

## AGREEMENT

This AGREEMENT is entered into this 10th day of January, 2003 (the "Commencement Date") by and between IGT ("IGT"), a Nevada corporation and a wholly owned subsidiary of International Game Technology, with its principal offices at 9295 Prototype Drive, Reno, Nevada 89511, and GC2 Incorporated ("GC2"), an Illinois corporation and a majority owned subsidiary of Great Circle Gaming Corporation, with its principal offices at 474 N. Lake Shore Drive, Suite 5903, Chicago, Illinois 60611 (singularly, each organization a "Party"; collectively, the "Parties").

## RECITALS

WHEREAS, IGT possesses unique product development, manufacturing and marketing expertise in wagering systems and gaming technology;

WHEREAS, GC2 possesses unique product development expertise in the area of video gaming devices;

WHEREAS, IGT and GC2 desire to enter into an agreement to develop, manufacture and market games developed by GC2 for use on IGT's 80960 video gaming machine platform in legal gaming jurisdictions throughout the world;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained herein, IGT and GC2 agree as follows:

## Article I – DEFINITIONS

As used in this Agreement the terms given below shall have the indicated meanings:

- 1.1 "Additional Advance" shall mean the nonrefundable, guaranteed general (non-GC2 Game specific) advance against royalties in the amount as stipulated in section 3.6(d) herein paid by IGT to GC2 on the Commencement Date. The Additional Advance shall be recoupable against Royalties due and owing to GC2 for any Royalties associated with the GC2 Games until exhausted.
- 1.2 "Additional GC2 Games" shall mean the four (4) games per year developed by GC2 during Optional Term Years that are identified by name or number on the attached Exhibit A.
- 1.3 "Advance Against Royalty" shall mean the nonrefundable and guaranteed advance of royalties in the amounts as stipulated in the attached Exhibit A paid by IGT to GC2 for each GC2 Project. Advance Against Royalties for specific GC2 Games shall be recoupable against Royalties due and owing to GC2 for all GC2 Games. Advance Against Royalties for Additional GC2 Games shall be recoupable against Royalties due and owing to GC2 for each particular Optional Term Year.



- 1.4 "Agreement" shall mean this Agreement under which GC2 shall develop (i) GC2 Projects for IGT's Platform that IGT shall manufacture, market and distribute to customers; and (ii) GC2 Bonus Concepts for sale to IGT.
- 1.5 "Commencement Date" shall mean January 10, 2003.
- 1.6 "Development Fee" shall mean the nonrefundable, nonrecoupable, and guaranteed fee in the amount as stipulated on the attached Exhibit A that is paid by IGT to GC2 for each GC2 Project.
- 1.7 "Extra GC2 Games" shall mean any games that are developed by GC2 during the Term in excess of GC2 Games and Additional GC2 Games as identified on the attached Exhibit A as of the Commencement Date. Such games are required to be offered to IGT pursuant to a right of first refusal and added by amendment to the attached Exhibit A by mutual consent of the Parties.
- 1.8 "GC2 Games" shall mean the nine (9) games to be developed by GC2 for IGT during the Initial Term that are identified by name or number on the attached Exhibit A.
- 1.9 "GC2 Bonus Concepts" shall mean any bonus video games, bonus concepts or software development tools developed by GC2 independently or for GC2 Projects that IGT desires to purchase so that such bonus video games, bonus concepts or software development tools may be used in, or for, other non-GC2 IGT games.
- 1.10 "GC2 Projects" shall mean GC2 Games, Additional GC2 Games and Extra GC2 Games.
- 1.11 "IGT Platform" shall mean those IGT electronic gaming machines and conversion kits that utilize an IGT provided printed circuit board featuring an Intel 80960 microprocessor.
- 1.12 "Initial Term" shall mean the period from the Commencement Date to December 31, 2004.
- 1.13 "Intellectual Property or Intellectual Properties" shall mean patents, copyrights, trade secrets, trademarks, trade names, service marks, ideas, designs, concepts, techniques, discoveries or improvements including any and all devices and computer software, whether or not patentable.
- 1.14 "Optional Term Year(s)" shall be a calendar year immediately subsequent to (i) the Initial Term, or (ii) a previously exercised Optional Term Year; for which IGT exercises, in accordance with the provisions of this Agreement, its option to have GC2 develop Additional GC2 Games. The total of Optional Term Years shall not exceed a maximum of four (4) consecutive calendar years.
- 1.15 "Royalty" shall mean the particular fee as stipulated in the attached Exhibit A paid to GC2 for each gaming unit sold by IGT that utilizes the IGT Platform and incorporates a GC2 Project.
- 1.16 "Technical Product Approval" shall mean approval of any GC2 Project from a technical standpoint in any jurisdiction IGT enters to market a particular GC2 Project.





- 1.17 "Term" shall mean the Initial Term plus any applicable Optional Term Years.

