

Exhibit 3

Confidential

PATENT LICENSE AGREEMENT

This Agreement is effective April 20, 2004 ("Effective Date") and is by and between, on the one hand, Sony Computer Entertainment America Inc. ("SCEA"), a Delaware corporation having an office at 919 East Hillsdale Boulevard, Foster City, CA 94404, and Sony Computer Entertainment Inc. ("SCEI"), a Japanese company having an office at 2-6-21 Minami-aoyama, Minato-ku, Tokyo, 107-0062 Japan, and, on the other hand, Anascape, a Nevada limited partnership ("Anascape") having an office at 6699 Sierra Vista Lane, Carson City, NV 89701, Brad A. Armstrong, an individual ("Armstrong") having a residence at 6699 Sierra Vista Lane, Carson City, NV 89701, and Kelly Tyler, an individual ("Tyler") having a residence at 13950 Via De Jamul, Jamul, CA 91935 (collectively, the "Anascape Parties").

WHEREAS, the Anascape Parties have alleged that SCEA is infringing the Licensed Anascape Patents (defined below) and SCEA has disputed that allegation, and

WHEREAS, the Anascape Parties and SCEA are interested in amicably resolving the dispute,

NOW THEREFORE, in consideration of the foregoing recitals and the terms and conditions set forth in this Agreement, the parties agree as follows:

1. DEFINITIONS

1.1 "Affiliate" of a Party means a corporation or other legal entity (a) controlled by the Party, (b) controlling the Party, or (c) controlled by the corporation or legal entity which controls the Party. For the purposes of this paragraph, to "control" a corporation or an entity means to own or control, either directly or indirectly, (1) 50% or more of the shares or other securities entitled to vote for election of directors (or other managing authority) of the corporation or entity; (2) 50% or more of the equity interest of the corporation or entity; (3) if the corporation or entity does not have outstanding shares or securities as may be the case in a partnership, joint venture, or unincorporated association, 50% or more of the ownership interest representing the right to make decisions for the corporation or entity or (4) the maximum shares or other securities entitled to vote for election of directors (or other managing authority) of a foreign corporation or entity permitted by law if (i) the applicable country does not permit the Party to own a greater share due to its nationality and (ii) the foreign corporation

(1395)
Exhibit no. 129
Date: 10/16/07
Tyler P. Pyburn

ANASCAPE V. NINTENDO
PX 54
C.A. No. 9:06-cv-158-RC

ANS0004667

or entity is substantially controlled by the Party. By way of example only, an Affiliate of a party includes parent corporations (either direct or indirect), subsidiaries, divisions and sister companies. Thus, by way of further example only, with respect to SCEA, its parent Sony Computer Entertainment Inc., and its indirect ultimate parent Sony Corporation, are Affiliates.

1.2 "Anascape Parties" means Anascape, Armstrong and Tyler.

1.3 "Deploy" means to sell, make, have made, use, offer for sale, import, distribute, provide or otherwise dispose of anywhere in the world.

1.4 "Licensed Anascape Patents" means any patent or patent application anywhere in the world (a) assigned to Anascape, or which Anascape or Armstrong can license, prior to May 1, 2005, (b) in which Armstrong is an inventor, provided that the application from which the patent issues was filed prior to May 1, 2005, (c) listed in Schedule A, or (d) is a continuation, continuation-in-part, divisional, reissue, reexamination, substitute application (as defined in MPEP § 201.09) or any other patent or patent application which claims the benefit of priority of a patent or patent application meeting the requirements of clauses "a", "b" or "c" of this paragraph. For the purposes of this paragraph, a patent shall be deemed to be licensable only if Anascape or Armstrong have the right to grant a license or sublicense to Sony within the scope of the license granted hereunder.

1.5 "Licensed Sony Patents" means (a) United States Patents 5,551,693; 5,853,326; and 5,716,274 and (b) continuations, continuations-in-part, divisionals, reissues, reexaminations, and substitute applications (as defined in MPEP § 201.09) thereof or any other patent or patent application which claims the benefit or priority thereof.

1.6 "Parties" means the Anascape Parties and Sony.

1.7 "Sony" means SCEA, SCEI and their Affiliates.

1.8 "Sony Products" means products and services (a) Deployed by or to Sony or (b) Deployed by Permitted Third Parties (defined in Paragraph 1.10 below) solely if, and only to the extent that, the product or service is intended solely for use with products or services Deployed by Sony. By way of example only, Sony Products include video games intended for use with Sony's

PlayStation 2 console. By further way of example only, Sony Products do not include video games manufactured and sold by non-Sony companies for use with game consoles that are not manufactured or sold by Sony. The fact that an example is missing from this paragraph shall not be construed to imply that the example is or is not covered by this definition.

