# RECONFIRMATION OF PURCHASE ORDER AND STANDSTILL AGREEMENT

May 21, 2015

## NAME/ADDRESS OF LICENSOR

## **ATTORNEY FOR LICENSEE**

Mr. John Popadiuk Zidware Inc. 39 Sangra Court Streamwood, Illinois 60107 Mr. Jordan Litwin Meltzer, Purtill & Stelle, LLC 300 S. Wacker Drive, Suite 2300 Chicago, Illinois 60606

#### **BACKGROUND**

Zidware, Inc. ("Zidware" or the "Company") is a designer and manufacturer of pinball machines. The Company has been in business since 2009 and it has been predominately working on 3 games, namely: Magic Girl™ ("MG"), Retro Atomic Zombie Adventureland™ ("RAZA") and Alice in Wonderland The Pinball™ ("AlW"). The Company is headquartered in a leased facility in Streamwood, Illinois and has historically operated at a deficit and relied on deposits from purchasers of machines and shareholder loans to fund its operations. After 4 years, the Company still has not been able to produce one machine to deliver to its customers so the Company is unable to secure any additional operating cash.

As a result of the foregoing, Zidware is facing difficulty in generating sufficient cash flow to meet its obligations as they become due. Zidware concluded that it had to have help to take the designs that had been created and get them into production or the Company would be forced to pursue a Chapter 7 bankruptcy liquidation.

## PLAN OF ACTION/NEED FOR RECONFIRMATION AND STANDSTILL

Zidware has signed an exclusive license agreement with a third-party pinball design company ("Licensee") who has the business expertise to bring these games to production. The Licensee is open to fulfilling orders from Zidware customers (including providing credits for deposits made to Zidware) provided that each customer reaffirm his or her interest in obtaining the ordered products or converting to other products and providing any outstanding payment upon finalization of pricing, together with his or her commitment to standstill from bringing any action related to outstanding orders. The Licensee will be hiring Zidware's founder as a consultant (in such capacity, "Consultant") to assist Licensee in the completion of the design of the games, and a standstill agreement is important to ensure that Consultant is not needlessly distracted by demands or litigation during this critical time.

#### INSTRUCTIONS FOR COMPLETION OF CERTIFICATION

Please complete the below Certification and return it to Licensee's attorney (i) by mail at 300 S. Wacker Drive, Suite 2300, Chicago, Illinois 60647 (ii) by email to <a href="mailto:ilitwin@mpslaw.com">ilitwin@mpslaw.com</a> or (iii) by fax to: (312) 987-9854 (Attn: Jordan Litwin). Completed Certifications must be received by June 1, 2015.

### CERTIFICATION

The undersigned, a Purchaser/Creditor of Zidware Inc. does hereby acknowledge receipt of a Reconfirmation of Purchase Order and Standstill Agreement.

The undersigned does hereby confirm the below ordered item(s) by executing and returning the attached agreement so that the Licensee can most effectively plan production of products available to Zidware customers. The final cost of machines and date of delivery remains to be determined. The Purchaser/Creditor will have the ability to make final decision on the quantity and type of machine to be delivered upon those details being made available.

Zidware Purchase Orders:		
Magic Girl™ Retro Atomic Zombie Adventureland™ Alice in Wonderland The Pinball™	Quantity: Quantity: Quantity:	Zidware Deposit: \$ Zidware Deposit: \$ Zidware Deposit: \$
Reconfirmation of Purchase Order –	MG:	
Yes, I would like to reconfirm to 199), at a price of USD \$15,995. MGirl™–Collector's Edition.	•	agic Girl™–Collector's Edition (limited re will be converted 1:1 into a Magic
Conversion Options - RAZA & AIW:		
For Retro Atomic Zombie Advent purchasers only.	tureland™ and Ali	ce in Wonderland The Pinball™
Yes, I would like to convert Collector's Edition (limited to 199), at a converted 1:1 into a Magic Girl™-Collec	price of USD \$15,9	AZA and/or AIW to a Magic Girl™– 95. My deposit(s) to Zidware will be
Yes, I would like to convert my at a price range of (USD \$9,995 to \$11 a Magic Girl™–Classic.		and/or AIW to a Magic Girl™–Classic, to Zidware will be converted 1:2 into
No, I would like to wait formachine(s) which I originally ordered. I		f production of RAZA and/or AIW at to be determined.
The Purchaser/Creditor covenants a development and completion of a mas		

the period commencing on the date of execution of this Agreement and ending on the earlier of:

- (i) delivery of the product(s) or
- (ii) four (4) years

the Purchaser/Creditor shall not cause interference or delay with the delivery of games by Licensee and the Purchaser/Creditor will not bring any action for money damages or specific performance (or shall immediately dismiss, if any such action has been taken) against Zidware, the Licensee, any manufacturer utilized by Zidware or Licensee, or any of their directors, officers, members or shareholders.

The undersigned hereby represents that the amount set opposite its signature is a true and correct statement of the amount of deposit provided to Zidware for outstanding products and that it has voluntarily agreed to the standstill provisions set forth in this Certification.

Dated this day of May, 2015.	
AMOUNT OF DEPOSIT TO ZIDWARE	Name of Purchaser
USD \$(Attach proof of deposit)	Street Address
	City and State/Province
	Zip/Postal Code and Country
	Telephone No. with Country & Area Code
	Email Address