## Article II – INTERPRETATION OF AGREEMENT

- 2.1 Assignment – Except to a wholly owned subsidiary or an affiliate which is a wholly owned subsidiary of either Party, neither this Agreement nor any rights or obligations of either Party hereunder shall be assigned or otherwise transferred by one Party without the prior written consent of the other Party, such consent not to be unreasonably withheld and subject to the successful completion of a due diligence investigation. Nothing in this Agreement shall be interpreted as prohibiting GC2 from use of subcontractors in its normal course of game development.
- 2.2 Designated Successors – The terms and conditions contained in this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their lawful legal representatives and permitted successors and assigns.
- 2.3 Enforceability of Provisions – If any covenant, obligation or provision contained in this Agreement or the application thereof to any person or circumstance shall to any extent be found to be invalid or unenforceable, the Parties shall negotiate in good faith to modify any offending provision to the least extent necessary to overcome invalidity or unenforceability while maintaining the original purpose of the Agreement.
- 2.4 Entire Agreement – This Agreement, including attachments hereto, constitutes the entire agreement between the Parties and supersedes all prior contracts, agreements and undertakings relating to the subject matter (i.e., the development of games as of and subsequent to the Commencement Date) of this Agreement between the Parties. There are no representations, warranties, collateral agreements or conditions affecting this transaction other than as expressed or referred to herein in writing.
- 2.5 Headings – The headings, titles, numberings and captions herein contained are intended for convenience of reference only and shall not form a part hereof nor affect the interpretation of this Agreement. Such headings, titles, numberings and captions shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or interpretation of this Agreement; nor shall they otherwise be given any legal effect.
- 2.6 Jurisdiction – This Agreement shall be governed by and interpreted in accordance with the laws in force in the State of Nevada. The Parties, as well as any of their employees or representatives, irrevocably agree to the exclusive jurisdiction of the Courts of the State of Nevada (or such judicial district of a court of the United States as shall include the same) for the determination of all matters arising hereunder.
- 2.7 Modification – None of the terms of this Agreement may be waived or modified except by an express agreement in writing signed by authorized signatories of each Party. The failure or delay of either Party in enforcing any of its rights under this Agreement shall not be deemed a continuing waiver or a modification by such Party of such right.



- 2.8 Non-Partnership – Nothing herein contained shall be read or construed so as to make the Parties a partnership, nor shall anything herein contained be read or construed in any way to restrict the freedom of either Party to conduct any business or activity whatsoever without any accountability to the other Party. Neither party shall be considered to be an agent or representative of the other Party or have any authority or power to act for or undertake any obligation on behalf of the other Party except as expressly authorized by the other Party in writing. Any such unauthorized representation or action shall be considered a breach of this Agreement. Neither shall either Party owe a fiduciary duty whatsoever to the other Party.
- 2.9 Public Relations/Use of Name – Each Party shall have a qualified right to publicize the existence of this Agreement and use the name of the other Party with prior written consent of the other Party for the furtherance of the interests of this Agreement. Each Party agrees to furnish each other with the exact text to be used in publicity regarding this Agreement and for approval, which will not be unreasonably withheld or delayed, prior to use. Each Party agrees to promptly complete a review of the proposed publicity and deliver a response thereto.
- 2.10 Notices – All notices pertaining to or required by this Agreement shall be in writing and shall be signed by an authorized representative. They shall be delivered by hand or sent by certified mail, return receipt requested, with postage prepaid, addressed as follows:

If to GC2:

Mr. Frank Warzecha  
Chief Executive Officer  
GC2 Incorporated  
474 N. Lake Shore Drive, Suite 5903  
Chicago, Illinois 60611

With Copies To:

Mr. Paul Dussault  
Chief Operating Officer  
GC2 Incorporated  
200 Fairway Drive, Suite 192  
Vernon Hills, Illinois 60061

If to IGT:

Mr. Richard Pennington  
Senior Vice President  
IGT  
9295 Prototype Drive  
Reno, Nevada 89511

With Copies To:

Mr. Mark Hettinger  
Director of Strategic Relations  
IGT  
9295 Prototype Drive  
Reno, Nevada 89511

Either Party may change the addresses or address by notice in writing given to the other Party.


- 2.11 Gaming Regulation Compliance – Each Party agrees to fully comply with all rules and regulations governing gaming and the use of gaming machines in each and every jurisdiction in which it transacts business. Neither Party shall conduct its business or act in a manner which would jeopardize the other Party's gaming license or its ability to operate its business in any jurisdiction at any time. In the event that either Party does not comply with all rules and regulations governing gaming and does not correct such non-compliance in a prompt manner as requested by either the gaming regulatory authorities or by the other Party or jeopardizes the other's gaming license, this Agreement may be terminated without recourse to damages immediately by the other Party. If termination is effected under this provision, termination will be handled in accordance with Article IX.





- 2.12 Counterparts – This Agreement may be executed in counterparts, each of which shall be deemed an original, and all such counterparts shall together constitute one and the same Agreement. Each of the Parties agrees that a photographic or facsimile copy of the signature evidencing a Party's execution of this Agreement shall be effective as an original signature and may be used in lieu of the original for any purpose.
- 2.13 Solicitation Restrictions – The Parties agree that during the Term of this Agreement and for a one (1) year period thereafter, neither Party nor any of its employees, principals, or affiliated companies, will hire, directly or as an independent contractor, any third party to which one of the Parties has employed or has entered into any employment or subcontracting agreement with at any time during the Term of this Agreement, unless consented to in writing by the other Party. Upon breach of this provision, the offending Party agrees to pay the non-offending Party, on demand, the sum of one hundred thousand dollars and no cents (\$ 100,000.00) in liquidated damages for each such breach, it being mutually agreed that such sum is fair and reasonable in so far as the actual damage that would be sustained by the non-offending Party in such instance would be, by its nature, extremely difficult to ascertain.
- 2.14 Time is of the Essence – Time is of the essence with respect to every term, condition, promise, provision and covenant of this Agreement.