1.9 "Term" means the period beginning on the Effective Date and ending upon the expiration of all of the Licensed Anascape Patents and Licensed Sony Patents.

1.10 "Permitted Third Parties" means any third party which incorporates any of the Licensed Anascape Patents into software (e.g., video games), but not into hardware (e.g., game controllers). No license rights are granted under this Agreement for any third party hardware.

2. LICENSE AND RELEASE

2.1 **Non-Exclusive Patent Rights.** Anascape Parties hereby grant a non-exclusive, irrevocable, world-wide license under all of the Licensed Anascape Patents (except that patent described in Paragraph 2.2 below) to (a) Sony to Deploy Sony Products, and (b) publishers, developers, distributors, Sony's customers, Sony's suppliers (indirect or direct), and other third parties solely to the extent such entities are Deploying software based Sony Products, and only to the extent that such entities are licensed by Sony and are Permitted Third Parties. By way of example, the license granted by Anascape herein applies to third party software developers and publishers for video games licensed by SCEA for use with the PS2 console. The license does not cover third party sales of such video games for use on competing video game consoles. The license also does not cover third party sales of hardware peripherals (e.g., controllers and the like) for use with any video game console.

2.2 **Exclusive Patent Rights.** Anascape Parties hereby grant and transfer an exclusive, irrevocable, world-wide license under the Licensed Anascape Patent known as United States Patent 6,310,606 entitled "Multi-Plane Sheet Connected Sensors" (the '606 Patent) to Sony. This exclusive license is a transfer to Sony of all rights held by each of the Anascape Parties in the '606 Patent. This transfer is of a capital asset by each of the Anascape Parties in accordance with United States Code Title 26, Section 1235.

2.3 Anascape Parties, on behalf of themselves and their Affiliates, hereby release, remit, acquit and forever discharge Sony, from all manner of actions and causes of action, debts, dues, liabilities, controversies, claims and demands of every kind and nature relating to the infringement or alleged infringement prior to the Effective Date of the Licensed Anascape Patents, including those which were asserted or could have been asserted, whether or not known.

2.4 Anascape Parties, on behalf of themselves and their Affiliates, hereby release, remit, acquit and forever discharge Permitted Third Parties who are licensed by Sony, from all manner of actions and causes of action, debts, dues, liabilities, controversies, claims and demands of every kind and nature relating to the infringement or alleged infringement prior to the Effective Date of the Licensed Anascape Patents, solely to the extent such entities were Permitted Third Parties Deploying software -based Sony Products, and only to the extent such entities were licensed by Sony, including those claims which were asserted or could have been asserted, whether or not known. No releases of claims are granted under this Agreement for any third party hardware.

2.5 SCEA and SCEI hereby grant the Anascape Parties a non-exclusive, irrevocable, world-wide license under the Licensed Sony Patents for the purpose of Deploying video game controllers and other devices covered by such patents, including related technology required for such devices to function for their intended purpose.

3. PAYMENT

3.1 Sony shall pay the Anascape Parties US\$10,000,000 (Ten Million United States Dollars) no later than July 7, 2004, in consideration for Sony's receipt of all substantial rights in the Anascape Patent described in Paragraph 2.2 above. All of the rights and releases provided by the Anascape Parties in Section 2 are conditioned on the Anascape Parties' timely receipt of this sum.

3.2 The Anascape Parties' right to the non-exclusive use of the Licensed Sony Patents is consideration for Sony's and Permitted Third Parties' right to the non-exclusive use of all of the Licensed Anascape Patents described in Paragraph 2.1 above and the other benefits afforded to Sony under this Agreement (other than as provided in Paragraph 2.2 above). Due to the uncertainty as to the

value of any of these patents that are the subject of the cross license provisions of this Agreement, the Parties agree and acknowledge that they are unable to arrive at appropriate royalties for these licenses. Accordingly, the Parties have agreed to forego any royalties or other payment of any kind for those patents subject to the cross licenses.

3.3 Concerning the Licensed Anascape Patents and the Licensed Sony Patents there is no payment of any kind which is due or which would become due or is to be made hereafter between Sony and the Anascape Parties, other than the payment to the Anascape Parties pursuant to Section 3.1.

