

# **EXHIBIT 1**

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**WHAT IS SECOND LIFE?**

**THE WORLD**

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**THE CREATIONS**

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**THE MARKETPLACE**

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**FAQ**

## Terms of Service

**1.1 The Agreement.** Linden Research, Inc. ("Linden") offers to allow you to use its multi-user online service "Second Life," use the software provided to you by Linden (collectively, the "Linden Software") and participate in the environments that support the service, including without limitation the websites located at <http://www.lindenlab.com> and <http://www.secondlife.com> (collectively, and together with the Linden Software, the "Service"), solely conditioned on your agreement to all of the terms and conditions contained in this Terms of Service document (this "Agreement" or the "Terms of Service") and your compliance with the posted Community Standards on the Second Life website, which you can find at this link: <http://secondlife.com/corporate/cs.php>. Your use of the Service constitutes your agreement to all such terms and conditions and your agreement to comply with the Community Standards. To confirm your agreement, you should accept this Agreement. If you do not so agree, you should decline this agreement, in which case you are prohibited from accessing or using the Service. Accessing or using the Service will be considered acceptance of this Agreement.

If you have any questions regarding these terms and conditions or the Community Standards, please contact a Linden customer service representative at [support@lindenlab.com](mailto:support@lindenlab.com).

**1.2 Changes to these Terms.** Linden reserves the right to change the address of its Website at any time for any or no reason. Linden may amend this Agreement (including without limitation the pricing terms set forth herein) and/or modify the Community Standards at any time in its sole discretion by posting the amended Agreement or modified Community Standards at <http://www.lindenlab.com>, <http://www.secondlife.com>, another current website designated by Linden or by communicating these changes through the primary contact methods you have established with us. Amendments to the Agreement will be effective after the amended Agreement is posted. Modifications to the Community Standards will be effective immediately upon posting. Your use of the Service after the effective date of any amendments to this Agreement constitutes your agreement to the amendments. You agree to check this Agreement and the Community Standards periodically so you will be familiar with their content as amended or modified from time to time.

## 2. ACCOUNTS

**2.1 Eligibility.** You must establish an account with Linden (your "Account") to use the Service. Standard Accounts are permitted only for adult individuals who are 18 years of age or older. Teen Area Accounts are for individuals who are at least 13 years of age and less than 18 years of age. Those who meet these standards, open an account and maintain their account in good standing are sometimes referred to in this Agreement as "Participants." By accepting this agreement in connection with a Standard Account you represent that you are an adult 18 years of age or older. By accepting this agreement in connection with a Teen Area Account you represent that (i) you are at least 13 years of age and less than 18 years of age; (ii) you have read and accept this Agreement; (iii) your parent or legal guardian has consented to you having a Teen Area Account and participating in the Service, and to providing your personal information for your Account; and (iv) your parent or legal guardian has read and accepted this Agreement.

**2.2 Registration Obligations.** You agree to provide true, accurate, current and complete information about yourself as prompted by the registration form ("Registration Data") and maintain and promptly update the Registration Data to keep it true, accurate, current and complete. Linden reserves all rights to vigorously pursue legal action against all persons who misrepresent personal information or are otherwise untruthful about their identity, and to suspend or cancel Accounts registered with inaccurate or incomplete information.

**2.3 Account ID.** You must choose an account name to identify yourself to Linden staff (your "Account ID"), which will also serve as the name for the graphical representation of your body in the Service (such representation, an "Avatar", and its name, an "Avatar Name"). You may not select as your Account ID or Avatar Name the name of another person, a name which violates any trademark right, copyright, or other proprietary right, a name which may mislead other Participants to believe you to be an employee of Linden, or a name which Linden deems in its discretion to be vulgar or otherwise offensive. Linden reserves the right to delete or change any Account ID or Avatar Name for any reason or no reason. You are fully responsible for all activities conducted through your Account or under your Account ID.

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 Monday thru Friday, 8am-6pm PST.

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**2.4 Passwords.** At the time your Account is opened, you must select a password. You are responsible for maintaining the confidentiality of your password and are responsible for any harm resulting from your disclosure, or authorizing the disclosure of, your password or from use by any person of your password to gain access to your Account or Account ID. At no time should you respond to an online request for a password. Linden will never ask for your password offline or online, except that you will be required to enter your password as part of the log-on process. You are not allowed to ever disclose your password to another person.

