

Dated 01/08/2023

Development Services Agreement

between

Recolor Oy
the Company

and

Codecacao d.o.o.
the Service Provider

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This Agreement is made on May 2023

Between:

- (1) Recolor Oy, a limited liability company, business identity code 2459751-8, having its principal place of business in Finland (the **"Company"**); and
- (2) Codecacao d.o.o., a limited liability company, business identity number 87063981379, having its principal place of business in Croatia (the **"Service Provider"**).

Whereas:

- (A) The Company is engaged in the business of computer programming and developing certain gaming software and applications, and the Company desires to outsource personnel to perform certain software development and other tasks.
- (B) The Service Provider's personnel consists of people specialised in developing and maintaining apps and gaming software, and the Service Provider desires to provide the services of its personnel to the Company for the purposes of software maintenance and development.
- (C) The parties have decided to enter into this Agreement to document the outsourced functions provided by the Service Provider in support of the Company.

It is agreed:

1. Interpretation

The following definitions and rules of interpretation apply in this agreement.

1.1 Definitions:

"Applicable Law" the laws of Finland and any other laws or regulations, regulatory policies, guidelines or industry codes which apply to the provision of the Services.

"Assignment Date" shall have the meaning specified in Section 15.2.

"Company Intellectual Property" shall mean (a) any Intellectual Property owned or held by the Company, (b) any and all Intellectual Property licensed, transferred, or assigned to Company by any affiliate or third party; and (c) any and all Derivative Works of Intellectual Property assigned to Company.

"Confidential Information" any information, however conveyed or presented, that relates to the business, affairs, operations, the Company, processes, budgets, pricing policies, product information, strategies, developments, trade secrets, know-how, personnel and suppliers of the disclosing party, together with all information derived by the receiving party from any such information and any other information clearly designated by a party as being confidential to it (whether or not it is marked "confidential"), or which ought reasonably be considered to be confidential.

"Costs" means expenses incurred by Service Provider in connection with its performance of the Services hereunder, including: (a) employee compensation and benefits (not including costs of equity compensation); (b) costs associated with hiring and overseeing independent contractors, reasonable out-of-pocket expenses incurred by Personnel; and (c) general and administrative expenses such as payroll, maintenance, licensing and accounting; provided, however, that "Costs" does not include interest expense, dividends paid by Service Provider, foreign exchange expense or any other expenses that the parties may from time to time mutually agree to exclude.

"Derivative Works" any and all new works created by Service Provider from preexisting material contained within, or as a result of access to and use of, Company's Intellectual Property including but not limited to: (a) copyrightable or copyrighted material: any modification, correction, addition, translation, portation, extension, upgrade, improvement, compilation, abridgment or other form in which an existing work may be recast, transformed or adapted; (b) patentable or patented material, any modification or addition thereof or any improvement thereon; and (c) any other of Company's Intellectual Property, any modification, extension or addition thereof.

"Effective Date" the date of this agreement.

"Good Industry Practice" the standards representative of good industry practice in the relevant industry for the provision of comparable services which are substantially similar to the Services or the relevant part of them, having regard to factors such as the nature and size of the parties, the Service Levels, the Term, the pricing structure and any other relevant factors.

"Intellectual Property" means any and all intellectual property rights throughout the world, whether existing under intellectual property, unfair competition or trade secret laws, or under statute or at common law or equity, whether patented, patentable or not, and whether in written form or otherwise, including: (i) copyrights (including reviews and editorial content); trade secrets; trademarks; patents; inventions; designs; logos, domain names and trade dress; "moral rights"; mask works; rights of personality, publicity or privacy; rights in associate or vendor information (including customer lists and customer data); and other intellectual property and proprietary rights whether registered or not (including rights in databases, marketing strategies and marketing surveys), know-how; (ii) any application or right to apply for any of the rights referred to in this definition; and (iii) any and all renewals, extensions, future equivalents and restorations thereof, now or hereafter in force and effect;

"month" a calendar month, and **"monthly"** shall be interpreted accordingly.

"Notice of Assignment" shall have the meaning specified in Section 15.2.

"Personal Data" means any data that either on its own or in combination with other available data allows identification of a natural person, (e.g., a human customer or a contact within a corporate customer).

"Personnel" all employees, staff, other workers, agents and consultants of the Service Provider who are engaged in the provision of the Services from time to time.

"Regulatory Body" any government department and regulatory, statutory and any other entity, committee and body which, whether under statute, rules, regulations, code of practice or otherwise, is entitled by any Applicable Law to supervise, regulate, investigate or influence the matters dealt with in this agreement or any other affairs of the Company.