4. REPRESENTATIONS AND WARRANTIES

4.1 Sony acknowledges that the issued Licensed Anascape Patents are valid.

4.2 Anascape Parties represent and warrant that (a) Anascape and Armstrong either own or have the right to license the Licensed Anascape Patents without restriction, (b) Anascape and Armstrong have the right to grant the licenses and releases hereunder, (c) they have the right to enter into this Agreement, (d) they are not parties to any agreements or obligations inconsistent with this Agreement, (e) they do not believe or suspect that Sony is infringing any patents, other than the Licensed Anascape Patents, in which the Anascape Parties have a financial or ownership interest, (f) any future license under or assignment of the Licensed Anascape Patents shall be subject to the licenses and releases granted hereunder, (g) Schedule A lists all of the current patents that Anascape or Armstrong own or have a right to license, and (h) the Licensed Anascape Patents have not been held to be invalid, non-infringed or unenforceable by any court.

4.3 SCEA and SCEI represent and warrant that (a) they have the right to grant the licenses hereunder, (b) they have the right to enter into this Agreement, and (c) they are not parties to any agreements or obligations inconsistent with this Agreement.

4.4 This license does not and shall not be interpreted or construed by either party to include any warranty or representation as to the enforceability, infringement, validity, fitness for a particular purpose, merchantability, or scope of any Licensed Anascape Patent or Licensed Sony Patent. Other than the express warranties granted herein, neither party shall be liable for any claim

arising from or relating to the use, or the inability to use, the Licensed Anascape Patents or Licensed Sony Patents.

5. PUBLICITY

5.1 Each Party has the right to disclose to third parties that Sony acknowledged that the issued Licensed Anascape Patents are valid, that it is a licensee of Anascape, and that it obtained an exclusive license from Anascape under the '606 patent. Further, the Anascape Parties have the right to disclose (1) to the United States Patent and Trademark Office that Sony has paid millions of dollars to Anascape under this Agreement; and (2) to third parties who the Anascape Parties believe to be infringing on the Licensed Anascape Patents and who have entered into a confidentiality agreement with the Anascape Parties, the payment terms of sections 3.1-3.3 herein. Other than such disclosures, neither Party shall disclose, expressly or by implication, any other term of this Agreement or payments hereunder unless such disclosure: (a) is to a financial auditor, potential investor, potential acquirer, financial advisor or legal advisor of the party, who is contractually or legally obligated not to disclose the terms or payments of this Agreement and has a need to know the terms and payments herein, (b) comprises information already available to the public without breach of this Agreement, (c) for use by either of the Parties in any lawsuit provided that a protective order has been entered in such lawsuit, or (d) is required to be disclosed under applicable law or other demand under lawful process provided that (i) the other Party is given prior notice of the required disclosure, (ii) the disclosing Party cooperates with the other Party in seeking reasonable protective arrangements, and (iii) in no event shall the disclosing Party be required to take any action which, on the advice of the disclosing Party's counsel, could result in the imposition of any sanctions or other penalties against the disclosing Party. This paragraph shall survive termination of the Agreement.

6. OTHER

6.1 Term. The rights and obligations of this Agreement shall be effective during the Term.

6.2 Relationship of Parties. Except as may be expressly set forth in this Agreement, neither Party will have the right or authority to assume or create any obligations or to make any representations, warranties or commitments on behalf of the other Party, whether express or implied, or to bind the other Party in any

respect whatsoever. Nothing in this Agreement shall be construed as forming any partnership, joint venture, agency, employment, franchise, distributorship, dealership or other similar or special relationship between the Parties.

6.3 Construction. As used in this Agreement, (a) the words "herein," "hereunder" and other words of similar import refer to this Agreement as a whole, including all exhibits and schedules as the same may be modified from time to time; (b) the word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it; (c) descriptive headings and titles are inserted for convenience of reference only and do not constitute a part of and shall not be utilized in interpreting this Agreement; and (d) explicit references to a particular section shall be deemed to include a reference to its subsections, if any and (e) the word "third party" means an entity other than a party to this Agreement. This Agreement shall be fairly interpreted in accordance with its terms and without any presumption in favor of or against either party regardless of the drafter.

6.4 Assignment. Except for the transfer to Sony of all rights to the '606 patent in section 2.2 of this agreement, the Parties hereto have entered this Agreement with the intention that the rights granted hereunder not extend to other entities without the other Parties' express written consent. Accordingly, neither this Agreement nor any of Anascape's rights or obligations hereunder shall be assigned or transferred (in insolvency proceedings, by mergers, acquisitions or otherwise) by Anascape without Sony's consent. Except for the transfer to Sony of all rights to the '606 patent in section 2.2 of this agreement, Sony shall not have the right to assign or transfer any of its rights and obligations under this Agreement (in insolvency proceedings, by mergers, acquisitions, sale of a business or product line, or otherwise) without Anascape Parties' written consent, except that Sony may assign this Agreement to an Affiliate of Sony. Any assignment or other transfer which is inconsistent with the foregoing shall be null and void ab initio.