**2.5 Account.** By using the Service you agree that even though you may retain certain copyright or other intellectual property rights with respect to works you create (your "Content," as defined in Section 6.1 below) while using the Service (as specified in Section 5.3 below), you do not own the account you use to access the Service, nor do you own any data Linden stores on Linden servers (including without limitation any data representing or embodying any or all of your Content).

**2.6 No Internet Connection.** Linden does not provide Internet access, and you are responsible for all fees associated with your Internet connection.

### 3. BILLING POLICIES

**3.1 Account Types and Charges.** You may access the Service through either of two types of accounts. "Basic Access" accounts require registration but do not at this time include an access fee or recurring charges for access to the Service for the first Basic Access account per unique user. Additional Basic Access accounts for the same unique user require a one-time access payment. Uniqueness of users is determined in Linden's sole discretion. "Premium Access" accounts require recurring charges for access to the Service, and may be arranged for varying billing periods as described in Section 3.3 below. In addition to the applicable access charges, recurring Land Use Fees will be charged to you depending on how much land you hold within the Second Life world.

**3.2 Payment Terms.** All Access and subscription charges for the Service are payable in advance. Land use fees will be charged once each month, and will reflect the peak amount of land you held during the previous month. Linden is not responsible for any charges or expenses you incur resulting from charges billed by Linden in accordance with these Terms of Service (e.g. overdrawn accounts, exceeding credit card limit, etc.). By providing a credit card number or other payment method with advance authorization features (e.g. some PayPal accounts), you authorize Linden to continue charging the payment method for all charges due Linden until your Second Life account is terminated by either you or Linden. Linden reserves the right to limit the number of accounts that may be charged to a credit card or other payment or identification method per unique user.

**3.3. Billing Periods for Recurring Charges.** Monthly accounts will be billed monthly on the same date of each month (e.g. the 10th of each month), beginning on the first day following the end of your trial period.

90 Day accounts will be billed quarterly on the same day (e.g. the 10th of every third month), beginning on the first day following the end of your trial period.

Annual accounts, including beta charter accounts (no longer available but still recognized), will be billed each year on the same date, beginning on the first day following the end of your trial period.

Lifetime accounts (if and as available from time to time in Linden's discretion) and Basic Access accounts will be billed in full at the time of purchase.

Land Use Fees will be billed 30 days following the first land purchase for users not already paying recurring monthly fees. Land Use Fees will be billed on the first billing date following the in-world land purchase for users already paying recurring monthly fees.

**3.4 Trial.** After initial registration of an account for which there is an access charge (i.e. Premium Access accounts and Basic Accounts beyond the initial free account per unique user), you will be given a 7-day trial period beginning with your first login to Second Life. You may cancel your account at any time during the 7-day trial. If you want to change your account type you may do so at any time (either before or after the trial period - see Section 3.6 below). You are limited to one 7-day trial per credit card or other unique payment or identification method for any 3-month period. If you do not cancel your account during the 7-day trial, you will be charged based on the account type you selected during registration unless you have spent less than an hour in-world during the trial period.

**3.5 Unique Accounts; No Transfer.** When an account is created the address on the account must match the address or other unique identifier on the credit card or other payment or identification method. You may register multiple accounts per credit card or other payment method but will only receive one trial period for the card or other payment method in any 3-month period and each additional account on one credit card or payment method will begin its billing when the account is created. You may not transfer your Account to any third party without the prior written consent of Linden.

**3.6 Changing Plans.** If you decide to change your plan, for example from monthly to a longer-term discounted plan, you may do so at any time by making the change on the My Account page. The new plan will go into effect but your credit card or other payment method will be charged with the new rate when your current subscription period billing cycle ends.

**3.7 Cancellation, Refunds, Reactivation.** Accounts may be cancelled at any time, by going to the My Account page and clicking on "cancel". Upon clicking "cancel," your account will be cancelled within 24 hours, but you will be allowed to use the remaining time according to these Terms of Service unless your account or this Agreement is suspended or terminated based on our belief that you have violated or acted inconsistently with Section 5.1 of this Agreement. THERE WILL BE NO REFUNDS FOR ANY UNUSED TIME ON A SUBSCRIPTION. At the end of a subscription period, your cancelled account will become dormant for 60 days. If during that time you want to reopen your account, you will be able to return to your My Account page and click the "re-activate" button at which time you will be prompted to review billing details to confirm that the plan you want is selected and that your credit card or other payment method is still valid. Linden may require a reactivation fee in the event Linden determines, in its sole discretion, that activation and reactivation of an account is being conducted in a manner designed to evade compliance with this Agreement or other Linden policies and procedures. If, for any reason, your credit card or other payment method cannot be charged or payment is withheld, your account will become dormant as if you had cancelled it.

