

ENTROPIA

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BECOME A MASTER OF THE VIRTUAL UNIVERSE!



Proposal for Cooperation between Mindark PE AB – Entropia Universe and Virtual Universe Planet Partner

Background

The development of Entropia Universe began in 1995 with the goal of creating a secure virtual universe with a real cash economy intended for interactive entertainment, social interaction and trade between people from all over the world. Mindark PE AB launched Entropia Universe in 2003 and the company has shown profit for the last 14 quarters – proof of its successful business model.

Entropia Universe

Entropia Universe offers a unique mixture of online entertainment, social networking and e-commerce through a ground breaking new concept: the connection of a real cash economy to a gigantic three dimensional virtual universe.

After downloading the free software and creating a secure account, the user creates an avatar, an alter ego, which can be modeled completely according to the user's desires regarding gender, appearance, skin color etc. The avatar is then transported to Mindark's virtual planet Calypso, where in-world adventures, business and social interaction with others begin.

Entropia Universe develops and builds mainly on users own initiative and, together with others, users have the opportunity to participate in the creation of a new civilization, the exploration of whole continents and the establishment of new communities. The on-going storylines embodying a sci-fi pioneer adventure keep participants involved and invested in Entropia Universe.

Business Idea

Mindark's vision is to be one of the world's leading companies in the industry by supplying a virtual universe where the participants react within a real cash economy, which offers a complete alternative to the real world. Mindark will form strategic partnerships, bringing partners into the Entropia Universe platform, which will sustain their own virtual planets.

Scope

The aim of this document is to propose the main points for consideration in order to facilitate a cooperation agreement between Mindark and a partner. The goal is, through a profit sharing system, to provide Entropia Universe to the broad population of the partners' present and future markets.

The partner planet(s) will include all revenue generating functionality presently available on the existing planet inside the Entropia Universe. Entropia Universe's income base consists of the fees that users pay for acquisition and repair of the different assets and objects that the user chooses to use in-world. This will allow the partner to generate income from the first day the planet is up and running. From experience each customer, or user, on average generates an income of US\$1 / hour, and spends an average of 23 hours in Entropia per month.



Entropia Universe functions like a market economy where prices are set by supply and demand. The economy is based on Entropia Universe's own currency, the PED, which has a fixed exchange rate of 10:1 with the US\$. 10 PED = 1 US\$. PED can be exchanged for real currency and vice versa.

Trade is developed through the sale and purchase of items required for character development. In the virtual economy the PED currency is used to purchase different assets and objects, which the user requires for the tasks.

Entropia Universe is the first entertainment platform in the world offering a convertible currency, where the user can exchange money made in the virtual world into real money.

Each user has a unique and secure account in Entropia Universe from which payments for goods and services can be made. The account also receives profit or payments which the user obtains.

Transactions between users, for example the buying and selling of goods, are paid through the user's Entropia Universe account. A user can convert their PED to US\$ or any other real life currency through a request to Mindark.

It is also possible to offer users the opportunity of buying and selling real goods and services via the user's account in Entropia Universe. The possibility of establishing a global Internet bank via Entropia Universe is obvious.

Basic Cooperation Overview

- The partner shall have a team leader responsible for contacts with Mindark. A team that matches the Mindark planet partnership guidelines will be set up as well.
- The partner shall have the right to commercial advertising on the "Entropia Universe ([partner planet])". Mindark will provide standard existing technology for streaming advertising into "Entropia Universe ([partner planet])".
- The two parties shall share the revenue generated by "Entropia Universe ([partner planet])" according to 60/40 percent basis. The higher percentage goes to Mindark PE AB as it will continue to develop and incur the costs for developing the systems needing software programmers inside the Entropia Universe. It also contributes to the fact that Mindark has invested over \$30,000,000 in the development of Entropia Universe thus far (costs that a partner who wants to be in the MMO/Virtual World sphere doesn't have to invest). Note that a partner doesn't actually pay Mindark any money to quickly get into the Entropia Universe, as all investments are owned by the partner.

IT Operations/Maintenance

- The partner will procure and operate the necessary server structure needed to support the people joining the "Entropia Universe ([partner planet])".



Contents Production

- The partner receives access to development using the state-of-the-art world building tool CRYENGINE2, capable of producing a vibrant, breathing, hyper-realistic world.
- The partner will employ the necessary 3D artists as part of the team, and procure the software and hardware necessary for them to create the graphical content of “Entropia Universe ([partner planet])”.
- Mindark will provide training for the artists.
- Mindark will take delivery of produced files and implement them into “Entropia Universe ([partner planet])”.
- The partner will translate the necessary parts of the Entropia software into the languages required for each targeted market.

Customer Support

- The partner will employ the necessary support personnel as part of the team, to support “Entropia Universe ([partner planet])”. Mindark will provide training, accumulated knowledge and the operating tool.

Marketing

- A mutual agreeable marketing plan for marketing of “Entropia Universe ([partner planet])” and surrounding activities must be established.