"Services" the Service Provider's supply of certain personnel previously identified and mutually agreed upon, or later identified and mutually agreed upon, for the purposes of software development for the Company.

"Term" the period of the Agreement until termination in accordance with Section 12 (*Termination*).

"Termination Date" the date of expiry or termination of this agreement.

- 1.2 Section, schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.3 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.

- 1.4 Unless the context requires otherwise, words in the singular include the plural and in the plural include the singular.
- 1.5 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 A reference to “**writing**” or “**written**” includes fax and email.
- 1.8 A reference to “**this agreement**” or to any other agreement or document referred to in this agreement is a reference to this agreement or such other agreement as varied or novated (in each case, other than in breach of the provisions of this agreement) from time to time.
- 1.9 References to Sections and Schedules are to the Sections and Schedules of this agreement and references to paragraphs are to paragraphs of the relevant schedule.
- 1.10 Any words following the terms “**including**”, “**include**”, “**in particular**”, for example or any other similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or terms preceding those terms.

2. Commencement and duration

- 2.1 This agreement shall take effect on the Effective Date and shall continue for the Term.

3. Services

- 3.1 The Company shall appoint the Service Provider, and the Service Provider shall provide the Services to the Company from the Effective Date pursuant to the terms of this agreement.
- 3.2 During the Term of this agreement, the Service Provider will assign duties necessary for the provision of Services to certain Personnel. The Company shall be responsible for supervising and directing the performance of such Personnel through the Service Provider.
- 3.3 The Service Provider remains as the employer of the Personnel provided under the Services and retains full responsibility with respect to the Personnel for (a) payment of all wages, salaries or other forms of compensation; (b) payment of all payroll, social security and unemployment taxes; and (c) provision and payment of employee benefits. The Service Provider shall also retain full responsibility and authority for decisions regarding compensation and benefits and termination of the Personnel, who shall, at all times during the Term of this agreement, remain at-will employees of the Service Provider.
- 3.4 In providing the Services, the Service Provider shall at all times:
- (a) use all due skill, care and diligence to provide the Services;
 - (b) ensure that it obtains, and maintains all consents, licenses and permissions (statutory, regulatory, contractual or otherwise) that it may require and which are necessary to enable it to provide the Services;
 - (c) allocate sufficient resources, including qualified Personnel with suitable experience, seniority and qualifications, to provide the Services in accordance with the terms of this agreement;
 - (d) adhere to the Company’s instructions or materials, as notified or issued in writing by the Company to the Service Provider from time to time;

- (e) ensure that any of the Personnel who are engaged in the provision of any of the Services shall (i) provide the Services in a professional manner in accordance with Good Industry Practice; and (ii) if required by the Company, attend such meetings at the premises of the Company or elsewhere as may be reasonably required by the Company;
 - (f) provide such reasonable co-operation and information in relation to the Services to such of the Company's other suppliers as the Company may reasonably require for the purposes of enabling any such person to create and maintain any interfaces that the Company may reasonably require; and
 - (g) comply with all Applicable Laws, regulations, rules of conduct, regulatory policies, guidelines and industry codes, and any directions of any Regulatory Body which apply to the provision of the Services and to the Company, as the Company shall advise the Service Provider from time to time.
- 3.5 The Company shall co-operate with the Service Provider in all matters relating to the Services.
- 3.6 The Service Provider acknowledges that it is not being appointed as an exclusive provider of the Services and the Company may at any time perform any part of the Services itself or procure them from a third party.
- 3.7 The Personnel provided under the Services to the Company shall, however, provide services exclusively to the Company and the Personnel may not engage in any assignments or tasks for the Service Provider or a third party during the Term of this agreement, unless agreed by the Company. If any of the Personnel engages in other work contrary to the exclusivity provisions stated here in Section 3.7, the Service Provider shall be liable to pay to the Company liquidated damages equivalent of three (3) months' of such a member of Personnel's salary and other compensation.
- 3.8 The Service Provider shall be responsible for and bear all costs incurred in the implementation, maintenance and development of the Services and the software and equipment utilised for the performance of the Services and as described in Schedule 1.
- 3.9 If at any time during the Term, in the Company's reasonable opinion, any Services performed or provided do not comply with the requirements of this agreement or are otherwise not of a sufficiently high standard, the Company may notify the Service Provider and the Service Provider shall: (i) ensure that it provides a remedial plan for the Company's approval setting out how the issue identified will be fixed going forward; and (ii) to the extent possible, re-perform the sub-standard Services within the time period which the Company sets for the Service Provider (such time period to be reasonable in the circumstances), or such other period as the Company and the Service Provider may mutually agree.
- 3.10 The Company and the Service Provider may agree upon additional services to be performed by the Service Provider for the Company and/or may agree to modify the Services. Any such additional services or modifications shall be set out and mutually agreed in writing, including in respect of the commercial and other terms of their provision by the Service Provider.

