

May 18, 2006

Terms of Service

Welcome to Second Life! The following agreement (this "Agreement" or the "Terms of Service") describes the terms on which Linden Research, Inc. ("Linden Lab") offers you access to its services.

This offer is conditioned on your agreement to all of the terms and conditions contained in the Terms of Service, including your compliance with the policies and terms linked to (by way of the provided URLs) from this Agreement. By using Second Life, you agree to these Terms of Service. If you do not so agree, you should decline this agreement, in which case you are prohibited from accessing or using Second Life.

Linden Lab may amend this Agreement at any time in its sole discretion, effective upon posting the amended Agreement at the domain or subdomains of <http://secondlife.com> where the prior version of this Agreement was posted, or by communicating these changes through any written contact method we have established with you.

THE SERVICES AND CONTENT OF SECOND LIFE

1.1 Basic description of the service: Second Life, a multi-user environment, including software and websites.

"Second Life" is the multi-user online service offered by Linden Lab, including the software provided to you by Linden Lab (collectively, the "Linden Software") and the online environments that support the service, including without limitation access to the websites and services available from the domain and subdomains of <http://secondlife.com> (the "Websites"). The Websites and Linden Software collectively constitute the "Service" as used in this Agreement.

1.2 Linden Lab is a service provider, which means, among other things, that Linden Lab does not control various aspects of the Service.

You acknowledge that Linden Lab is a service provider that may allow people to interact online regarding topics and content chosen by users of the service, and that users can alter the service environment on a real-time basis. Linden Lab generally does not regulate the content of communications between users or users' interactions with the Service. As a result, Linden Lab has very limited control, if any, over the quality, safety, morality, legality, truthfulness or accuracy of various aspects of the Service.

1.3 Content available in the Service may be provided by users of the Service, rather than by Linden Lab. Linden Lab and other parties have rights in their respective content, which you agree to respect.

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 users of the Service (all such independent content providers, "Content Providers"). Linden Lab does not pre-screen Content.

You acknowledge that Linden Lab and other Content Providers have rights in their respective Content

under copyright and other applicable laws and treaty provisions, and that except as described in this Agreement, such rights are not licensed or otherwise transferred by mere use of the Service. 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 Lab.

1.4 Second Life "currency" is a limited license right available for purchase or free distribution at Linden Lab's discretion, and is not redeemable for monetary value from Linden Lab.

You acknowledge that the Service presently includes a component of in-world fictional currency ("Currency" or "Linden Dollars" or "L\$"), which constitutes a limited license right to use a feature of our product when, as, and if allowed by Linden Lab. Linden Lab may charge fees for the right to use Linden Dollars, or may distribute Linden Dollars without charge, in its sole discretion. Regardless of terminology used, Linden Dollars represent a limited license right governed solely under the terms of this Agreement, and are not redeemable for any sum of money or monetary value from Linden Lab at any time. You agree that Linden Lab 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 Lab will have no liability to you based on its exercise of such right.

1.5 Second Life offers an exchange, called LindeX, for the trading of Linden Dollars, which uses the terms "buy" and "sell" to indicate the transfer of license rights to use Linden Dollars. Use and regulation of LindeX is at Linden Lab's sole discretion.

The Service currently includes a component called "Currency Exchange" or "LindeX," which refers to an aspect of the Service through which Linden Lab administers transactions among users for the purchase and sale of 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 user the licensed right to use Currency in accordance with the Terms of Service," (b) the term "buy" means "to receive for consideration from another user 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" and similar terms mean a request from a user to Linden Lab to list Currency for sale on the Currency Exchange at a requested sale price, and (e) "buy order" and similar terms mean a request from a user for Linden Lab to match open sale listings with a requested purchase price and facilitate completion of the sale of Currency.

You agree and acknowledge that Linden Lab may deny any sell order or buy order individually or with respect to general volume or price limitations set by Linden Lab for any reason. Linden Lab may limit sellers or buyers to any group of users at any time. Linden Lab 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.

1.6 Second Life is subject to scheduled and unscheduled service interruptions. All aspects of the Service are subject to change or elimination at Linden Lab's sole discretion.

Linden Lab reserves the right to interrupt the Service with or without prior notice for any reason or no reason. You agree that Linden Lab will not be liable for any interruption of the Service, delay or failure to perform, and you understand that except as otherwise specifically provided in Linden Lab's billing

policies posted at <http://secondlife.com/corporate/billing.php>, you shall not be entitled to any refunds of fees for interruption of service or failure to perform. Linden Lab 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.