### Article III – TERMS AND FEES

- 3.1 GC2 Games – The Parties hereby agree that GC2 shall develop GC2 Games for IGT during the Initial Term on such terms and in accordance with such provisions as contained in this Agreement and identified on the attached Exhibit A. In the event IGT exercises its option in accordance with section 8.1 herein, the Parties hereby agree that GC2 shall develop Additional GC2 Games for IGT during Optional Term Years on such terms and in accordance with such provisions as contained in this Agreement and identified on the attached Exhibit A. Any Extra GC2 Games developed during the Term of this Agreement shall be offered to IGT pursuant to a right of first refusal in accordance with section 3.5 herein and, should the Parties mutually agree upon terms, added by amendment to the attached Exhibit A. Each GC2 Project shall be an originally designed, demonstrable game to be used solely by IGT with the IGT Platform. GC2 does not make any claims, assertions, warranties or guarantees that GC2 Projects are patentable or free from infringement claims; nor shall GC2 indemnify IGT, notwithstanding any other provisions in this Agreement to the contrary, against any and all claims, including judgments, reasonable attorneys' fees, court costs and other expenses, concerning or related to GC2 Project infringement or patent claims.
- 3.2 License Grant - GC2 grants to IGT the sole and exclusive worldwide right and license to make, manufacture, use, market, and sell gaming equipment (utilizing the IGT Platform) incorporating the GC2 Projects, for use in legalized gaming jurisdictions where IGT is permitted to place its products either directly or through a third party. This sole and exclusive right and license shall apply to video gaming devices operated on licensed gaming premises and shall only include stand-alone games. IGT shall not place GC2 Projects utilizing a lease, recurring or participation basis unless the Parties mutually agree in writing to a fee arrangement prior to such placement.
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- 3.3 IGT Platform – IGT agrees to install the GC2 Projects exclusively on gaming machines utilizing the IGT Platform at its sole cost and expense. This includes new gaming machines manufactured by IGT, as well as existing gaming machines previously purchased by customers which may be converted by the customer to include GC2 Projects. IGT, at its sole discretion, shall decide the model of gaming machine utilizing the IGT Platform (i.e., IGT's S2000, iGame, etc.) that will incorporate a particular GC2 Project. However, for new gaming machine placements, IGT shall employ the most current version of that model gaming machine. New gaming machines will be shipped with the GC2 Project software and custom glass installed. Retrofit kits will be sold to customers that include EPROM's, or other electronic devices for storing game firmware, and machine glass to convert any previously purchased machines to include GC2 Projects. In either case, the same licensing terms and conditions defined herein apply.
- 3.4 GC2 Bonus Concepts – IGT shall not have the right to use any GC2 Bonus Concepts, developed by GC2 independently or for GC2 Projects, in any other IGT games unless the parties mutually agree in writing in accordance with the provisions of section 3.5 herein.
- 3.5 Right of First Refusal – GC2 grants to IGT a right of first refusal as to any Extra GC2 Games and GC2 Bonus Concepts developed during the Term of this Agreement on such terms determined solely by GC2. IGT shall have sixty (60) calendar days from the date of reviewing a detailed description or demonstration of a particular Extra GC2 Game or GC2 Bonus Concept, to either accept or reject the Extra GC2 Game or GC2 Bonus Concept. IGT shall provide written notice to GC2 indicating acceptance or rejection. In the event IGT fails to provide such notice, GC2 may assume that the particular Extra GC2 Game or GC2 Bonus Concept has been rejected and GC2 may market such projects to other gaming organizations.
- 3.6 Fees
- (a) Royalties for GC2 Projects – IGT shall pay GC2 a unit Royalty as stipulated on Exhibit A attached hereto, or as are added to Exhibit A upon mutual agreement between the Parties, for the sale of any GC2 Project. Payment of Royalties shall be subject to governmental regulatory approval after the GC2 Project has been approved for use in a jurisdiction.
- (b) Development Fees for GC2 Projects – IGT shall pay GC2 a Development Fee for GC2 Projects in accordance with the terms as shown on Exhibit A attached hereto or as are added to Exhibit A upon mutual agreement between the Parties. The Development Fee shall be due and payable within a reasonable time subsequent to the start date of each GC2 Project as identified on the attached Exhibit A or, if no start date is indicated, due and payable within a reasonable time subsequent to the indicated delivery date.
- (c) Advance for GC2 Projects – IGT shall pay GC2 an Advance Against Royalties for GC2 Projects, in accordance with the terms as set forth in Exhibit A attached hereto or as are added to Exhibit A upon mutual agreement between the Parties. The advance shall be due and payable within a reasonable time subsequent to the start date of each GC2 Project as identified on the attached Exhibit A or, if no start date is indicated, due and payable within a reasonable time subsequent to the indicated delivery date. Royalties applicable to GC2 Games shall be credited, in accordance with the utilization of advances table of Exhibit B attached hereto, against GC2 Games' Advance Against Royalties until such Advance Against Royalties – and any remaining Additional



Advance – is exhausted. Royalties applicable to Additional GC2 Games shall be credited, in accordance with the utilization of advances table of Exhibit B attached hereto, against each specific Optional Term Year's Advance Against Royalties. Thereafter, Royalties shall be due and owing to GC2 in accordance with the payment provisions of this Agreement.

(d) Additional Advance – IGT shall pay GC2 an Additional Advance in the amount of four hundred thousand dollars and no cents (\$400,000.00) on the Commencement Date. The Additional Advance shall be applied - until exhausted - to any Royalty amounts due and owing GC2 in excess of the GC2 Games' Advances Against Royalty in accordance with the utilization of advances table of Exhibit B attached hereto.

