Vendor Payments:		
AMEX:		(37,378.32)
Somakat:		(5,200)
Accrued PTO Payouts:		(8,443.57)
Accounts Receivable:		<u>40,786.02</u>
TOTAL:	\$	27,915.54

Schedule 2

Business Employees

FIRST NAME	LAST NAME	TITLE
Rory	Aguilar	Sr Software Engineer
Dustin	Andrew	Sr Software Engineer
Emma	Citrin	Director, HR & Recruiting
Adam	Devincent	Creative Designer
Tasha	Firth	Production Coordinator
Cameron	Grey	Analyst
Jesse	Hohn	Lead/Sr Unity Engineer
Ron	Jensen	Visual Designer
Jared	Kroff	Creative Director
Joshua	Lokan	3D Animator
Brian	Lovell	Chairman
Damean	Lyon	Sr. FX Artist
Daniel	Mizraki	Sr Director, Client Development
John	Park	VP, Finance & Admin Ops
Jean Paul	Peschard	Engineer
Tyson	Ratliff	Sr Software Engineer
Christopher	Rawson	Sr Game Engineer
Thomas	Sincich	Lead Character Artist
Patrick	Spens	Sr 3D Artist
Joshua	Sutphin	Sr Engineer

Schedule 4

Earnout

1. Calculation of Post-Closing Earnout Amount. If, for the period commencing on the first day of the next full calendar month following the Effective Date and ending twelve (12) months thereafter (such period, the “**Measurement Period**”), (a) the product of (i) six (6) times EBITDA (as defined below) for the Measurement Period (such amount, “**Post-Closing EBITDA**”), multiplied by (ii) fifty percent (50%), is greater than (b) \$3,000,000, then Buyer shall pay to Seller an amount equal to the amount of such excess (the “**Post-Closing Earnout Amount**”), as provided in this Schedule 4. The last day of the Measurement Period shall be known herein as the “**Measurement Period End Date**”. The Post-Closing Earnout Amount shall be conveyed to the Seller in four equal installments, as follows: (a) the first payment shall be conveyed to the Seller on the date which is the first anniversary of the Measurement Period End Date; (b) the second payment shall be conveyed to the Seller on the date which is the second anniversary of the Measurement Period End Date; (c) the third payment shall be conveyed to the Seller on the date which is the third anniversary of the Measurement Period End Date; and (d) the fourth and final payment shall be conveyed to the Seller on the date which is the fourth anniversary of the Measurement Period End Date.

2. Notwithstanding the foregoing, in the event that a Company Sale (as defined in the LLC Agreement) is consummated during the Measurement Period, then, (1) if the product of (x) the Purchase Price (as defined below), multiplied by (y) fifty percent (50%) is greater than (2) \$3,000,000, then (2) Buyer shall, on or prior to consummation of such Company Sale, pay to Seller an amount equal to the amount of such excess (such excess, the “**Post-Closing Earnout Amount**” in the event of a Company Sale), as provided in this Schedule 4. For purposes hereof, “**EBITDA**” means, for any period, the consolidated amount for the Company and its subsidiaries, in accordance with United States generally accepted accounting principles then in effect, of the sum of (x) net income (loss) after tax, excluding any out of period items, any extraordinary expenses and any purchase accounting adjustments related to the transactions contemplated by this Agreement, plus (y) (A) interest expense, net of interest income, (B) depreciation and amortization expense, (C) income taxes (including the amount of any tax distributions paid or payable by the Company to its members), (D) expenses related to non-cash equity-based compensation; and (E) payments in respect of the principal amount of the Note and interest accrued thereon and the Post-Closing Earnout Amount; provided, that, notwithstanding the foregoing, there shall be no add back attributable to the Company’s product development costs and expenditures incorporated into the calculation of EBITDA. “**Purchase Price**”, with respect to a Company Sale, means the purchase price of such Company Sale (or, if such Company Sale constitutes a sale of the Transferred Membership Interests only (and not the Seller’s membership interests), the implied valuation of the Company based on the purchase price of such Company Sale assuming 100% of the membership interests of the Company were sold).

3. Earnout Statement; Payment of Post-Closing Earnout Amount. If a Company Sale is not consummated during the Measurement Period, then no later than thirty (30) days following the expiration of the Measurement Period, Buyer shall (a) deliver to Seller a worksheet setting forth, in reasonable detail, the calculation of Post-Closing EBITDA and the Post-Closing Earnout Amount (if any), including all back-up calculations and related audited financial statements and work papers (the “**Earnout Statement**”) and (b) pay Seller any Post-Closing Earnout Amount set forth on the applicable Earnout Statement, by wire transfer of immediately available funds to the Specified Account, pursuant to the payment schedule set forth in subsection 1 above.