1.7 In the event you choose to use paid aspects of the Service, you agree to the posted pricing and billing policies on the Websites.

Certain aspects of the Service are provided for a fee or other charge. These fees and charges are described on the Websites, and in the event you elect to use paid aspects of the Service, you agree to the pricing, payment and billing policies applicable to such fees and charges, posted or linked at <http://secondlife.com/corporate/billing.php>. Linden Lab may add new services for additional fees and charges, or proactively amend fees and charges for existing services, at any time in its sole discretion.

ACCOUNT REGISTRATION AND REQUIREMENTS

2.1 You must establish an account to use Second Life, using true and accurate registration information.

You must establish an account with Linden Lab (your "Account") to use the Service, except for those portions of the Websites to which Linden Lab allows access without registration. 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 Lab 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.

2.2 You must be 13 years of age or older to access Second Life; minors over the age of 13 are only permitted in a separate area, which adults are generally prohibited from using. Linden Lab cannot absolutely control whether minors or adults gain unauthorized access to the Service.

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 area designated by Linden Lab for use by users from 13 through 17 years of age (the "Teen Area"). Users age 18 and older are prohibited from accessing the Teen Area. 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.

By accepting this agreement in connection with an Account outside the Teen Area, you represent that you are an adult 18 years of age or older. By accepting this agreement in connection with an Account for use in the Teen Area, 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 an Account for use of the Teen Area 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.

Linden Lab 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 Lab 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. Adult employees, contractors and partners

of Linden Lab regularly conduct their work in the Teen Area. Linden Lab 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.

2.3 You need to use an account name in Second Life which is not misleading, offensive or infringing. You must select and keep secure your account password.

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

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 Name. At no time should you respond to an online request for a password. Linden Lab 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 prohibited from disclosing your password to another person.

2.4 Account registrations are limited per unique user. Transfers of accounts are generally not permitted.

Linden Lab may require you to submit an indication of unique identity in the account registration process; e.g. credit card or other payment information, or SMS message code or other information requested by Linden Lab. When an account is created, the information given for the account must match the address, phone number, and/or other unique identifier information associated with the identification method. You may register multiple accounts per identification method but will only receive one free trial period for each unique individual (as determined by Linden Lab using the identification methods available) in any 3-month period. Additional accounts may be subject to fees upon account creation. You may not transfer your Account to any third party without the prior written consent of Linden Lab; notwithstanding the foregoing, Linden Lab will not unreasonably withhold consent to the transfer of an Account in good standing by operation of valid written will to a single natural person, provided that proper notice and documentation are delivered as requested by Linden Lab.

2.5 You may cancel your account at any time; however, there are no refunds for cancellation.

Accounts may be cancelled by you at any time. Upon your election to cancel, your account will be cancelled within 24 hours, but if you have paid for a period in advance 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 this Agreement. There will be no refunds for any unused time on a subscription.

2.6 Linden Lab may suspend or terminate your account at any time, without refund or obligation to you.

Linden Lab 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. In the event that Linden Lab suspends or terminates your Account or this Agreement, you understand and agree that you shall receive no refund or exchange for any unused time on a subscription, any license or subscription fees, any content or data associated with your Account, or for anything else.

2.7 Accounts affiliated with delinquent accounts are subject to remedial actions related to the delinquent account.

In the event an Account is suspended or terminated for your breach of this Agreement or your payment delinquency (in each case as determined in Linden Lab's sole discretion), Linden Lab 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.

2.8 You are responsible for your own Internet access.

Linden Lab does not provide Internet access, and you are responsible for all fees associated with your Internet connection.

LICENSE TERMS AND OTHER INTELLECTUAL PROPERTY TERMS

3.1 You have a nonexclusive, limited, revocable license to use Second Life while you are in compliance with the terms of service.

Subject to the terms of this Agreement, Linden Lab grants to you a non-exclusive, limited, fully revocable license to use the Linden Software and the rest of the Service during the time you are in full compliance with the Terms of Service. Nothing in this Agreement, or on Linden Lab's websites, shall be construed as granting you any other rights or privileges of any kind with respect to the Service or to any Content. You acknowledge that your participation in the Service, including your creation or uploading of Content in the Service, does not make you a Linden Lab employee and that you do not expect to be, and will not be, compensated by Linden Lab for such activities.