(e) Fees for Extra GC2 Games and Bonus Concepts – For any Extra GC2 Games and GC2 Bonus Concepts that IGT desires to purchase in accordance with section 3.5 herein, the terms of such purchase shall be identified in an amendment to Exhibit A of this Agreement.

(f) Payment – IGT shall pay all Royalties due and owing to GC2, unless otherwise provided for in this Agreement, within thirty (30) days after the end of the month in which such Royalties are collected. All payments will be accompanied by a report indicating, but not limited to, the breakdown of the payment by location placements of all GC2 Projects.

(g) Trials – IGT shall be entitled to place any GC2 Projects on free trial for a period of no more than sixty (60) days to allow customers to evaluate the GC2 Projects.

3.7 Customer Agreements – IGT shall place gaming machines or conversion kits ordered with GC2 Projects in customer facilities under IGT sales agreements.

3.8 Marketing – IGT agrees to use commercially reasonable efforts to market the GC2 Projects in legal gaming jurisdictions where appropriate, including displaying the GC2 Projects at industry trade shows at which IGT has a marketing booth. Sales commissions to be paid for the GC2 Projects by IGT to IGT salespeople shall be commensurate with similar games being offered by IGT to its customers. IGT shall provide, at its own cost and expense, samples of GC2 Projects to GC2 for display in any GC2 marketing booth at trade shows, subject to any legal restrictions.

3.9 GC2 Assistance – GC2 agrees to provide IGT all information and related materials necessary for IGT to market GC2 Projects and GC2 Bonus Concepts to the gaming industry. In addition, GC2 shall make its employees or representatives available at all reasonable times for the purpose of technical support in the development and modification by IGT of software embodying the GC2 Projects and/or GC2 Bonus Concepts for use on the IGT Platform. Reasonable GC2 travel expenses incurred in providing assistance pursuant to this provision and for travel to IGT facilities for normal development duties shall be reimbursed by IGT up to a maximum of six thousand dollars (\$6,000.00) per calendar year.

3.10 GC2 Approval – GC2 shall have the right to approve the final game play, sounds, exterior design and glass for the GC2 Projects, as well as any associated equipment and signage and any changes that are made to any of these items. GC2 will be provided samples of the final software developed by IGT for each GC2 Project for evaluation, comments and approval. Approval shall not be unreasonably withheld.





- 3.11 Technical Product Approval – IGT agrees to submit the GC2 Projects and GC2 Bonus Concepts for Technical Product Approval at its own expense to the appropriate testing labs and regulatory agencies and to be solely responsible for the Technical Product Approval process. IGT shall retain discretion regarding which regulatory bodies shall receive submissions of GC2 Products.
- 3.12 Accounting, Late Payments, Auditing – IGT shall render accounting statements to GC2 on a monthly (calendar year) basis within thirty (30) days of the end of each month, commencing with the first full month following the date of this Agreement, whether or not any payment is shown to be due to GC2 thereunder. Such statements shall include, but not be limited to, identification of the number of GC2 Projects sold or distributed, their placement and other reasonable and relevant information requested by GC2. Sums not paid when due shall bear interest at a rate of eighteen percent (18%) per annum, or the highest interest rate as may be permitted under the laws of the State of Nevada. The receipt and deposit of monies by GC2 shall not prevent or limit GC2's right to contest the accuracy and/or correctness of any statement in respect of such monies. GC2, at its own cost and expense, shall have the right to seek an audit of IGT's records to determine that IGT has paid the proper royalty fees. In no case shall any audit be performed more than twice within one (1) calendar year.
- 3.13 GC2 Licensing – In the event that GC2 is required to obtain licensing by a regulatory body in a jurisdiction where the GC2 Projects are to be placed, GC2 shall be solely responsible for the costs and expenses of such licensing; provided, however, that GC2 in its sole discretion may decline to seek such licensing. Should GC2 decline to seek licensing from a regulatory body in a particular jurisdiction, the Parties hereby agree that GC2 Projects shall not be placed in the applicable jurisdiction.
- 3.14 GC2 Obligations – GC2 agrees to provide IGT with video graphics and artwork necessary for implementing the GC2 Projects on the IGT Platform. Each GC2 Project shall include such video graphics and artwork commonly incorporated into a video reel gaming machine including interface, bonus round, game symbols, screens (help, attendant, and pay) and various animations. GC2 shall assist IGT engineers in the implementation of such video graphics and artwork onto the IGT Platform. GC2 shall also assist IGT engineers by providing sound and music suggestions. GC2 further agrees to provide IGT with demonstrable concepts, utilizing electronic or video mediums, written scripts, and/or artwork, for any GC2 Projects and GC2 Bonus Concepts, necessary for proper implementation.
- 3.15 IGT Obligations - IGT agrees to integrate the GC2 Projects' video graphics and artwork into IGT's programs for use on gaming machines utilizing the IGT Platform. IGT shall test, approve and market the GC2 Projects. IGT shall be responsible for all duties and expenses associated with the development and implementation of mathematical pay tables, source code programming, sounds, and glass designs for use in gaming machines incorporating the GC2 Projects.
- 3.16 GC2 Identification – IGT shall, at no cost to GC2, have GC2's and its parent's names, logos and appropriate legal notices, such notices, content and formats to be mutually agreed upon by the Parties, displayed in the exterior video displays and glass in machines in which the GC2 Projects are installed, to the extent allowed by gaming regulations.