**3.8 Service Credit for Unscheduled Downtime.** You will be eligible to receive Service Credit toward recurring service fees (e.g. monthly account fees, 90 Day account fees, annual account fees, and land use fees) for Unscheduled Downtime. "Unscheduled Downtime" is an unplanned or unscheduled interruption in Service availability for a period of at least twenty-four (24) hours during which you are unable to access the Service. Unscheduled Downtime is measured from the time the Service is 100% unreachable for a period of at least twenty-four (24) hours until Service is once again restored. The following are excluded from the calculation of Unscheduled Downtime: (i) scheduled maintenance downtime; (ii) problems outside of our Service (upstream providers, or your inbound connection) not affecting 100% loss to our Service; (iii) interruptions or failure of Service caused by you or your representatives (including inaccurate configuration, third-party software, abuse or over-utilization of resources, hacked servers, attacks, exploits, or server hardware failures); and (iv) causes beyond Linden's reasonable control and occurring without Linden's fault or negligence, including natural disasters, wars, terrorist acts, riots or other violent upheaval, governmental restrictions and actions, and performance failures of a third party outside Linden's control. The amount of any Service Credit will be based on the pro rata percentage of Unscheduled Downtime during your billing cycle (e.g., if there is 1 day of Unscheduled Downtime in a 30-day month for your monthly account, you will receive a Service Credit for 1/30th of your recurring service fees). Any Service Credit will be credited to you during your next billing cycle.

**3.9 Account Retention.** While your account is dormant, unless you renew your account, any land held by your Avatar in that account will become public to the Service after 30 days. Any of your Avatar's objects remaining in the Second Life world will begin to decay at that time and your Avatar will lose them in their entirety. Avatars and inventory items held in your Account will be retained until the account has been closed and dormant for 60 days, at which point the account will be expunged. You understand and agree that none of the actions specified in this Section 3.9 will constitute a violation of any copyright or other intellectual property rights you may have in any of your Content, and for the avoidance of doubt you hereby grant Linden the irrevocable and perpetual right to take any or all of the actions specified in this Section 3.9 under the circumstances described.

**3.10 Delinquent Accounts and Affiliated Accounts.** In the event an Account is suspended or terminated for late or non-payment, in accordance with Linden's then in-effect billing and payment policies and practices, Linden may suspend or terminate any or all other Accounts held by you or your affiliates or otherwise related to such delinquent Account. Nothing in this Section 3.10 shall limit or otherwise modify Linden's right to terminate this Agreement under Section 7.1 below.

#### 4. LICENSE

**4.1 License.** Subject to the terms of this Agreement, Linden grants to you a non-exclusive, limited, fully revocable license to use the Service and the Linden Software during the time you have paid for but only as long as you are in full compliance with these terms and conditions. You may not charge any third party for using the Linden Software to access and/or use the Service, and you may not modify, adapt, reverse engineer (except as otherwise permitted by applicable law), decompile or attempt to discover the source code of the Linden Software, or create any derivative works of the Linden Software or the Service, or otherwise use the Linden Software except as expressly provided in this Agreement. You may not copy or distribute any of the written materials associated with the Service. Nothing in this Agreement, or on Linden's site, shall be construed as granting you any other rights or privileges of any kind with respect to the Service or to Content other than your own. You acknowledge that your participation in the Service does not make you a Linden employee and that you do not

expect to be compensated for such participation. Notwithstanding the foregoing, you may copy the Linden Software for backup purposes and may give copies of the Linden Software to others free of charge.

**4.2 Service Provider.** You acknowledge that Linden is not a traditional game provider; instead Linden acts as a venue and a service provider that may allow people to interact virtually regarding almost any topic, at any time, from anywhere, in a variety of formats. In addition, the Service may allow some users to alter the gaming environment on a real-time basis. Linden is not involved in actual communications between users or even in users' interactions with the virtual world of the Service. As a result, Linden has very limited control, if any, over the quality, safety, morality, legality, truthfulness or accuracy of various aspects of the Service. As a condition of access to the Service, you release Linden (and Linden's shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees, distributors) from claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with any dispute you have or claim to have with one or more Participants. You further understand and agree that: (a) Linden will have the right but not the obligation to resolve disputes between Participants relating to the Service; (b) to the extent Linden elects to resolve such disputes, it will do so in good faith based solely on the general rules and standards of the Service and will not make judgments regarding legal issues or claims; (c) Linden's resolution of such disputes will be final with respect to the virtual world of the Service but will have no bearing on any real-world legal disputes in which Participants may become involved; and (d) you hereby release Linden (and Linden's shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees, distributors) from claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with Linden's resolution of disputes relating to the Service.