3.2 You retain copyright and other intellectual property rights with respect to Content you create in Second Life, to the extent that you have such rights under applicable law. However, you must make certain representations and warranties, and provide certain license rights, forbearances and indemnification, to Linden Lab and to other users of Second Life.

Users of the Service can create Content on Linden Lab's servers in various forms. Linden Lab acknowledges and agrees that, subject to the terms and conditions of this Agreement, you will retain any and all applicable copyright and other intellectual property rights with respect to any Content you create using the Service, to the extent you have such rights under applicable law.

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 Lab: (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 Lab'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 Lab 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 Lab and to all other users of the Service 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 Lab or against other users of the Service 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 Lab 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 Lab'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 Lab's intention not to require users of the Service to forego certain intellectual property rights with respect to Content they create using the Service, subject to the terms of this Agreement.

3.3 Linden Lab retains ownership of the account and related data, regardless of intellectual property rights you may have in content you create or otherwise own.

You agree that even though you may retain certain copyright or other intellectual property rights with respect to Content you create while using the Service, you do not own the account you use to access the Service, nor do you own any data Linden Lab stores on Linden Lab servers (including without limitation any data representing or embodying any or all of your Content).

3.4 Linden Lab licenses its textures and environmental content to you for your use in creating content in-world.

During any period in which your Account is active and in good standing, Linden Lab gives you permission to create still and/or moving media, for use only within the virtual world environment of the Service ("in-world"), which use or include the "textures" and/or "environmental content" that are both (a) created or owned by Linden Lab and (b) displayed by Linden Lab in-world.

CONDUCT BY USERS OF SECOND LIFE

4.1 You agree to abide by certain rules of conduct, including the Community Standards and other rules prohibiting illegal and other practices that Linden Lab deems harmful.

You agree to read and comply with the Community Standards posted on the Websites, (for users 18 years of age and older, at <http://secondlife.com/corporate/cs.php>; and for users of the Teen Area, at

<http://teen.secondlife.com/footer/cs>), as currently posted and as amended from time to time in Linden Lab's sole discretion.

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 Lab 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 Lab at its sole discretion that is harmful, threatening, abusive, harassing, causes tort, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful, or 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, or promotional materials, that are in the nature of "junk mail," "spam," "chain letters," "pyramid schemes," or any other form of solicitation that Linden Lab considers in its sole discretion to be of such nature; (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", abuse or attempt to abuse, 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 Lab 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.

4.2 You agree to use Second Life as provided, without unauthorized software or other means of access or use. You will not make unauthorized works from or conduct unauthorized distribution of the Linden Software.

Linden Lab has designed the Service to be experienced only as offered by Linden Lab at the Websites or partner websites. Linden Lab is not responsible for any aspect of the Service that is accessed or experienced using software or other means that are not provided by Linden Lab. You agree not to create or provide any server emulators or other software or other means that provide access to or use of the Service without the express written authorization of Linden Lab. 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 Lab's infrastructure.

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. Notwithstanding the foregoing, you may copy the Linden Software that Linden Lab provides to you, for backup purposes and may give copies of the Linden Software to others free of charge.

4.3 You will comply with the processes of the Digital Millennium Copyright Act regarding copyright infringement claims covered under such Act.

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://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.

RELEASES, DISCLAIMERS OF WARRANTY, LIMITATION OF LIABILITY, AND INDEMNIFICATION

5.1 You release Linden Lab from your claims relating to other users of Second Life. Linden Lab has the right but not the obligation to resolve disputes between users of Second Life.

As a condition of access to the Service, you release Linden Lab (and Linden Lab'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 users of the Service. You further understand and agree that: (a) Linden Lab will have the right but not the obligation to resolve disputes between users relating to the Service, and Linden Lab's resolution of any particular dispute does not create an obligation to resolve any other dispute; (b) to the extent Linden Lab 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 Lab'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 users of the Service may become involved; and (d) you hereby release Linden Lab (and Linden Lab'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 Lab's resolution of disputes relating to the Service.

