

**Purpose:** The popularity of massively multi-player online games (“MMORPG”) has exploded in recent years. As opposed to typical online games, MMORPG players create and assume the role of their own character, or avatar, for play within a persistent world that continues even when any single player is not online.

A thorny question has arisen as to who owns the intellectual property created in-game. Another particularly unique aspect of the MMORPG is the fact that it may offer virtual currency for the purchase of virtual items. This virtual economy can sometimes cross over into the real world economy through the exchange of virtual currency for real-world currency. The Terms of Use will govern the Publisher's liability with regard to both issues and will act as an End User License Agreement (“EULA”) in the absence of a separate agreement.

#### **TERMS OF USE FOR MASSIVELY MULTI-PLAYER ONLINE ROLE PLAYING GAME Web site**

Welcome to [*name of game*] (“Game”)! The following agreement (“Agreement” or “Terms of Use”) describes the terms on which [*name of publisher*] (“Publisher”) 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 Use. By using the Game, you agree to these Terms of Use. If you do not so agree, you should decline this agreement, in which case you are prohibited from accessing or using the Game.

Game consists of the software (“Software”) and the online service (“Service”). All use of the Service is governed by the term and conditions contained in this Agreement, including future revisions. Any use of the Service not in accordance with the Terms of Use is expressly prohibited.

### **1. ACCOUNT REGISTRATION**

You represent that you are at least 18 years old. You agree to these Terms of Use on behalf of yourself and, at your discretion, for one (1) minor child at least 13 years old for whom you are a parent or guardian and whom you have authorized to use the account you create on the Service and to participate in the Service.

To use this Service, you must establish an account (“Account”). You will be required to provide certain personal information. It is a condition of your use of this site that all the information you provide will be true, correct, current, and complete. If Publisher believes the information you provide is not true, correct, current, or complete, Publisher has the right to refuse you access to the Service or any of its resources, and to terminate or suspend your access at any time.

### **2. USER NAMES AND PASSWORDS**

During the registration process, you must choose a user name, which will also serve as the name for the graphical representation of your body in the Service (your “avatar”), and a password.

When choosing a user name, you must abide by the following guidelines as well as the rules of common decency. If Publisher finds such a user name to be offensive or improper, Publisher will be entitled, in its sole and absolute discretion, to change the name and/or terminate your use of the Service.

You may not select the name of another person with the intent to impersonate that person; a name that violates any trademark rights, copyright or other proprietary right; or a name that is vulgar, offensive, defamatory, obscene, hatefully or otherwise objectionable.

Any passwords used for this site are for individual use only. You will be responsible for the security of your password. Publisher will be entitled to monitor your password and, at its discretion, require you to change it. If you use a password that Publisher considers insecure, Publisher will be entitled to require the password to be changed and/or terminate your account. In the event that you become aware of or reasonably suspect any breach of security, you must immediately notify Publisher.

Publisher reserves the right to fully cooperate with any law enforcement authorities or court order requesting or directing Publisher to disclose the identity of anyone posting any e-mail messages, or publishing or otherwise making available any materials that are believed to violate these Terms of Use. BY ACCEPTING THIS AGREEMENT YOU WAIVE AND HOLD HARMLESS PUBLISHER FROM ANY CLAIMS RESULTING FROM ANY ACTION TAKEN BY PUBLISHER DURING OR AS A RESULT OF ITS INVESTIGATIONS AND/OR FROM ANY ACTIONS TAKEN AS A CONSEQUENCE OF INVESTIGATIONS BY EITHER PUBLISHER OR LAW ENFORCEMENT AUTHORITIES.

### **3. RULES OF CONDUCT**

You agree to abide by certain rules of conduct. Among other actions, you agree that you will not:

1. upload, post, send, submit, publish or transmit material that you do not have the right to post, including material that infringes or violates any third party rights;
2. upload, post, send, submit, publish or transmit material that violates any law or regulation;
3. upload, post, send, submit, publish or transmit material that is harmful, threatening, abusive, harassing, defamatory, vulgar, obscene, libelous, invasive of another's privacy, hateful or otherwise objectionable;
4. upload, post, send, submit, publish or transmit material 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;
5. upload, post, send, submit, publish or 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 of a commercial endeavor;
6. impersonate any person or entity without their consent;
7. attempt to gain access to another user's Account or password.

Publisher reserves the right to monitor the Service to determine compliance with these Rules of Conduct. Publisher reserves the right to suspend or cancel your Account for any violation by you of these Rules of Conduct at any time without notice.

Publisher also reserves the right at all times to disclose any information as necessary to satisfy any applicable law, regulation, legal process or governmental request, or to 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. INTELLECTUAL PROPERTY OWNERSHIP**

All rights and title in and to the Software and the Service (including without limitation any user accounts, titles, computer code, themes, objects, avatars, avatar names, stories, dialogue, catch phrases, locations, concepts, artwork, animations, sounds, musical compositions, audio-visual effects, methods of operation, moral rights, any related documentation, "applets" incorporated into the Software, transcripts of the chat rooms, avatar profit in-

formation, recordings of games played on the Software, and the client and server software) are owned by Publisher or its licensors. The Software and the Service are protected by United States and international laws. The Software and Service may contain certain licensed materials, and Publisher's licensors may enforce their rights in the event of any violation of this Agreement.