4. Review of Earnout Statement.

a. After receipt of the Earnout Statement, Seller shall have sixty (60) days to review the Earnout Statement and engage independent auditors to review the Earnout Statement. During the sixty (60) days following the delivery of the Earnout Statement, Buyer, the Company, Seller and their respective authorized representatives (including their auditors) shall mutually cooperate (including providing reasonable access to the books and records, work papers, facilities and employees of the Company) so that Seller and its auditors may review the Earnout Statement and backup calculations.

b. Unless Seller delivers written notice to Buyer on or prior to the sixtieth (60th) day after Seller's receipt of the Earnout Statement specifying in reasonable detail the amount, nature and basis of all disputed items, Seller shall be deemed to have accepted and agreed to the calculation of the Post-Closing Earnout Amount. If Seller so notifies Buyer of its objection to the calculation of the Post-Closing Earnout Amount, Seller and Buyer shall, within fifteen (15) days (or such longer period as they may agree) following such notice (the "**Earnout Resolution Period**"), attempt to resolve their differences and any resolution by them as to any disputed amounts shall be final, binding and conclusive. At the conclusion of the Earnout Resolution Period, (i) if any amounts remain in dispute, then all amounts remaining in dispute shall be submitted to a mutually approved independent financial auditor (such auditor, the "**Auditor**", and such disputed amounts, the "**Earnout Disputed Items**"), and (ii) all amounts not in dispute, if not previously paid, shall be paid by Buyer to Seller in accordance with the payment schedule set forth in subsection 1 above. The Auditor shall be instructed to render its determination with respect to the Earnout Disputed Items as soon as reasonably possible (which the Parties agree should not be later than 20 business days following the date on which the disagreement is referred to the Auditor). The Auditor shall base its determination solely on (i) the written submissions of the Parties and shall not conduct an independent investigation and (ii) the extent (if any) to which the Post-Closing Earnout Amount requires adjustment (only with respect to the Earnout Disputed Items submitted to the Auditor) in order to be determined in accordance with this Schedule 4 (including the definitions of the defined terms used in this Schedule 4). The Auditor shall not assign a value to any Earnout Disputed Item submitted to the Auditor greater than the greatest value for such item claimed by either Party or less than the smallest value for such item claimed by either Party. All fees and expenses of the Auditor relating to the work, if any, to be performed by the Auditor hereunder shall be borne pro rata as between Buyer, on the one hand, and Seller, on the other hand, in proportion to the allocation of the dollar value of the Earnout Disputed Items as between Buyer and Seller (set forth in the written submissions to the Auditor) made by the Auditor such that the Party prevailing on the greater dollar value of such disputes pays the lesser proportion of the fees and expenses. For example, if Seller challenges items underlying the calculations of the Post-Closing Earnout Amount in the net amount of \$1,000,000, and the Auditor determines that Seller has a valid claim for \$400,000 of the \$1,000,000, Seller shall bear 60% of the fees and expenses of the Auditor and the Company shall bear 40% of the fees and expenses of the Auditor.

5. Operation of the Business. During the Measurement Period, the Buyer and the Company shall conduct the RED Games Business solely within the Company. The Buyer and the Company hereby acknowledge and agree that, until any Post-Closing Earnout Amount has been paid, unless otherwise agreed in writing by the mutual consent of the Parties: (a) the Company shall maintain separate and accurate books and records and shall at all times during the Measurement Period operate in the ordinary course of business consistent with past practice; (b) the Buyer and the Company shall use commercially reasonable efforts to conduct its business in a manner which would maximize EBITDA and the Post-Closing Earnout Amount; (c) the Buyer and the Company shall not (i) divert any revenues or earnings relating to the RED Games Business or the Company to any other entity, including without limitation any affiliates of the Buyer, (ii) manipulate profit margins or (iii) intentionally accelerate, delay, hinder or prevent any cash receipts of the Company; and (d) all transactions of the Company with third parties (including without limitation the Buyer Related Parties) shall be on an arm's length basis, and no costs, overhead, charges or other burdens shall be charged to or imposed upon the Company by any of the Buyer Related Parties.