- 3.17 Third Party Property – The Parties acknowledge that the development of certain GC2 Games for use on the IGT Platform may propose use of third party property rights such as music, custom speech and other intellectual property. Pursuant to the request and direction of IGT, GC2 shall negotiate and acquire any such third party property rights at fees that are acceptable to IGT. IGT shall reimburse GC2 upon demand for any and all licensing fees, royalty fees and costs related to the licensing or acquisition of such third party property rights, including any reasonable travel, entertainment, lodging, delivery, legal or miscellaneous fees and/or expenses related to the negotiation and acquisition of such rights.
- 3.18 Use of GC2 Bonus Concepts – The Parties hereby agree that GC2 may use any GC2 Bonus Concepts outside of the gaming industry, whether developed independently or in conjunction with GC2 Projects, in commercial products without compensation or remuneration to IGT.
- 3.19 Samples to GC2 – IGT shall furnish to GC2 at no charge two (2) samples of each GC2 Project with associated equipment at the commencement of distribution thereof, for display purposes only, subject to any legal restrictions. Also, GC2 shall have the right to purchase additional units of GC2 Projects at IGT's most favorable discounted price, for display purposes only, subject to any legal restrictions. IGT shall provide GC2 at no charge eight (8) samples of any and all marketing and promotional materials relating to the GC2 projects such as, but not limited to, sales literature, marketing trinkets, and advertising items.
- 3.20 Miscellaneous - The Parties agree that, subject to the termination of this Agreement pursuant to Article IX herein, no monies, deposits or advances already having been paid in accordance with this Agreement shall be returned or refunded.

#### Article IV – PROPRIETARY RIGHTS

- 4.1 Ownership of Independently Developed Intellectual Property – Except as otherwise provided in this Agreement, each Party shall retain all rights to ownership, title or interests to any proprietary information, any inventions and any Intellectual Properties independently developed by them prior to the Commencement Date of this Agreement and during the Term of this Agreement. All independently developed Intellectual Properties shall remain the property of the Party that developed it. Although it is not contemplated that the Parties will jointly develop any Intellectual Properties, it is expressly agreed that all new jointly developed Intellectual Properties that are developed as a direct result of this Agreement, including tradenames and trademarks, shall be jointly owned by the Parties.
- 4.2 Copyrights – Ownership of the copyrights in and to the software for the GC2 Projects developed by or on behalf of IGT shall remain the sole and exclusive property of IGT.



- 4.3 Patent Application and Ownership – Coinciding with the sale of GC2 Bonus Concepts to IGT, GC2 grants and surrenders to IGT any and all rights it may have so that IGT may apply, at IGT's own expense, for patents on GC2 Bonus Concepts developed under this Agreement. GC2 makes no assertions, statements or opinions to IGT that such GC2 Bonus Concepts are patentable or free from infringement claims. IGT takes ownership of each GC2 Bonus Game "as is" and is solely responsible for determining whether the use of such concept is legally permissible before utilizing, authorizing or allowing the concept to be incorporated into gaming machines. Ownership of any and all patents related to GC2 Bonus Games shall remain the sole and exclusive property of IGT.
- 4.4 Exclusions – No rights to the Intellectual Properties or technology of each Party is granted to the other Party except as specifically provided for in this Agreement.

#### Article V – CONFIDENTIALITY

- 5.1 Information Developed Prior to Commencement Date – The Parties agree that during the Term, and any subsequent extension, of this Agreement and continuing perpetually thereafter, neither GC2 nor IGT shall disclose to any third party or use for any purpose other than those specific purposes set forth in this Agreement, without the prior written consent of the other Party, any CONFIDENTIAL INFORMATION except as provided for herein. For the purposes of this Agreement "CONFIDENTIAL INFORMATION" means all proprietary concepts, designs, customer data bases, documents, information, processes, procedures, data, results, conclusions, know-how and the like (including knowledge of the terms of and actions taken pursuant to this Agreement) which was developed prior to the Commencement Date of this Agreement and which is disclosed or submitted orally, in writing, or in other tangible form which is designated as CONFIDENTIAL INFORMATION to one Party by the other in connection with this Agreement. The Parties hereby agree that the terms and provisions stipulated in draft copies, and the executed originals, of this Agreement are designated as CONFIDENTIAL INFORMATION. GC2 and IGT shall have no obligation with respect to any portion of such CONFIDENTIAL INFORMATION which:
- (a) is or later becomes generally available to the public by use, publication or the like, through no fault of the Party receiving the CONFIDENTIAL INFORMATION; or
  - (b) is obtained from a third party who had the legal right to disclose the same to the Party; or
  - (c) is already possessed by the Party; or
  - (d) is independently developed by the receiving Party without reference to the disclosed information; or





- (e) is required by court order or in response to a legal request by a government agency or gaming authority; provided, however, that the Party receiving the information performs all of the following: i) promptly provides notice to the Party that disclosed the information, ii) uses reasonable efforts to limit disclosure unless such disclosure is required by a gaming regulatory or law enforcement agency, iii) makes a good faith effort to obtain confidential treatment or a protective order, and iv) allows the Party that disclosed the information to participate in all applicable proceedings.