You agree that you have no rights or title in or to any content that appears in the Software, including the virtual goods or currency appearing or originating in the Game, or any other attributes associated with the Account or stored on the Service.

Publisher does not recognize any virtual property transfers executed outside of the Game or the purported sale, gift or trade in the "real world" of anything related to the Game. Accordingly, you may not sell items for "real" money or otherwise exchange items for value outside of the Game.

Publisher does not recognize the transfer of Accounts. You may not purchase, sell, gift or trade any Account, or offer to purchase, sell, gift or trade any Account, and any such attempt shall be null and void.

Publishers may choose to permit players to retain intellectual property rights in the content they create or to permit the exchange of virtual property for "real world" money. However, these practices can lead to liability for the Publisher and should be undertaken with caution.

## **5. TERMINATION**

Publisher reserves the right, in its sole discretion, to suspend, terminate or modify your access to any or all of Publisher's Service or any portion thereof at any time, without notice. In the event that Publisher suspends or terminates your Account or this Agreement, you understand and agree that you shall not be entitled to receive any refund of fees or unused subscription time.

This Agreement is effective until terminated. You may terminate this Agreement by terminating the Account and deleting the Software. In the event that you terminate or breach this Agreement, you will forfeit your right to any and all payments you may have made for pre-purchased access to Game. The provisions of Sections 4–12 shall survive termination.

## **6. CHANGES TO THE TERMS OF USE AGREEMENT OR THE SERVICE**

Publisher reserves the right, from time to time, with or without notice to you, to make changes to this Agreement in Publisher's sole discretion. Continued use of any part of the Game constitutes your acceptance of such changes. The most current version of this Agreement, which supercedes all previous versions, can be reviewed by clicking on the "Terms of Use" hyperlink located at the bottom of every page on the Publisher's Web site.

Publisher may change, modify, suspend, or discontinue any aspect of the Service at any time.

## **7. RELEASE**

Publisher will have the right but not the obligation to resolve disputes between users relating to the Service. As a condition of access to the Service, you release Publisher, its shareholders, partners, affiliates, directors, officers, subsidiaries, employees, agents, suppliers, licensees and 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, including but not limited to Publisher's resolution of disputes relating to the Service.

In any society, real or virtual, there are bound to be disputes between individuals. While it may be in the publisher's interest to help the parties resolve their disputes, the publisher should also protect itself from liability with respect to its decision to become involved and/or the ultimate resolution.

## 8. DISCLAIMER

THIS SERVICE IS PROVIDED "AS IS" AND PUBLISHER DOES NOT WARRANT THAT THE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THE PROGRAM OR THE SERVICE ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. PUBLISHER EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE, AND NON-INFRINGEMENT.

## 9. LIMITATION OF LIABILITY

NEITHER PUBLISHER NOR ITS PARENT, SUBSIDIARIES, LICENSORS OR AFFILIATES SHALL BE LIABLE IN ANY WAY FOR DAMAGE OR LOSS OF ANY KIND RESULTING FROM (A) THE USE OF OR INABILITY TO USE THE SERVICE INCLUDING WITHOUT LIMITATION LOSS OF GOODWILL, WORK STOPPAGE, COMPUTER FAILURE OR MALFUNCTION; (B) THE LOSS OR DAMAGE TO PLAYER CHARACTERS, ACCOUNTS, STATISTICS, INVENTORIES, USER PROVIDED INFORMATION STORED BY GAME; OR (C) INTERRUPTIONS OF SERVICE INCLUDING WITHOUT LIMITATION ISP DISRUPTIONS, SOFTWARE OR HARDWARE FAILURES OR ANY OTHER EVENT WHICH MAY RESULT IN A LOSS OF DATA OR DISRUPTION OF SERVICE. IN NO EVENT WILL PUBLISHER BE LIABLE TO YOU OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES.

## 10. FORCE MAJEURE

Publisher shall not be liable for any delay or failure to perform resulting from causes outside the reasonable control of Publisher, including without limitation any failure to perform hereunder due to unforeseen circumstances or cause beyond Publisher's control such as acts of God, war, terrorism, riots, embargoes, acts of civil or military authorities, fire, floods, accidents, strikes, or shortages of transportation facilities, fuel, energy, labor or materials.

## 11. JURISDICTION AND DISPUTES

A. This Agreement shall be governed by the laws of *[name of state]*.

B. All disputes hereunder shall be resolved in the applicable state or federal courts of *[name of state]*. The parties consent to the jurisdiction of such courts, agree to accept service of process by mail, and waive any jurisdictional or venue defenses otherwise available.

## 12. MISCELLANEOUS

If any part of these Terms of Use is unlawful, void or unenforceable, that part will be deemed severable and will not affect the validity and enforceability of any remaining provisions.

You agree that no joint venture, partnership, employment or agency relationship exists between you and publisher as a result of this Agreement or use of Publisher's Service.

These Terms of Use constitute the entire agreement among the parties relating to this subject matter and supersedes all prior contemporaneous communications and proposals, whether electronic, oral or written between the user and Publisher with respect to Publisher's Service.

A printed version of this Agreement and of any notice given in electronic form shall be admissible in judicial or administrative proceedings based upon or relating to this Agreement to the same extent and subject to the same conditions as other business documents and records originally generated and maintained in printed form.

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