**4.3 All Data On Linden's Servers Are Subject to Deletion, Alteration or Transfer.** When using the Service, you may accumulate objects, items, measures of virtual wealth or experience, scripts, equipment, or other value or status indicators ("Accumulated Status"). THESE DATA, AND ANY OTHER DATA INCLUDING CONTENT (AS DEFINED IN SECTION 6.1 BELOW), ACCOUNT HISTORY AND AVATAR NAMES RESIDING ON LINDEN'S SERVERS, MAY BE DELETED, ALTERED, MOVED OR TRANSFERRED AT ANY TIME FOR ANY REASON IN LINDEN'S SOLE DISCRETION. YOU ACKNOWLEDGE THAT, NOTWITHSTANDING ANY COPYRIGHT OR OTHER RIGHTS YOU MAY HAVE WITH RESPECT TO ITEMS YOU CREATE USING THE SERVICE, AND NOTWITHSTANDING ANY VALUE ATTRIBUTED TO SUCH CONTENT OR OTHER DATA BY YOU OR ANY THIRD PARTY, LINDEN DOES NOT ADMIT, PROVIDE OR GUARANTEE, AND EXPRESSLY DISCLAIMS (SUBJECT TO ANY UNDERLYING RIGHTS IN THE CONTENT), ANY VALUE, CASH OR OTHERWISE, ATTRIBUTED TO CONTENT OR ACCUMULATED STATUS OR OTHER DATA.

## 5. USER CONDUCT

**5.1 Participant Conduct.** In addition to abiding at all times by the Community Standards, you agree that you shall not: (i) take any action or upload, post, e-mail or otherwise transmit Content that infringes or violates any third party rights; (ii) impersonate any person or entity, including, but not limited to, a Linden employee, or falsely state or otherwise misrepresent your affiliation with a person or entity; (iii) take any action or upload, post, e-mail or otherwise transmit Content that violates any law or regulation; (iv) take any action or upload, post, e-mail or otherwise transmit Content as determined by Linden at its sole discretion that is harmful, threatening, abusive, harassing, causes tort, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful, racially, ethnically or otherwise objectionable; (v) take any actions or upload, post, e-mail or otherwise transmit Content that contains any viruses, Trojan horses, worms, spyware, time bombs, cancelbots or other computer programming routines that are intended to damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data or personal information; (vi) take any action or upload, post, email or otherwise transmit any Content that would violate any right or duty under any law or under contractual or fiduciary relationships (such as inside information, proprietary and confidential information learned or disclosed as part of employment relationships or under nondisclosure agreements); (vii) upload, post, email or otherwise transmit any unsolicited or unauthorized advertising, promotional materials, "junk mail," "spam," "chain letters," "pyramid schemes," or any other form of solicitation; (viii) interfere with or disrupt the Service or servers or networks connected to the Service, or disobey any requirements, procedures, policies or regulations of networks connected to the Service; (ix) attempt to gain access to any other user's Account or password; or (x) "stalk" or otherwise harass another user. Any violation by you of the terms of the foregoing sentence may result in immediate and permanent suspension or cancellation of your Account. You agree that Linden may take whatever steps it deems necessary to abridge, or prevent behavior of any sort on the Service in its sole discretion, without notice to you.

**5.2 Use as Provided.** Linden has designed the Service to be experienced only as offered by Linden at its web site or partner websites. You agree to

use the Service only as offered by Linden at its web site or partner websites and not through any other means. You further agree not to create or provide any other means through which the Service may be accessed or used, as through server emulators. You acknowledge that you do not have the right to create, publish, distribute, create derivative works from or use any software programs, utilities, applications, emulators or tools derived from or created for the Service, except that you may use the Linden Software to the extent expressly permitted by this Agreement. You are prohibited from taking any action that imposes an unreasonable or disproportionately large load on Linden's infrastructure.