5.2 Information Developed During this Agreement – Notwithstanding Section 5.1, the Parties agree that all CONFIDENTIAL INFORMATION, as defined in Section 5.1, that is developed during this Agreement in connection with this Agreement which is disclosed or submitted in writing or in other tangible form which is designated as CONFIDENTIAL INFORMATION to one Party by the other shall not be disclosed to any third party or used for any purpose other than those purposes specifically set forth in this Agreement, without the prior written consent of the other Party. It is understood that GC2 and IGT shall have no obligation with respect to any portion of such CONFIDENTIAL INFORMATION as described in Section 5.1 (a)-(e).

5.3 Maintaining Confidentiality – Each Party agrees to use reasonable efforts to ensure that information described in Sections 5.1 and 5.2 is held in strict confidence. Such steps shall include, but are not limited to, explicitly labeling as “CONFIDENTIAL” all information relating to technology which is considered proprietary and confidential, and requiring all subcontractors who are exposed to such information in connection with this Agreement, to execute an agreement obligating each subcontractor to maintain such information as confidential. Furthermore, all employees of IGT and GC2 having access to CONFIDENTIAL INFORMATION shall be informed of the obligations of confidentiality hereunder and shall be bound to protect the confidentiality of such CONFIDENTIAL INFORMATION.

## Article VI – WARRANTIES

- 6.1 Warranties and Representations of GC2 – GC2 warrants, as of the Commencement Date of this Agreement, that the terms of this Agreement are not inconsistent with GC2’s other contractual arrangements relating to any and all GC2 business activities and that the Board of Directors of GC2 have taken all actions required to be taken by law, its Articles of Incorporation, its By-Laws or other authorities to authorize the execution and delivery of this Agreement.
- 6.2 Warranties and Representations of IGT – IGT warrants, as of the Commencement Date of this Agreement, that the terms of this Agreement are not inconsistent with IGT’s other contractual arrangements relating to any and all IGT business activities and that the Board of Directors of IGT have taken all actions required to be taken by law, its Articles of Incorporation, its By-Laws or other authorities to authorize the execution and delivery of this Agreement.



Article VII – LIABILITY

- 7.1 NO WARRANTY – OTHER THAN AS EXPRESSLY STATED IN ARTICLE VI, THE PARTIES MAKE NO EXPRESS OR IMPLIED WARRANTY AS TO ANY MATTER WHATSOEVER, WHETHER TANGIBLE OR INTANGIBLE, DEVELOPED UNDER THIS AGREEMENT, OR THE OWNERSHIP, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF ANY INVENTION, TEST, OR PRODUCT.
- 7.2 Force Majeure – Neither Party shall be liable for any unforeseeable event beyond its reasonable control not caused by the fault or negligence of such Party, which causes such Party to be unable to perform its obligations under this Agreement, and which it has been unable to overcome by the exercise of due diligence. In the event of the occurrence of such a force majeure event, the Party unable to perform shall promptly notify the other Party. The disabled Party shall further use reasonable efforts to resume performance as quickly as possible and shall suspend performance only for such period of time as is necessary as a result of the force majeure event.
- 7.3 Litigation – GC2 agrees that in the event a third party is believed to be infringing upon any GC2 Bonus Concepts that are patented by IGT, it will fully cooperate with IGT in providing any reasonable information deemed necessary in order for IGT to initiate and pursue an infringement lawsuit. Both Parties acknowledge that GC2 is under no obligation to apply for or file patents for GC2 Bonus Concepts and that, in the event of filing by IGT, any patents may or may not be issued by the U.S. Patent Office.
- 7.4 Indemnity – Each Party shall defend, indemnify and hold harmless the other Party, its officers, employees, agents and servants from and against any and all claims, including judgments, reasonable attorneys' fees, court costs and other expenses related to a claim which the first Party may suffer or which may be sought against the first Party, (i) arising out of the conduct of the other Party in the fulfillment or performance of the terms of this Agreement, regardless of whether or not the occurrence which gave rise to such claim was caused, in part by the other Party, or (ii) arising out of any neglect by the other Party in performing this Agreement; or (iii) because of any claim under any statute, law, ordinance, regulation, order or decree; provided, however, that the other Party's obligations hereunder does not extend to those claims, or the portion of those claims, related to the willful or negligent conduct of the first Party. In this connection, it is expressly agreed that the other Party shall, at its own expense, defend that first Party, its officers, employees, agents and servants against any and all claims, suits, or actions which may be brought against them, or any one of them, arising out of any act or omission against which the other Party has indemnified the first Party. If the other Party shall fail to do so, the first Party may undertake to do the same and charge all direct and indirect costs of such defense to the other Party, including reasonable attorneys' fees, court costs, and incidental and consequential damages.

Article VIII – OPTIONAL TERM YEARS

- 8.1 IGT Option – IGT shall have the right to extend this Agreement for Optional Term Years provided that, not less than ninety (90) days prior to the expiration of the Initial Term or





each applicable Optional Term Year thereafter, IGT shall give written notice to GC2 of its desire for GC2 to develop at least four (4) Additional GC2 Games in the following calendar year in accordance with the terms contained in this Agreement and identified in the attached Exhibit A.

- 8.2 Non-compete Provision – If IGT elects an Optional Term Year pursuant to section 8.1 herein and, in accordance with section 9.3 herein, GC2 notifies IGT of its intention not to develop games during such Optional Term Year, GC2 and its officers and principals shall be restricted from developing games for any gaming industry organization for a period of two (2) years subsequent to such notification.