5.2 All data on Linden Lab's servers are subject to deletion, alteration or transfer.

When using the Service, you may accumulate Content, Currency, objects, items, scripts, equipment, or other value or status indicators that reside as data on Linden Lab's servers. THESE DATA, AND ANY OTHER DATA, ACCOUNT HISTORY AND ACCOUNT NAMES RESIDING ON LINDEN LAB'S SERVERS, MAY BE DELETED, ALTERED, MOVED OR TRANSFERRED AT ANY TIME FOR ANY REASON IN LINDEN LAB'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 LAB DOES NOT PROVIDE OR GUARANTEE,

AND EXPRESSLY DISCLAIMS (SUBJECT TO ANY UNDERLYING INTELLECTUAL PROPERTY RIGHTS IN THE CONTENT), ANY VALUE, CASH OR OTHERWISE, ATTRIBUTED TO ANY DATA RESIDING ON LINDEN LAB'S SERVERS.

YOU UNDERSTAND AND AGREE THAT LINDEN LAB HAS THE RIGHT, BUT NOT THE OBLIGATION, TO REMOVE ANY CONTENT (INCLUDING YOUR CONTENT) 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.

5.3 Linden Lab provides the Service on an "as is" basis, without express or implied warranties.

LINDEN LAB PROVIDES THE SERVICE, THE LINDEN SOFTWARE, YOUR 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, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Without limiting the foregoing, Linden Lab 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 Lab'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.

5.4 Linden Lab's liability to you is expressly limited, to the extent allowable under applicable law.

IN NO EVENT SHALL LINDEN LAB 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 LAB 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 LAB'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 any such limitation is impermissible, such limitation may not apply to you. You agree that Linden Lab cannot be held responsible or liable for anything that occurs or results from accessing or subscribing to the Service.

5.5 You will indemnify Linden lab from claims arising from breach of this Agreement by you, from your use of Second Life, from loss of Content due to your actions, or from alleged infringement by you.

At Linden Lab's request, you agree to defend, indemnify and hold harmless Linden Lab, its

shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees, distributors, Content Providers, and other users 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 Lab, 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 you in connection with the deletion, alteration, transfer or other loss of Content, status or other data held in connection with your Account, and (b) any claims by third parties that your activity or Content in the Service infringes upon, violates or misappropriates any of their intellectual property or proprietary rights.

PRIVACY POLICY

6.1 Linden Lab uses your personal information to operate and improve Second Life, and will not give your personal information to third parties except to operate, improve and protect the Service.

The personal information you provide to us during registration is used for Linden Lab's internal purposes only. Linden Lab uses the information it collects to learn what you like and to improve the Service. Linden Lab 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 Lab, its agents and other users of the Service. Linden Lab does not guarantee the security of any of your private transmissions against unauthorized or unlawful interception or access by third parties. Linden Lab can (and you authorize Linden Lab to) disclose any information about you to private entities, law enforcement agencies or government officials, as Linden Lab, in its sole discretion, believes 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 Lab's remote accessing and review of the computer onto which you load Linden Software for purposes of support and debugging. You agree that Linden Lab 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 Lab or on Linden Lab's behalf. You agree to be bound by the obligations of the additional Privacy Policy information posted on our website at <http://secondlife.com/corporate/privacy.php>.

6.2 Linden Lab may observe and record your interaction within the Service, and may share aggregated and other general information (not including your personal information) with third parties.

You acknowledge and agree that Linden Lab, in its sole discretion, may track, record, observe or follow any and all of your interactions within the Service. Linden Lab 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.

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 Lab from its offices within the State of California, United States of America. Linden Lab 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 Lab's failure to act with respect to a breach by you or others does not waive Linden Lab's right to act with respect to that breach or subsequent or similar breaches. No consent or waiver by Linden Lab under this Agreement shall be deemed effective unless delivered in a writing signed by a duly appointed officer of Linden Lab. All or any of Linden Lab'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 Lab'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 Lab, and any attempt to do so is void. Notwithstanding anything else in this Agreement, no default, delay or failure to perform on the part of Linden Lab 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 Lab.

This Agreement sets forth the entire understanding and agreement between you and Linden Lab with respect to the subject matter hereof. The section headings used herein, including descriptive summary sentences at the start of each section, 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 Lab may give notice to you by means of a general notice on our website at <http://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/TOS; mailed to us at Linden Lab, 1100 Sansome Street, San Francisco, CA 94111, Attn: Customer Service/TOS; or emailed with the subject line "TOS Notice" to support@lindenlab.com.