**5.3 Participant Content Ownership and License Terms, Including Participant Representations and Warranties.** Participants can create Content on Linden's servers in various forms. Linden acknowledges and agrees that, subject to the terms and conditions of this Agreement, including without limitation the limited licenses granted by you to Linden herein, you will retain any and all applicable copyright and/ or other intellectual property rights with respect to any Content you create using the Service. Notwithstanding the foregoing, you understand and agree that by submitting your Content to any area of the service, you automatically grant (and you represent and warrant that you have the right to grant) to Linden: (a) a royalty-free, fully paid-up, perpetual, irrevocable, non-exclusive right and license to use and reproduce (and to authorize third parties to use and reproduce) any of your Content in any or all media for marketing and/or promotional purposes in connection with the Service; (b) the perpetual and irrevocable right to delete any or all of your Content from Linden's servers and from the Service, whether intentionally or unintentionally, and for any reason or no reason, without any liability of any kind to you or any other party; and (c) a royalty-free, fully paid-up, perpetual, irrevocable, non-exclusive right and license to copy, analyze and use any of your Content as Linden may deem necessary or desirable for purposes of debugging, testing and/or providing support services in connection with the Service. You also understand and agree that by submitting your Content to any area of the Service, you automatically grant (or you warrant that the owner of such Content has expressly granted) to Linden and to all other Participants a non-exclusive, worldwide, fully paid-up, transferable, irrevocable, royalty-free and perpetual License, under any and all patent rights you may have or obtain with respect to your Content, to use your Content for all purposes within the Service. You further agree that you will not make any claims against Linden or against other Participants based on any allegations that any activities by either of the foregoing within the Service infringe your (or anyone else's) patent rights. You further understand and agree that: (i) you are solely responsible for understanding all copyright, patent, trademark, trade secret and other intellectual property or other laws that may apply to your Content hereunder; (ii) you are solely responsible for, and Linden will have no liability in connection with, the legal consequences of any actions or failures to act on your part while using the service, including without limitation any legal consequences relating to your intellectual property rights; and (iii) Linden's acknowledgement hereunder of your intellectual property rights in your Content does not constitute a legal opinion or legal advice, but is intended solely as an expression of Linden's intention not to require Participants to forego certain intellectual property rights with respect to Content they create using the Service, subject to the terms specified herein.

**5.4 Age; Access to Second Life and the Teen Area.** You must be at least 13 years of age to participate in the Service. Users under the age of 18 are prohibited from accessing the Service other than in the Teen Area, and users 18 and older are prohibited from accessing the Teen Area of the Service. Any user age 18 and older who gains unauthorized access to the Teen Area is in breach of this Agreement and may face immediate termination of any or all Accounts held by such user for any area of the Service. Linden cannot absolutely control whether minors gain access to the Service other than the Teen Area, and makes no representation that users outside the Teen Area are not minors. Linden cannot absolutely control whether adults gain access to the Teen Area of the Service, and makes no representation that users inside the Teen Area are not adults. Linden cannot ensure that other users will not provide Content or access to Content that parents or guardians may find inappropriate or that any user may find objectionable. You are prohibited from conducting any activity that is not in compliance with the Community Standards.

## 6. CONTENT

**6.1 Content.** You acknowledge that: (i) by using the Service you may have access to graphics, sound effects, music, video, audio, animation, text and other creative output (collectively, "Content"), and (ii) Content may be provided under license by independent content providers, including contributions from other Participants (all such independent content providers, "Content Providers"). Linden does not pre-screen Content. YOU UNDERSTAND AND AGREE THAT LINDEN HAS THE RIGHT, BUT NOT THE OBLIGATION, TO REMOVE ANY CONTENT (INCLUDING YOURS) IN WHOLE OR IN PART AT ANY TIME FOR ANY REASON OR NO REASON, WITH OR WITHOUT NOTICE AND WITH NO LIABILITY OF ANY KIND.

**6.2 Rights in Content.** You acknowledge that Linden and other Content Providers have rights in their respective Content under copyright and other applicable laws and treaty provisions, that they retain all such rights and

that you accept full responsibility and liability for your use of any Content in violation of any such rights. You agree that your creation of Content is not in any way based upon any expectation of compensation from Linden.

**6.3 Textures and Environmental Content.** During any period in which your account is active and in good standing, Linden gives you permission to create still and/or moving pictures in-world which use or include the "textures" and/or "environmental content" included in Linden's Content in the Service.

**6.4 Second Life Currency.** You acknowledge that the Second Life service presently includes a component of in-world fictional currency ("Currency" or "Linden Dollars" or "L\$"). You agree that Linden has the absolute right to manage, regulate, control, modify and/or eliminate such Currency as it sees fit in its sole discretion, and that Linden will have no liability to you based on its exercise of such right.

**6.4.1 Currency Exchange.** The Service currently includes a component with which Participants may transact with each other to purchase and sell the licensed right to use Currency. Notwithstanding any other language or context to the contrary, as used in this Agreement and throughout the Service in the context of Currency transfer: (a) the term "sell" means "to transfer for consideration to another Participant the licensed right to use Currency in accordance with the Terms of Service," (b) the term "buy" means "to receive for consideration from another Participant the licensed right to use Currency in accordance with the Terms of Service," (c) the terms "buyer," "seller," "sale" and "purchase" and similar terms have corresponding meanings to the root terms "buy" and "sell," (d) "sell order" means a request from a Participant to Linden to list Currency for sale on the Currency Exchange at a requested sale price, (e) "buy order" means a request from a Participant for Linden to match open sale listings with a requested purchase price and facilitate completion of the sale of Currency, and (f) "Currency Exchange" refers to an aspect of the Service through which Linden administrates the purchase and sale of Currency among Participants as a third party facilitator of the transaction, for fees and charges set at Linden's sole discretion. Currency Exchange does not include any issuance of new Currency by Linden or any purchase or sale of Currency by Linden.

**6.4.2 Currency Listing and Fees.** By use of the Currency Exchange: (a) you authorize Linden to administer the purchase or sale, as applicable, of Currency associated with your account and facilitate transfer with the other Participant account or accounts involved with such Currency transaction, (b) you agree to pay the listing and transaction fees posted on the Service website in connection with the Currency exchange, (c) you authorize Linden to charge your credit card or other payment method on file with Linden for the applicable listing fees, purchase amount, and transaction fees and related charges, and you promise not to deny or decline any such charge, and (d) you agree that you are responsible for paying all applicable taxes for your transactions through the Currency Exchange, other than the taxes on Linden's Currency Exchange fees that Linden may collect from you as a deduction from sale proceeds. Linden may change the Currency Exchange fees at any time; changes will be applicable to all listings placed on and after the date of any such change. All Currency Exchange fees are non-refundable. Upon matching a sale order with a buy order, Linden will complete the transfer of Currency among the Participant accounts, net of service fees and applicable taxes. Linden will remit the net proceeds to the seller through the payment method or credit offered by Linden and elected by the seller; provided that in the event the seller does not specify the payment method, or the elected payment method is not available for technical, administrative or other reasons in Linden's sole discretion, Linden shall remit payment by check.

**6.4.3 Trading Limits.** You agree and acknowledge that Linden may deny any sell order or buy order individually or with respect to general volume or price limitations set by Linden for any reason. Linden may limit sellers or buyers to any group of Participants at any time. Linden may halt, suspend, discontinue, or reverse any Currency Exchange transaction (whether proposed, pending or past) in cases of actual or suspected fraud, violations of other laws or regulations, or deliberate disruptions to or interference with the Service.

## 7. INTERRUPTION OF OR CHANGES TO SERVICE

**7.1 Termination.** Linden has the right at any time for any reason or no reason to suspend or terminate your Account, terminate this Agreement, and/or refuse any and all current or future use of the Service without notice or liability to you. Without limiting the foregoing, in the event an Account is suspended or terminated for material breach by you (as determined in Linden's sole discretion) of this Agreement or the Community Standards, Linden may suspend or terminate the Account associated with such breach and any or all other Accounts held by you or your affiliates, and your breach shall be deemed to apply to all such Accounts. Upon request from Linden, you agree to delete any electronic or printed copies of information or software programs that you received from Linden. In the event that Linden suspends or terminates your Account or this Agreement, you understand and agree that: (a) you shall receive no refund or exchange for any unused time on a subscription, any Land Use Fees, any Linden Dollars (L\$) that you hold, or for anything else (other

than potentially receiving a refund for a portion of the initial land purchase price, as described in this Section 7.1 below); (b) Linden will attempt to sell at auction any land that you hold, and that any money received from such auctions will be applied to satisfy your existing obligations to Linden and others, as determined by Linden in its sole discretion; and (c) in addition to any money that you owe, you will be charged the lesser of (i) the aggregate amount received from such auctions and (ii) one hundred dollars (\$100) (the "Resale Fee") as reimbursement for costs associated with the resale of land. Any money remaining from the sale of land after the repayment of your obligations and the Resale Fee may be returned to you. Notwithstanding the foregoing, no money will be returned to you in the event that your Account is terminated due to suspicions of fraud, violations of other laws or regulations, or deliberate disruptions to or interference with the Service.

**7.2 Interruption.** Linden reserves the right to interrupt the Service with or without prior notice for any reason or no reason. You agree that Linden will not be liable for any interruption of the Service, delay or failure to perform, and understand that except as otherwise specifically provided in this Agreement you shall not be entitled to any refunds of fees for interruption of service or failure to perform.

**7.3 Changes.** Linden has the right at any time for any reason or no reason to change and/or eliminate any aspect(s) of the Service as it sees fit in its sole discretion.

## 8. PRIVACY POLICY

**8.1 Personal Information.** The personal information you provide us during registration is used for Linden's internal purposes only. Linden uses the information it collects to learn what you like and to improve the Service. Linden will not give any of your personal information to any third party without your express approval except: as reasonably necessary to fulfill your service request, to third-party fulfillment houses, customer support, billing and credit verification services, and the like; to comply with tax and other applicable law; as otherwise expressly permitted by this Agreement or as otherwise authorized by you; to law enforcement or other appropriate third parties in connection with criminal investigations and other investigations of fraud; or as otherwise necessary to protect Linden, its agents and other Participants. Linden does not guarantee the security of any of your private transmissions against unauthorized or unlawful interception or access by third parties. Linden can (and you authorize Linden to) disclose any information about you to private entities, law enforcement agencies or government officials, as Linden, in its sole discretion, believe necessary or appropriate to investigate or resolve possible problems or inquiries, or as otherwise required by law. If you request any technical support, you consent to Linden's remote accessing and review of the computer onto which you load Linden Software for purposes of support and debugging. You agree that Linden may communicate with you via email and any similar technology for any purpose relating to the Service, the Linden Software and any services or software which may in the future be provided by Linden or on Linden's behalf. You agree to be bound by the obligations of the additional Privacy Policy information posted on our website at <http://www.secondlife.com/corporate/privacy.php>.

**8.2 Linden Observation.** You acknowledge and agree that Linden, in its sole discretion, may track, record, observe or follow any and all of your interactions within the Service. Linden may share general, demographic, or aggregated information with third parties about our user base and Service usage, but that information will not include or be linked to any personal information without your consent.

## 9. NO WARRANTY AND DISCLAIMER

**9.1 Disclaimer.** LINDEN PROVIDES THE SERVICE, THE LINDEN SOFTWARE, THE ACCOUNT AND ALL OTHER SERVICES STRICTLY ON AN "AS IS" BASIS, PROVIDED AT YOUR OWN RISK, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF ANY KIND, WRITTEN OR ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF TITLE, NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Without limiting the foregoing, Linden does not ensure continuous, error-free, secure or virus-free operation of the Service, the Linden Software or your Account, and you understand that you shall not be entitled to refunds for fees based on Linden's failure to provide any of the foregoing other than as explicitly provided in this Agreement. Some jurisdictions do not allow the disclaimer of implied warranties, and to that extent, the foregoing disclaimer may not apply to you.

## 10. LIMITATION OF LIABILITY.

IN NO EVENT SHALL LINDEN OR ANY OF ITS SHAREHOLDERS, PARTNERS, AFFILIATES, DIRECTORS, OFFICERS, SUBSIDIARIES, EMPLOYEES, AGENTS, SUPPLIERS, LICENSEES OR DISTRIBUTORS BE LIABLE TO YOU OR TO ANY THIRD PARTY FOR ANY SPECIAL, INCIDENTAL,



CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION ANY DAMAGES FOR LOST PROFITS, ARISING (WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE) OUT OF OR IN CONNECTION WITH THE SERVICE (INCLUDING ITS MODIFICATION OR TERMINATION), THE LINDEN SOFTWARE, YOUR ACCOUNT (INCLUDING ITS TERMINATION OR SUSPENSION) OR THIS AGREEMENT, WHETHER OR NOT LINDEN MAY HAVE BEEN ADVISED THAT ANY SUCH DAMAGES MIGHT OR COULD OCCUR AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDY. IN ADDITION, IN NO EVENT WILL LINDEN'S CUMULATIVE LIABILITY TO YOU FOR DIRECT DAMAGES OF ANY KIND OR NATURE EXCEED FIFTY DOLLARS (U.S. \$50.00). Some jurisdictions do not allow the foregoing limitations of liability, so to the extent that it is impermissible, this limitation may not apply to you. You agree that Linden cannot be held responsible or liable for anything that occurs or results from accessing or subscribing to the Service.

#### 11. INDEMNIFICATION.

At Linden's request, you agree to defend, indemnify and hold harmless Linden, its shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees, distributors, Content Providers, and other Participants of the Service, from all damages, liabilities, claims and expenses, including without limitation attorneys' fees and costs, arising from any breach of this Agreement by you, or from your use of the Service. You agree to defend, indemnify and hold harmless Linden, its shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees, and distributors, from all damages, liabilities, claims and expenses, including without limitation attorneys' fees and costs, arising from: (a) any action or inaction by Linden in connection with the deletion, alteration, transfer or other loss of your Content, Accumulated Status or other data held in connection with your Account, and (b) any claims by third parties that your Content infringes upon, violates or misappropriates any of their intellectual property or proprietary rights.

#### 12. DMCA INFORMATION.

Our policy is to respond to notices of alleged infringement that comply with the Digital Millennium Copyright Act ("DMCA"). Copyright infringing materials found within the world of Second Life can be identified and removed via Linden Lab's DMCA compliance process listed at <http://www.secondlife.com/corporate/dmca.php>, and you agree to comply with such process in the event you are involved in any claim of copyright infringement to which the DMCA may be applicable.

#### 13. GENERAL PROVISIONS.

The rights and obligations of the parties under this Agreement shall not be governed by the U.N. Convention on Contracts for the International Sale of Goods; rather such rights and obligations shall be governed by and construed under the laws of the State of California, including its Uniform Commercial Code, without reference to conflict of laws principles. The Service is controlled and operated by Linden from its offices within the State of California, United States of America. Linden makes no representation that any aspect of the Service is appropriate or available for use in jurisdictions outside of the United States. Those who choose to access the Service from other locations are responsible for compliance with applicable local laws. The Linden Software is subject to all applicable export restrictions. You must comply with all export and import laws and restrictions and regulations of any United States or foreign agency or authority relating to the Linden Software and its use. Any dispute or claim arising out of or in connection with this Agreement or the performance, breach or termination thereof, shall be finally settled by binding arbitration in San Francisco, California under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with said rules. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, either party may apply to any court of competent jurisdiction for injunctive relief or enforcement of this arbitration provision without breach of this arbitration provision. Linden's failure to act with respect to a breach by you or others does not waive Linden's right to act with respect to that breach or subsequent or similar breaches. No consent or waiver by Linden under this Agreement shall be deemed effective unless delivered in a writing signed by a duly appointed officer of Linden. All or any of Linden's rights and obligations under this Agreement may be assigned to a subsequent owner or operator of the Service in a merger, acquisition or sale of all or substantially all of Linden's assets. You may not assign or transfer this Agreement or any or all of your rights hereunder without the prior written consent of Linden, and any attempt to do so is void. This Agreement sets forth the entire understanding and agreement between you and Linden with respect to the subject matter hereof. Notwithstanding anything else in this Agreement, no default, delay or failure to perform on the part of Linden shall be considered a breach of this Agreement if such default, delay or failure to perform is shown to be due to causes beyond the reasonable control of Linden. The section

headings used herein are for convenience only and shall not affect the interpretation of this Agreement. If any provision of this Agreement shall be held by a court of competent jurisdiction to be unlawful, void, or for any reason unenforceable, then in such jurisdiction that provision shall be deemed severable from these terms and shall not affect the validity and enforceability of the remaining provisions. Linden may give notice to you by means of a general notice on our website at <http://www.secondlife.com>, electronic mail to your e-mail address on our records for your Account, or by written communication sent by first class mail, postage prepaid, or overnight courier to your address on record for your Account. All notices given by you or required under this Agreement shall be faxed to: (415) 243-9045 Attn.: Customer Service, mailed to us at Linden Lab, 1100 Sansome Street, San Francisco, CA 94111, Attn: TOS Notice, or emailed with the subject line "TOS Notice" to [support@lindenlab.com](mailto:support@lindenlab.com).

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