#### Article IX – TERMINATION

- 9.1 Termination by Mutual Consent – Unless otherwise agreed or provided for herein, this Agreement shall end on the last date of the Term. IGT and GC2 may elect to terminate this Agreement, or portions thereof, by mutual written consent at any earlier date, such consent shall be effective when signed by authorized signatories of both Parties.
- 9.2 Termination for Cause – If either Party at any time commits a material breach of any covenant or agreement contained herein, and fails to remedy any such breach within thirty (30) days after receiving written notice thereof, which notice shall specify the manner in which the Agreement has been breached by the other Party, such Party may, at its option and in addition to any other remedy that it might be entitled to, terminate this Agreement by notice in writing which will be effective upon receipt. Non-payment by either Party of legitimate invoice expenses, individually or cumulatively, of ten thousand dollars (\$10,000) or more within thirty (30) days of receipt thereof, or failure of either Party to use commercially reasonable efforts under the circumstances to perform the Agreement, shall constitute a material breach of this Agreement.
- 9.3 Termination Without Cause – This Agreement shall automatically terminate without cause should (i) IGT not provide written notification of its election for Optional Term Years in accordance with section 8.1 herein; (ii) GC2 provide written notice to IGT, not less than thirty (30) days prior to the expiration of the Initial Term or any applicable Optional Term Year, that it will not continue game development subject to the provisions of section 8.2. herein; or, (iii) IGT discontinue use of the IGT Platform for use in gaming machines or conversion kits.
- 9.4 Termination and Rights in the Event of Bankruptcy, Insolvency – In the event (a) either Party shall become insolvent or shall suspend business or shall file a voluntary petition or answer admitting the jurisdiction of the Court and the material allegations charged therein or shall consent to an involuntary petition pursuant to or purporting to be pursuant to any reorganization or insolvency law in any jurisdiction or shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of a receiver or trustees of a substantial part or its property, and (b) no affiliate undertakes to assume its obligations under the provisions of this Agreement within ninety (90) days from the date on which the Party becomes so disabled, then to the extent permitted by law, the other Party may thereafter immediately terminate this Agreement by giving written notice of termination to the disabled Party.





- 9.5 Termination by Regulatory Agency – In the event that any appropriate gaming regulatory agency determines that this Agreement cannot be performed as set forth, or as intended by the Parties, it will be amended if at all possible to reflect the requirement of that agency, provided that the Parties can agree. If such an amendment cannot be reflected then this Agreement shall terminate as to that regulatory jurisdiction.
- 9.6 Regulatory Compliance – IGT and its affiliates conduct business in a highly regulated industry under privileged licenses issued by gaming regulatory authorities both domestic and international. IGT maintains a compliance program that has been established to protect and preserve the name, reputation, integrity, and good will of IGT and its affiliates and to monitor compliance with the requirements established by gaming regulatory authorities in various jurisdictions around the world. Performance of this Agreement is contingent upon the following:
- (a) Any necessary initial and continuing approvals and/or licenses required by any regulatory agency with jurisdiction over IGT or the subject matter of this Agreement. Both IGT and GC2 agree to cooperate with requests, inquiries, or investigations of any gaming regulatory authorities or law enforcement agencies in connection with the performance of this Agreement, including the disclosure of information to gaming regulatory agencies that would otherwise be considered confidential under other sections of this Agreement. If any approval and/or license necessary for performance of this Agreement is denied, suspended, or revoked, this Agreement shall terminate immediately and neither party shall have any additional rights hereunder;
  - (b) The successful completion of a due diligence background investigation of GC2 and the continued suitability of GC2 throughout the term of this Agreement. GC2 agrees to fully cooperate with IGT in the completion of a due diligence background investigation and to provide IGT with the information necessary in order to conduct the due diligence background investigation and any information reasonably necessary in order to determine the continued suitability of GC2 throughout the term of this Agreement. Payments by IGT to GC2 under the terms of this Agreement shall not be made until such time as GC2 has successfully completed a due diligence background investigation;
  - (c) The continued approval by the Vice President of Compliance of IGT or IGT's Compliance Committee. IGT may terminate this Agreement immediately if a good faith determination is made by the Vice President of Compliance or the Compliance Committee that termination is appropriate due to regulatory concerns. In addition, IGT may terminate this Agreement if the Vice President of Compliance or the Compliance Committee discovers facts that, in the opinion of the Vice President of Compliance or the Compliance Committee or both, would reasonably jeopardize the gaming licenses, permits, or status of IGT or any of its affiliates, with any gaming regulatory authority or similar law enforcement authority
  - (d) This Agreement cannot be transferred or assigned by either Party pursuant to section 2.1 herein without prior written notice to the other Party and the successful completion of a background due diligence investigation of the transferee/assignee prior to the transfer or assignment of the Agreement by the other Party. Prior notice



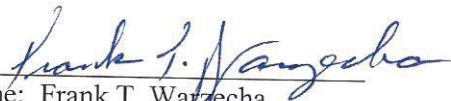


must be also be provided to the other Party of any proposed material change in ownership and/or management of the other Party and the successful completion of a background due diligence investigation of the proposed new owner and/or manager must occur prior to the change in ownership or management