4. Service Provider's Personnel

- 4.1 At all times, the Service Provider shall ensure that:
- (a) each of the Personnel is suitably qualified, adequately trained and capable of providing the applicable Services in respect of which they are engaged;
 - (b) there is an adequate number of Personnel to provide the Services properly;
 - (c) only those people accepted by the Company are involved in providing the Services;

- (d) the Personnel shall exclusively provide Services to the Company, unless otherwise agreed in writing by the Company and as stated in Section 3.7; and
 - (e) all of the Personnel comply with all of the Company's policies including those that apply to persons who are allowed access to the applicable Company's Premises.
- 4.2 The Service Provider shall either re-train to the Company's satisfaction or replace any of the Personnel who the Company reasonably decides have failed to carry out their duties with reasonable skill and care. Following the removal of any of the Personnel for any reason, the Service Provider shall ensure such person is replaced promptly with another person with the necessary training and skills to meet the requirements of the Services.
- 4.3 If the Service Provider terminates the employment relationship with any of the Personnel due to the Company's request and the Service Provider is unable to find any other work for such Personnel, the notice period of termination shall be two (2) months, and the Company shall pay the a compensation equal to the salary costs of such person for two (2) months (or shorter, if the Service Provider is able to terminate such person in a shorter period of time) to the Service Provider.
- 4.4 The Service Provider shall maintain up-to-date records on the Personnel engaged in the provision of the Services and, on request, provide reasonable Information to the Company on the Personnel. The Service Provider shall ensure at all times that it has the right to provide these records under applicable data protection legislation.
- 4.5 The Service Provider shall use its best endeavours to ensure continuity of Personnel and to ensure that the turnover rate of its staff engaged in the provision or management of the Services is at least as good at the prevailing industry norm for similar services, locations and environments.

5. Charges and Payment

- 5.1 *Charges.* In consideration of Service Provider's performance of the Services specified in Schedule 2, Company shall pay to the Service Provider a monthly charge of EUR 45,000.
- 5.2 Any additional Services other than as specified in Schedule 2 shall be mutually pre-agreed and invoiced at 75 EUR / hour; subject in each case to reasonable details provided on the hours worked.
- 5.3 *Invoices.* Service Provider will invoice the Company for the Charges stated in Section 5.1 or 5.2 on a monthly basis with a payment period of 15 calendar days. The first invoice will be issued following the first full calendar month during which Services are provided and will include Charges for any partial periods.

6. Subcontracting

- 6.1 The Service Provider may not subcontract, delegate or outsource the performance of the Services or any of its obligations under this agreement, in full or in part, to any third party, without a prior written consent of the Company.

7. Audits

- 7.1 During the Term and in the year after termination of this agreement, upon reasonable notice from the Company, the Service Provider shall allow the Company and any auditors of or other advisers to the Company to access any of the Service Provider's Personnel and relevant records as may be reasonably required to audit the activities of the Service Provider.

- 7.2 Subject to the Company's obligations of confidentiality, the Service Provider shall provide the Company (and its auditors and other advisers) with all reasonable co-operation, access and assistance in relation to each audit.
- 7.3 The parties shall bear their own costs and expenses incurred in respect of compliance with their obligations under this Section 7 (*Audits*).
- 7.4 If an audit identifies that any breach of this agreement has occurred the parties shall in good faith agree an appropriate remedial plan.

8. Data processing

- 8.1 The Service Provider will process the Company's Personal Data only in accordance the Company's written instructions.

9. Intellectual Property Rights

- 9.1 Service Provider is hereby authorized to use Company's Intellectual Property solely for the purpose of performing its obligations under this agreement and only in accordance with this agreement and the instructions of Company.
- 9.2 Any goodwill derived from the use by Service Provider of Company's Intellectual Property and all Intellectual Property and any Derivate Works created in and related to the provision of the services hereunder by the Service Provider, including right to alter and transfer to others, is property of and inures to the benefit of Company, whether derived prior to or after the Effective Date of this Agreement, and shall constitute "Company Intellectual Property". All of Company's Intellectual Property made available to Service Provider by or on behalf of Company during the Term and as developed during the Term are and will remain the property of Company.
- 9.3 Service Provider agrees to abide by Company's guidelines and policies, as established from time to time, regarding Service Provider's use of Company's Intellectual Property. Service Provider shall not engage in any action that tends to disparage, dilute the value of, or reflect negatively on Company or Company's Intellectual Property.
- 9.4 In the event that any Intellectual Property would not be deemed to have been transferred to the Company by virtue of the clauses above, the Service Provider hereby grants to the Company and its successors, assigns or other legal representatives an exclusive, assignable, unlimited, irrevocable, fully paid-up, royalty free, worldwide and perpetual license to use, commercialize and otherwise exploit such Intellectual Property, including the right to make changes or further develop such Intellectual Property and works related thereto, as well as make copies and grant sublicenses to third parties.