6.5 Notice. Unless otherwise provided in this Agreement, all notices, consents, approvals, waivers and the like made hereunder shall be in written English to the following addresses, shall reference this Agreement and shall be sent by any of the following methods: (a) certified mail, postage-prepaid, return-receipt

requested, (b) a delivery service which requires proof of delivery signed by the recipient or (c) properly-transmitted facsimile followed by written confirmation in accordance with methods (a), (b) or first-class U.S. mail. The date of notice shall be deemed to be the date it was received or refused (in the case of method (c) above, the date of notice shall be deemed to be the date the facsimile copy is received). A Party may change its address for notice by written notice in accordance with this paragraph.

If to Sony, then to both:

Riley R. Russell, Esq.
Sony Computer Entertainment
America Inc.
919 East Hillisdale Blvd. 2nd Floor
Foster City, CA 94404

Gregory S. Gewirtz, Esq.
Lerner, David, Littenberg,
Krumholz
& Mentlik, LLP
600 South Avenue West
Westfield, NJ 07090

If to Anascape, then to both:

Brad A. Armstrong
P.O. Box 2048
Carson City, NV 89702

Kelly Tyler
13950 Via De Jamul
Jamul, CA 91935

6.6 Assertion of Unenforceability. In the event that any provision of this Agreement other than provisions 2.1 through 2.5 and 3.1 through 3.3 is deemed illegal or unenforceable, the remainder of this Agreement shall be valid and enforceable to the extent permissible by law and the offending provision shall be replaced, to the extent possible, with a provision which most closely reflects the purpose of the offending provision. Both Parties further agree to use their reasonable efforts to agree on such a replacement.

6.7 Successors and Assignees. This Agreement is binding on all successors and assignees to the Parties, subject to the limitations on assignment as described in Paragraph 6.4.

6.8 Applicable Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of California without regard to its conflicts of law rules. The venue for any dispute shall be in California.

6.9 Entire Agreement; No Modification or Waiver. This Agreement constitutes the entire agreement between the Parties concerning its subject matter and supersedes all prior written or oral negotiations, correspondence, understandings and agreements between the Parties respecting such subject matter. Prior unexecuted drafts of this Agreement if any, may not be used to interpret the intentions of the parties to this Agreement and the fact that certain provisions may have been added, removed or modified during negotiations shall have no interpretive significance. This Agreement shall not be modified or rescinded, except by a writing signed by both Parties.

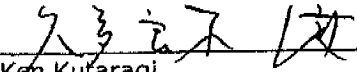
WHEREFORE, the parties hereby acknowledge their agreement and consent to the terms and conditions set forth above through their respective signatures as contained below:

-Signatures on Following Page-

SONY COMPUTER ENTERTAINMENT INC.

Dated: June 8, 2004

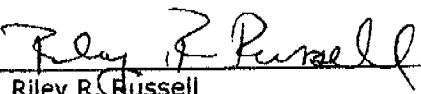
By:


Ken Kutaragi
President & Chief Executive Officer

SONY COMPUTER ENTERTAINMENT
AMERICA INC.

Dated: June 4, 2004

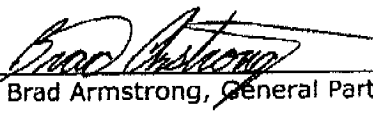
By:


Riley R. Russell
Vice President, Legal and
Business Affairs


ANASCAPE, a Nevada limited partnership

Dated: June 2, 2004


By:


Brad Armstrong, General Partner

Dated: June 2, 2004


Brad A. Armstrong, Individually

Dated: JUNE 3, 2004


Kelly Tyler, Individually

SCHEDULE A

Licensed Anascape Patents

USPN	Title	Inventor	Issue Date
1. 5,565,891	Six Degrees Of Freedom Graphics Controller	Brad A. Armstrong	October 15, 1996
2. 5,589,828	6 Degrees Of Freedom Controller With Capability Of Tactile Feedback	Brad A. Armstrong	December 31, 1996
3. 5,999,084	Variable-Conductance Sensor	Brad A. Armstrong	December 7, 1999
4. 6,102,802	Game Controller With Analog Pressure Sensor(s)	Brad A. Armstrong	August 15, 2000
5. 6,135,886	Variable-Conductance Sensor With Elastomeric Dome-Cap	Brad A. Armstrong	October 24, 2000
6. 6,198,473	Computer Mouse With Enhance Control Button(s)	Brad A. Armstrong	March 6, 2001
7. 6,208,271	Remote Controller With Analog Button(s)	Brad A. Armstrong	March 27, 2001
8. 6,222,525	Image Controllers With Sheet Connected Sensors	Brad A. Armstrong	April 24, 2001
9. 6,285,356	Displacement Joystick With Compression-Sensitive sensors	Brad A. Armstrong	September 4, 2001
10. 6,310,606	Multi-Plane Sheet Connected Sensors	Brad A. Armstrong	October 30, 2001
11. 6,343,991	Game Control With Analog Pressure Sensor	Brad A. Armstrong	February 5, 2002
12. 6,344,791	Variable Sensor With Tactile Feedback	Brad A. Armstrong	February 5, 2002
13. 6,347,997	Analog Controls Housed With Electronic Displays	Brad A. Armstrong	February 19, 2002
14. 6,351,205	Variable-Conductance Sensor	Brad A. Armstrong	February 26, 2002
15. 6,400,303	Remote Controller With Analog Pressure Sensor(s)	Brad A. Armstrong	June 4, 2002
16. 6,404,584	Analog Controls Housed With Electronic Displays For Voice Recorders	Brad A. Armstrong	June 11, 2002
17. 6,415,707	Analog Controls Housed With Electronic Displays For Coffee Makers	Brad A. Armstrong	July 9, 2002

18.6,424,336	Variable Rate On-Off Messaging System	Brad A. Armstrong	July 23, 2002
19.6456778	Analog Controls Housed With Electronic Displays For Video Recorders And Cameras	Brad A. Armstrong	September 24, 2002
20.6,469,691	Analog Controls Housed With Electronic Displays For Hand-Held Web Browsers	Brad A. Armstrong	October 22, 2002
21.6,470,078	Analog Controls Housed With Electronic Displays For Telephones	Brad A. Armstrong	October 22, 2002
22.6,496,449	Analog Controls Housed With Electronic Displays For Clocks	Brad A. Armstrong	December 17, 2002
23.6,504,527	Analog Controls Housed With Electronic Displays For Computer Monitors	Brad A. Armstrong	January 7, 2003
24.6,518,953	Analog Controls Housed With Electronic Displays For Remote Controllers Having Feedback Display Screens	Brad A. Armstrong	February 11, 2003
25.6,529,185	Analog Controls Housed With Electronic Displays For Electronic Books	Brad A. Armstrong	March 4, 2003
26.6,532,000	Analog Controls Housed With Electronic Displays For Global Positioning Systems	Brad A. Armstrong	March 11, 2003
27.6,538,638	Analog Controls Housed With Electronic Displays For Pagers	Brad A. Armstrong	March 25, 2003
28.6,559,831	Analog Controls Housed With Electronic Displays For Personal Digital Assistants	Brad A. Armstrong	May 6, 2003
29.6,563,415	Analog Sensor(s) With Snap-Through Tactile Feedback	Brad A. Armstrong	May 13, 2003
30.6,693,625	Controller With Variable Sensor(s)	Brad A. Armstrong	February 17, 2004

Brad A. Armstrong PENDING PATENT APPLICATIONS as of May 25, 2004			
Application No.	Title	Inventor	Filing Date
1. 09/551,513	Hand-Held Control With Analog Pressure Sensor(s)	Brad A. Armstrong	April 18, 2000
2. 10/437,395	Analog Sensor(s) With Tactile Feedback	Brad A. Armstrong	May 12, 2003
3. 10/165,156	Remote Controller With Analog Button(s)	Brad A. Armstrong	June 5, 2002
4. 09/893,292	Image Controller	Brad A. Armstrong	June 26, 2001
5. 09/896,680	Controller With Analog Pressure Sensor(s)	Brad A. Armstrong	June 29, 2001
6. 09/715,532	3D Controller With Vibration	Brad A. Armstrong	November 16, 2000
7. 09/721,848	Sheet Connected Sensors With Vibration	Brad A. Armstrong	November 22, 2000
8. 09/710,557	3D Controller With Tactile Feedback	Brad A. Armstrong	November 8, 2000
9. 09/754,477	Computer Mouse With Specialized Button(s)	Brad A. Armstrong	January 4, 2001
10. 10/773,025	Image Controller	Brad A. Armstrong	February 4, 2004

Foreign Applications

- 1) PCT Application, International Application PCT/US00/12607 filed May 9, 2000 "HAND-HELD CONTROL WITH ANALOG PRESSURE SENSOR(S)" International Publication Number WO 01/30470 A1. The National Phase has been entered in Japan, Corresponding Patent Document Number 2001 532880