- 9.7 Arbitration – Should any dispute arise under this Agreement between IGT and GC2, the dispute shall, within twenty (20) days of the giving of actual written notice by either IGT or GC2 to the other, be first submitted to binding arbitration in the State of Nevada, under the rules of the American Arbitration Association before a mutually agreed upon arbitrator.
- 9.8 Termination for other than IGT Default – Notwithstanding the above, upon termination or expiration of this Agreement, unless such termination is based upon IGT default of payments due and IGT has not cured such default per section 9.2 herein, IGT shall retain a license to all GC2 Games for which Development Fees, Advance Against Royalties and Additional Advances have been properly paid. To the extent permitted by applicable law, IGT shall retain distribution rights in gaming machines utilizing GC2 Projects. Payment of Royalties for GC2 Projects shall continue to be delivered to GC2 in accordance with the terms of the Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year set forth above by their duly authorized representatives as follows:

GC2

By:   
Name: Frank T. Wazzecha  
Title: Chief Executive Officer

IGT

By:   
Name: Richard Pennington  
Title: Senior Vice President

*Mac*

## EXHIBIT A

GC2 GAMES & ADDITIONAL GC2 GAMES

Game	Start Date	Delivery Date	Development Fee	Advance Against Royalty	Royalty
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INITIAL TERM; GC2 GAMES

Kingpin Bowling	N/A	01/10/03	\$60,000.00	\$95,100.00	\$300.00
Game 2	01/10/03	06/30/03	\$60,000.00	\$95,100.00	\$300.00
Game 3	01/10/03	06/30/03	\$60,000.00	\$95,100.00	\$300.00
Game 4	07/01/03	12/31/03	\$60,000.00	\$95,100.00	\$300.00
Game 5	07/01/03	12/31/03	\$60,000.00	\$95,100.00	\$300.00
Game 6	01/01/04	06/30/04	\$60,000.00	\$95,100.00	\$300.00
Game 7	01/01/04	06/30/04	\$60,000.00	\$95,100.00	\$300.00
Game 8	07/01/04	12/31/04	\$60,000.00	\$95,100.00	\$300.00
Game 9	07/01/04	12/31/04	\$60,000.00	\$95,100.00	\$300.00

OPTIONAL TERM YEAR – 2005; ADDITIONAL GC2 GAMES

Game 10	01/01/05	06/30/05	\$63,000.00	\$99,855.00	\$315.00
Game 11	01/01/05	06/30/05	\$63,000.00	\$99,855.00	\$315.00
Game 12	07/01/05	12/31/05	\$63,000.00	\$99,855.00	\$315.00
Game 13	07/01/05	12/31/05	\$63,000.00	\$99,855.00	\$315.00

OPTIONAL TERM YEAR – 2006; ADDITIONAL GC2 GAMES

Game 14	01/01/06	06/30/06	\$66,150.00	\$104,927.00	\$331.00
Game 15	01/01/06	06/30/06	\$66,150.00	\$104,927.00	\$331.00
Game 16	07/01/06	12/31/06	\$66,150.00	\$104,927.00	\$331.00
Game 17	07/01/06	12/31/06	\$66,150.00	\$104,927.00	\$331.00

OPTIONAL TERM YEAR – 2007; ADDITIONAL GC2 GAMES

Game 18	01/01/07	06/30/07	\$69,458.00	\$110,316.00	\$348.00
Game 19	01/01/07	06/30/07	\$69,458.00	\$110,316.00	\$348.00
Game 20	07/01/07	12/31/07	\$69,458.00	\$110,316.00	\$348.00
Game 21	07/01/07	12/31/07	\$69,458.00	\$110,316.00	\$348.00

OPTIONAL TERM YEAR – 2008; ADDITIONAL GC2 GAMES

Game 22	01/01/08	06/30/08	\$72,931.00	\$116,022.00	\$366.00
Game 23	01/01/08	06/30/08	\$72,931.00	\$116,022.00	\$366.00
Game 24	07/01/08	12/31/08	\$72,931.00	\$116,022.00	\$366.00
Game 25	07/01/08	12/31/08	\$72,931.00	\$116,022.00	\$366.00

EXHIBIT A



## EXHIBIT B

UTILIZATION OF ADVANCES AGAINST ROYALTIES AND ADDITIONAL ADVANCES

Table

Term	GC2 Game Numbers	Advance Against Royalty (per game)	Additional Advance	Total applicable advances	Royalty Rate	Number of units sold to recoup advances
Initial Term	1 through 9	\$95,100.00	\$400,000.00	\$1,255,900.00	\$300.00	4,186.33
Optional Term Year - 2005	10 through 13	99,855.00	-	399,420.00	315.00	1,268.00
Optional Term Year - 2006	14 through 17	104,927.00	-	419,708.00	331.00	1,268.00
Optional Term Year - 2007	18 through 21	110,316.00	-	441,264.00	348.00	1,268.00
Optional Term Year - 2008	22 through 25	116,022.00	-	464,088.00	366.00	1,268.00

## Note:

- Royalties for GC2 Games delivered within each specific term are applied against the applicable total advances (until exhausted) for that particular term.

For example, Royalties for all GC2 Games sold that are delivered during the Initial Term (game numbers 1 through 9) will be credited against total applicable advances (\$1,255,900.00). Once the total applicable advances for the Initial Term are exhausted from sales of game numbers 1 through 9 (total unit sales of 4,186.33), Royalties will be further due and owing to GC2 in accordance with the provisions of the Agreement.

For another example, Royalties for all GC2 Games sold that are delivered during the Optional Term Year – 2005 (game numbers 10 through 13) will be credited against total applicable advances (\$399,420.00). Once the total applicable advances for the Optional Term Year – 2005 are exhausted from sales of game numbers 10 through 13 (total unit sales of 1,268.00), Royalties will be further due and owing to GC2 in accordance with the provisions of the Agreement.

## EXHIBIT B