10. Confidentiality

- 10.1 Except to the extent set out in this Section 10 (*Confidentiality*) or where disclosure is expressly permitted elsewhere in this agreement, each party shall:
- (a) treat the other party's Confidential Information as confidential; and
 - (b) not disclose the other party's Confidential Information to any other person without the owner's prior written consent.
- 10.2 Section 10.1 shall not apply to the extent that:

- (a) such information was in the possession of the party making the disclosure, without obligation of confidentiality, prior to its disclosure; or
 - (b) such information was obtained from a third party without obligation of confidentiality; or
 - (c) such information was already in the public domain at the time of disclosure otherwise than through a breach of this agreement; or
 - (d) such information was independently developed without access to the other party's Confidential Information.
- 10.3 Nothing in this Section 10 (*Confidentiality*) shall prevent either party from using any techniques, ideas or know-how gained during the performance of this agreement in the course of its normal business to the extent that this use does not result in a disclosure of the other party's Confidential Information.
- 10.4 The provisions of this Section 10 (*Confidentiality*) shall continue to apply after termination of this agreement.

11. Warranties and representations

- 11.1 Each party warrants, represents and undertakes that:
- (a) it has full capacity to enter into and to perform this agreement;
 - (b) this agreement is executed by a duly authorised representative of that party;
 - (c) there are no actions, suits or proceedings or regulatory investigations pending or, to that party's knowledge, threatened against or affecting that party before any court or administrative body or arbitration tribunal that might affect the ability of that party to meet and carry out its obligations under this agreement; and
 - (d) once duly executed, this agreement will constitute its legal, valid and binding obligations.

12. Termination

- 12.1 This agreement may be terminated for convenience by either party with a three (3) months' prior written notice to the other party, provided, that such notice of termination may be provided at the earliest as of three (3) months from the Effective Date; and provided, further, that in the event a Notice of Assignment is provided to the Service Provider under Section 15, the Service Provider may not provide the notice of termination until at the Assignment Date (in which case the agreement would terminate three (3) months after the Assignment Date).

13. Consequences of termination and survival

- 13.1 On the Termination Date, the Service Provider shall:
- (a) return to the Company in a secure manner, all documents, records and information previously given by the Company to the Service Provider under this agreement, including any copies, duplicates, summaries, abstracts or other representations of any such documents and information in whatever form, then in its possession or control;
 - (b) alternatively, upon the Company's request, permanently delete all documents and information specified in Section 13.1(a) from its computer and communications

17. Rights and remedies

Except as expressly provided in this agreement, the rights and remedies of each party provided under this agreement are in addition to, and not exclusive of, any of its rights or remedies provided by law.

18. No partnership or agency

18.1 Nothing in this agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

18.2 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

19. Severance

19.1 If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this agreement.

19.2 If any provision or part-provision of this agreement is deemed deleted under Section 19.1 (*Severance*) the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

20. Entire agreement

20.1 This agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

21. Third party rights

21.1 Unless it expressly states otherwise, this agreement does not give rise to any rights to third parties to enforce any terms of this agreement.

21.2 The rights of the parties to rescind or vary this agreement are not subject to the consent of any other person.

22. Notices

22.1 All notices, invoices, waivers, consents and other communications made between the parties pursuant to this agreement shall be in writing and sent by email to the persons listed below. All such communications shall be sent to a party at the address shown below or to such other email address of which the receiving party has given prior notice to the sending party. All such communications shall be effective when received.

Notices to Company	Notices to Service Provider
Name:	Name:
Email:	Email:

23. Language of the agreement

- 23.1 The parties agree that English shall be the language of interpretation of this agreement.

24. Governing law and arbitration

- 24.1 This Agreement shall be governed and construed in accordance with the laws of Finland.
- 24.2 The courts of Finland shall have exclusive jurisdiction over matters arising out of or in connection with this Agreement. The District Court of Helsinki (fi. *Helsingin käräjäoikeus*) shall be the court of first instance.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives on the date set forth below.

Service Provider

Codecacao d.o.o.

By: CEO

Name: ANTONIO MEIC

Title:

Dated: 24. MAY 2023

CODECACAO
CODECACAO d.o.o. Zagreb
OIB: HR87063981379

Company

Recolor Oy

By:

Name:

Title:

Dated: