Candy Dialogue Engine
Usage License

Version 1.0.0

Effective Date: 1 November 2026

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Definitions

For the purposes of This License, the following terms, when capitalized, shall have consistent meanings as defined:

1. **"Candy Arts"** means the issuer of This License, and the owner and rights holder of This Asset.
2. **"This Asset"** means Versions 1.0.x to 1.2.x of the Candy Dialogue Engine program created by Candy Arts, in whole or in part, including but not limited to its source code files, scripts, scenes, compiled binaries, documentation, and any derivative works thereof.
3. **"This License"** means Major Version 1 of the Candy Dialogue Engine Usage License, governing the use of This Asset. Where This License is assigned to a Work, it refers to the Sub-Version assigned to that Work, as amended by its latest published Update.
4. **"Candy Arts License"** means any license, contract or other such document issued by Candy Arts, including This License.
5. **"Candy Arts Assets"** means any software, service or other product owned and Distributed by Candy Arts, including This Asset.
6. **"Entity"** means any individual or organization, excluding Candy Arts.
7. **"Creator"** means any Entity bound by This License with respect to a Work. An Entity is a Creator only of the Works for which it is so bound.
8. **"Distribution"** means any act or contribution to making a Work, copies of a Work, or This Asset available to the public or to any Entity, including private Entities, such as the delivery of a commissioned Work to a client, the sale of a Work, or making a Work available for download. Making a Work or copies of a Work available solely to Candy Arts, or to the Creators or Contributors of that Work, does not constitute Distribution. "Distribute" and "Distributed" have corresponding meanings.
9. **"Licensing Tier"** means any of the Free Tier, the Indie Tier, or the Professional Tier, as set out in §4.1.
10. **"Indie Certificate"** means a Candy Dialogue Engine Indie Certificate, purchased in accordance with §4.6.
11. **"Work"** – see §1.2.

12. **"Incorporate"** and **"Incorporation"** – see §2.1.
13. **"Alternate Version"** – see §2.2.
14. **"Expansion"** – see §2.3.
15. **"Access Product"** – see §2.4.
16. **"Linked Work"** – see §2.5.
17. **"Add-On"** – see §2.6.
18. **"Mod"** – see §2.7.
19. **"Dialogue"** – see §2.8.
20. **"Neutral Entity"** – see §3.2.
21. **"Distribution Platform"** – see §3.2.
22. **"Payment Processor"** – see §3.2.
23. **"Commissioned Party"** and **"Commission"** – see §3.2.
24. **"Content Creator"** – see §3.2.
25. **"End-User"** – see §3.2.
26. **"Contributor"** – see §3.3.
27. **"Employee"** – see §3.3.
28. **"Volunteer"** – see §3.3.
29. **"Community Contributor"** – see §3.3.
30. **"Non-Commercial Work"** and **"Commercial Work"** – see §4.2.
31. **"Indie Work"** – see §4.3.
32. **"Budget"** – see §4.4.
33. **"Revenue"** and **"Direct Revenue"** – see §4.5.
34. **"Assignment Record"** – see §5.1.
35. **"Legacy License"** – see §5.3.
36. **"Attribution Materials"**, **"Code Disclaimer"** and **"Candy Arts Splash Screen"** – see §6.3.
37. **"Dormant Work"** – see §7.3.
38. **"Insufficient Attribution"** – see §8.1.
39. **"Defamation"** – see §8.2.
40. **"Unjust Enrichment"** – see §8.3.
41. **"Wrapper Abuse"** – see §8.4.
42. **"Reclassification Abuse"** – see §8.5.

43. **"License Hoarding"** – see §8.6.
44. **"Chargeback/Refund Fraud"** – see §8.7.
45. **"Preventive or Corrective Actions"** – see §9.2.
46. **"Audit"** and **"Auditing"** – see §9.3.
47. **"Notice of Corrective Action"** – see §9.4.
48. **"Remittance Demand"** – see §9.5.
49. **"Distribution Suspension"** – see §9.6.
50. **"Blacklisting"** – see §9.7.
51. **"Termination for Breach"** – see §9.8.
52. **"Effective Date"** – see §10.2.
53. **"Major Version"**, **"Sub-Version"** and **"Update"** – see §10.6.

1. Overview

1.1 What is the scope of This License?

This License applies to This Asset, and to any Works to which This License is assigned.

1.2 What is a Work?

A **Work** is any software product that Incorporates This Asset, or which has This License assigned to it. A Work includes all of its updates and patches.

1.3 When must This License be assigned to a Work?

This License must be assigned to a Work as soon as it Incorporates This Asset, except for Works which are presently assigned a Legacy License (see §5.3).

Mods may be subject to exemptions. See §2.7.

1.4 Who is bound by This License?

The following Entities must be bound by This License with respect to a Work:

a) Entities who hold intellectual property or ownership rights to the Work.

b) Entities who control the development, Distribution, or sale of the Work.

c) Entities who receive a share of the Work's Direct Revenue.

Entities that qualify as Neutral Entities or as Contributors are not required to be bound.

1.5 When does an Entity become bound?

An Entity becomes bound as soon as it consents to This License, either expressly or by taking on any of the roles above while aware, or reasonably expected to be aware, that the Work is subject to This License. See §3.1.

1.6 How is This License assigned to a Work?

This License is assigned by the Entities holding the rights to the Work, who must:

a) Choose a Licensing Tier for which the Work qualifies. See §4.1.

b) Record the assignment in the Work's Assignment Record. See §5.1.

Only the latest published Sub-Version of This License may be assigned. See §10.6.

1.7 How can This License be changed?

Creators may choose to change This License, as assigned to their Work, by either of the following:

a) Upgrading it to the latest published Sub-Version of This License.

b) Changing the Work's Licensing Tier to another Licensing Tier for which the Work qualifies.

If a Work stops qualifying for its Licensing Tier, its Creators must change it within thirty (30) days, or immediately if the change results from the Creators' own decisions. See §5.2.

Each change is a new assignment of This License, and must be recorded in the Work's Assignment Record. See §5.1.

Candy Arts may update the terms of This License. See §10.6.

1.8 How can Creators be freed from This License?

A Creator is freed from This License in relation to a Work once both of the following are fulfilled:

a) This License has been removed from the Work (see §7.1), or the Creator no longer holds any of the roles listed at §1.4 in relation to the Work.

b) All of the Creator's outstanding obligations under This License, including any fees due, have been settled.

If a Creator's release would leave a Work without any bound Creators, the Work becomes a Dormant Work. See §7.3.

1.9 How can This Asset be used under This License?

Under This License, Creators may do the following:

a) Incorporate This Asset within a Work. See §2.1.

b) Distribute This Asset within a Work. See §6.1.

c) Indie Tier and Professional Tier: Derive Direct Revenue from a Work that Incorporates This Asset. See §6.2.

Creators may not do the following:

a) Distribute This Asset on its own, outside of a Work. See §6.1.

b) Incorporate This Asset into Add-Ons. See §2.6.

c) Free Tier: Derive or attempt to derive Direct Revenue from a Work that Incorporates This Asset. See §6.2.

1.10 Do Works owe payment to Candy Arts?

The Free Tier does not require any payment.

The Indie Tier requires that each Creator purchase a Candy Dialogue Engine Indie Certificate. Candy Dialogue Engine Indie Certificates can be used with an unlimited number of Works.

The Professional Tier requires payment based on a Work's Budget.

1.11 How should Works credit Candy Arts?

Every Distributed Work must credit Candy Arts by:

a) Displaying the Candy Arts Splash Screen for at least three (3) seconds when the Work is launched.

b) Including the Code Disclaimer at the top of every file that contains code from This Asset, whether modified or not.

2. Works

2.1 Incorporation

A software product is deemed to **Incorporate** This Asset (and is therefore deemed a Work) in any of the following events:

a) The software product includes This Asset, in whole or in part, in its code or files.

b) This Asset, in whole or in part, is Distributed alongside the software product.

c) The software product is designed to use any of This Asset's features.

d) The software product is advertised as able to use any of This Asset's features.

e) Any Entity holding any of the roles listed in §1.4 in relation to the software product helps make it, or copies of it, capable of using This Asset's features, for example by providing instructions, guidance, or tools.

f) Any Entity holding any of the roles listed in §1.4 in relation to the software product encourages End-Users or others, by any means, to add This Asset to it or to copies of it, for example through Add-Ons, Mods, patches, runtime code injection, modified versions, or forks.

Exceptions to the above are provided for software products which qualify as Mods. See §2.7.

2.2 Alternate Versions

Two or more Works are **Alternate Versions** of one another if they are Distributed under the same title, apart from platform or edition designations, and differ only by:

- Platform: releases for different hardware or operating systems.
- Region: localization, censorship, or region-specific content adjustments.
- Edition: bundled content such as cosmetics, DLC, soundtracks, or artbooks, where the base game remains identical.

Works Distributed or advertised as separate games, including remasters, remakes, sequels, and spin-offs, are not Alternate Versions, even where they share content or game design.

2.3 Expansions

An **Expansion** is any software product that meets all of the following criteria:

a) Adds content, functionality, or features to a Work, or modifies those present within it, whether directly or through other software products.

b) Is created, Distributed, owned, or funded by, or generates revenue for, any Entity holding any of the roles listed in §1.4 in relation to the Work, or any Entity with a formal or financial association with such an Entity.

An Expansion may or may not Incorporate This Asset. An Expansion that Incorporates This Asset is both an Expansion of the Work it expands and a Work of its own.

Examples include downloadable content (DLC), expansion packs, and content packs.

2.4 Access Products

An **Access Product** is any physical or digital product, other than an Expansion, that meets all of the following criteria:

a) Unlocks, enables, modifies, or provides access to content, features, or functionality within a Work when it is acquired, redeemed, scanned, or activated.

b) Is created, Distributed, owned, or funded by, or generates revenue for, any Entity holding any of the roles listed in §1.4 in relation to the Work, or any Entity with a formal or financial association with such an Entity.

Examples include physical collectibles, cards, NFC, RFID, or QR-based items, digital or printed codes, access keys, or redemption systems.

Hardware needed to run a Work, such as computers, consoles, or standard input devices, is not an Access Product, unless it is designed or marketed to unlock, enable, or modify content within a Work in a way generic alternatives cannot.

2.5 Linked Works

A software product which qualifies as an Expansion or an Access Product is instead deemed a **Linked Work** if all of the following conditions are met:

- The Work and Linked Work are complete games or software products, which can be played or used in full without the other.
- The Work and Linked Work are Distributed and advertised as separate products, such as a sequel, prequel or spin-off, and not as a part, episode or chapter of a larger one.
- Content unlocked or modified by a Linked Work in the Work is optional, and can also be obtained or accessed in the Work without linking. The method to obtain or access such content without linking must fulfill all of the following requirements:
    - The method can reasonably be discovered by players or users in the ordinary course of using the Work.
    - The method relies only on the Work itself, and not on other products, such as Expansions, Access Products or other Works, or on events, distributions or promotions limited in time, place or availability.
    - The method does not rely on cheat codes, glitches, exploits, hacking or other unintended behavior.
    - The method does not require substantially more time or effort than the rest of the Work's content.
- Where imported data from a Linked Work changes the Work, such as its story or the player's progress, players without such data can obtain the same results within the Work through defaults or their own choices.

Where any of these conditions is not met, §2.3 and §2.4 apply as usual. See also §8.5.

2.6 Add-Ons

A Work is an **Add-On** if it functions as an optional addition, modification, or extension to a software product that is not a Work.

A Work that merely runs within, depends on, or is executed by third-party software for its standard operation, such as a game requiring an operating system or played within an emulator, is not an Add-On.

Creating, Distributing, or deriving Revenue from Add-Ons is not permitted, as Add-Ons would allow software products that are not Works to benefit from This Asset without being bound by This License.

2.7 Mods

A **Mod** is an optional addition, modification, or extension to a Work that meets all of the following criteria:

a) It is created independently by Entities who hold none of the roles listed in §1.4 in relation to the Work, and who have no formal or financial association with any Entity that does.

b) It is not an Alternate Version, Expansion, Access Product, or Add-On.

A Mod is not created independently where any Entity holding any of the roles listed in §1.4 in relation to the Work creates, finances, requests, or influences it. Modding resources and encouragement offered to the Work's whole community do not affect a Mod's independence.

A Mod is a Work if any of the following conditions applies:

- It includes This Asset, in whole or in part.
- It makes use of This Asset other than as already Incorporated in the Work it modifies.
- It makes use of This Asset and can function independently of the Work it modifies.
- It is assigned This License.

Any other Mod does not Incorporate This Asset under §2.1 and is not a Work, even where it is designed or advertised to make use of This Asset's features.

Where a Mod is a Work, it requires assignment of This License. This License can be assigned to a Mod under any Licensing Tier for which the Mod qualifies, regardless of the Licensing Tier of the Work it modifies.

2.8 Dialogues

Dialogues are any text or code written in a format that This Asset processes as part of its intended functioning, and intended to be processed by it, including Dialogues created with Candy Dialogue Creator.

Candy Arts claims no rights or ownership over Dialogues. Dialogues belong to their authors, or to whoever holds the rights to them by law or by contract.

Dialogues are not Works on their own, but are part of any Work in which they are included. Dialogues Distributed separately from a Work are not governed by This License, and their use is not subject to any restriction or condition imposed by Candy Arts.

3. Binding

3.1 Consent

Entities cannot be bound by This License without their consent. Such consent may be given expressly or by conduct: an Entity that takes on any of the roles listed in §1.4 in relation to a Work, while aware or reasonably expected to be aware that the Work is subject to This License, accepts This License by doing so.

Reasonable Awareness

An Entity is reasonably expected to be aware where it could have learned that the Work is subject to This License by exercising the diligence the circumstances require. This is the case, in particular, for Entities who:

- Acquire, hold, or transfer ownership or intellectual property rights to a Work.
- Directly control, authorize, or share in the Distribution, transfer, or monetization of a Work.
- Have received notice, information, or documentation identifying the Work as Incorporating This Asset or as being subject to This License.

Where an Entity is not reasonably expected to be aware, the bound Creators are responsible for informing it and obtaining its consent. Until they do, the Creators are liable for any breach of This License arising from that Entity's association with the Work.

Unbound Entities

Any Entity required to be bound by This License under §1.4 that is not bound has no right to use This Asset.

3.2 Neutral Entities

Neutral Entities are Entities which may be involved in the development, Distribution, or sale of a Work, or which may derive Direct Revenue from it, yet are not considered Creators and are not bound by This License in relation to that Work. Reciprocally, Candy Arts shall have no obligations towards Neutral Entities.

Entities may only be considered Neutral Entities if their involvement with a Work remains within the scope of the activities described below. For example, an online marketplace selling a Work on behalf of a Creator is a Neutral Entity, unless that marketplace has also participated in the development of the Work.

Neutral Entities hold no compliance obligations or liabilities under This License. Creators remain fully responsible for ensuring compliance with This License, and for all actions, practices, and terms applied by Neutral Entities acting under their authorization, including the manner in which Works are marketed, packaged, bundled, priced, or otherwise made available.

Distribution Platforms

Are considered to be acting as **Distribution Platforms** third-party marketplaces, platforms or retailers that sell, Distribute or otherwise make a Work available upon authorization by its Creators.

Distribution Platforms may also receive and process payments relating to the Work on behalf of its Creators.

Entities do not qualify as Distribution Platforms in relation to a Work if they own that Work or any of its intellectual property, if they finance that Work, or if they exert control over its development.

Distribution Platforms may establish and enforce rules, requirements and guidelines regarding the products they Distribute, such as software type and format, age ratings, or content related to specific topics and themes. Such rules are not considered control over a Work's development, provided they apply and are enforced equally across products.

Creators may authorize Distribution Platforms to Distribute the Work, to receive and process payments relating to it, and to retain a share of its sales. For Works subject to the Free Tier, Distribution Platforms may only be authorized to Distribute the Work free of charge to End-Users. They may charge Creators for hosting or Distribution, and may display advertisements alongside the Work.

Payment Processors

Are considered to be acting as **Payment Processors** third-party services that receive, process or facilitate payments relating to a Work on behalf of the Creators of that Work, but have no other involvement with the Work.

For example, publishers may process payments for a Work on behalf of Creators, but do not qualify as Payment Processors as they may also finance, control or otherwise influence the development of the Work, or take charge of its marketing and promotion.

Creators may authorize Payment Processors to receive and process payments relating to the Work on their behalf, and to retain fees on those payments, whether fixed or proportional to the amount of each payment. Payment Processors may not be authorized to Distribute the Work.

Commissioned Parties

Are considered to be acting as **Commissioned Parties** any Entities commissioned or contracted by Creators of a Work to supply assets, products, or services related to that Work — deemed **Commissions** — whether during or after the Work's creation.

This may include, for example:

- Software used in the creation of a Work.
- Digital hosting services (such as game servers, data storage, etc.).
- Legal, accounting or financial advice.
- Marketing, public relations, or advertising services for a Work.
- Art assets, programming code, or other creative content incorporated into a Work.
- Voice acting, music composition, sound design, or other performance services.
- Localization or translation services for text, dialogue, or other content of a Work.
- Quality assurance or usability testing services.
- Analytics, telemetry, or data collection services related to the performance of a Work.

For an Entity to be considered a Commissioned Party, the Commission must meet all of the following criteria:

a) The Commission specifies the goods or services to be delivered, and either a deadline or a duration. Recurring services, such as software access or server hosting, may renew indefinitely.

b) The Commission is paid in money, in exchange for the goods or services delivered. The payment is not a salary and does not depend on the Work's Revenue.

c) The Commission does not give the Commissioned Party any ownership, control, or financial interest in the Work or its Direct Revenue, including through joint ownership, loans, or investment. Any rights transferred to the Creators arise solely from the terms of the Commission.

d) The Commissioned Party is independent from the Creators: it is not owned or controlled by them, and does not share management, finances, or decision-making with them.

e) The Commissioned Party is not an Employee of the Creators.

f) The Commission is documented in writing, such as by a contract, invoice, order confirmation, or platform transaction record.

Commissions are assessed by their substance, not by how they are labeled. Where an arrangement does not meet these conditions and the derogation cannot be reasonably justified by the circumstances, the supplier is not a Commissioned Party, and must be bound by This License if it holds any of the roles listed in §1.4. Payments for the same goods or services made outside the Commission are part of the Commission.

Creators may authorize Commissioned Parties to receive copies of the Work, including This Asset, and to use, modify, or Incorporate This Asset within the Work, solely to the extent required by their Commission. Commissioned Parties may not be authorized to Distribute the Work or This Asset to any Entity other than the Work's Creators.

Ready-Made Services and Products

Entities who provide publicly offered or ready-made products and services—such as pre-packaged assets, software, or online services made available to the general public under standard terms—are treated as Commissioned Parties under This License.

In such cases, some of the conditions that Commissioned Parties must fulfill may be deemed fulfilled by the nature of the transaction itself, such as written agreement through a purchase confirmation or license acceptance, and duration satisfied by immediate or recurring delivery.

Creators are not required to take additional steps to ensure compliance when acquiring such ready-made products or services through legitimate channels.

Content Creators

Are considered to be acting as **Content Creators** any Entities that engage in demonstrating, reviewing, streaming, broadcasting, or creating educational or tutorial content featuring a Work, provided that these Entities engage in such activities of their own initiative, and not under request, agreement or contract from a Work's Creators.

For avoidance of confusion, Content Creators are not considered Creators in the sense of Work Creators.

The platforms that host the content of Content Creators are also considered Neutral Entities.

Due to the independent nature of the activities of Content Creators, Candy Arts does not require the Creators of a Work to authorize, monitor or take any responsibility for such activities.

Creators of a Work may authorize Content Creators to receive copies of the Work, such as review copies or access keys, for the purposes described above. Content Creators may not be authorized to further Distribute the Work.

Where the activities of Content Creators fall within the scope of any agreement with the Creators of a Work in regards to that Work, Content Creators are instead considered Commissioned Parties.

End-Users

Are considered to be acting as **End-Users** any Entities who make use of a Work. End-Users qualify as Neutral Entities if their usage of a Work is lawful and consistent with the intended usage of the Work.

End-Users may not Distribute a Work, or sell copies of, access to, or accounts for a Work, except as follows:

- Creators may authorize End-Users to share copies of the Work free of charge.
- End-Users may resell lawfully acquired physical copies of the Work.

Creators may authorize End-Users to create, Distribute, and sell their own content for the Work, such as Mods, user-generated content, or in-game items, provided that such content does not include This Asset. Content that includes This Asset is a Work, and requires its own license under §1.3.

End-Users may not be held responsible in the event that Creators grant such authorization in breach of This License.

End-Users may not remove or obscure Candy Arts accreditation, Licenses, or copyright or licensing notices or disclaimers from a Work.

End-Users who Distribute or derive Direct Revenue from a Work without authorization from its Creators may, depending on the circumstances, be deemed to be Distributing or deriving Revenue from This Asset under their own responsibility, and may therefore:

- Cease or fail to qualify as Neutral Entities.
- Be bound or be required to be bound by This License as Creators.
- Be infringing the copyrights or other intellectual property rights of Candy Arts.
- Be deemed to have engaged in Unjust Enrichment.
- Be required to pay compensation or damages to Candy Arts.

3.3 Contributors

Contributors are individuals who take part in the development of a Work on behalf of its Creators, yet are not considered Creators and are not bound by This License in relation to that Work.

Contributors act on behalf of the Creators. Their involvement with the Work, including any control they exercise over it, is attributed to the Creators, who remain fully responsible for it under This License.

Creators may authorize Contributors to receive copies of the Work, including This Asset, and to use, modify, or Incorporate This Asset within the Work, solely to the extent required by their contribution. Contributors may not be authorized to Distribute the Work or This Asset to any Entity other than the Work's Creators and Contributors.

Employees

Is considered to be acting as an **Employee** any individual employed by a Creator of a Work, while acting within the scope of their employment.

An individual is considered employed by a Creator where the relationship qualifies as employment under applicable law, or where any of the following applies:

a) The individual is paid a salary, rather than wages for the hours worked.

b) The individual is paid for their labor, rather than for specified goods or services.

c) The individual is or can be required to follow a work schedule, to work at a specific location, to perform their work in a specific manner or with specific tools, or to personally perform work, where this is not required by practical considerations or by the results of the work.

Employees may receive compensation tied to the Work's Revenue, such as bonuses or profit-sharing, provided they hold no ownership or intellectual property rights to the Work.

Volunteers

Is considered to be acting as a **Volunteer** any individual, other than a Community Contributor, who contributes to a Work without compensation, provided that all of the following apply:

a) The individual receives no payment, monetary or in-kind, for their contribution, other than credit, copies of the Work, or reimbursement of expenses incurred for it.

b) The individual receives no share of the Work's Revenue.

c) The individual holds no ownership or intellectual property rights to the Work. Any rights to the individual's contributions are licensed or transferred to the Work's Creators.

d) The individual does not control the development, Distribution, or sale of the Work.

e) The individual is not an Employee of a Creator.

Community Contributors

For the purposes of this section, a Work's community consists of the individuals who follow, play, support, or have expressed interest in the Work or its Creators through channels open to the public,

such as store pages, social media accounts, forums, community servers, newsletters, or crowdfunding campaigns, and who joined those channels on their own initiative.

Is considered to be acting as a **Community Contributor** any individual who, as a member of a Work's community, freely contributes to it in any of the following ways:

- Testing the Work, and reporting bugs or other issues.
- Providing feedback or suggestions.
- Translating or localizing the Work, or reviewing its translations.
- Creating guides, wikis, or other information about the Work.
- Moderating the Work's community spaces.
- Creating and submitting artistic content for inclusion in the Work, provided that community content does not, alone or together with other community content, form a substantial part of the Work's content.

Programming code, and contributions forming a substantial part of the Work's content, such as its main story or its design, are not community contributions.

An individual is only considered a Community Contributor where all of the following apply:

a) Participation is offered to the Work's community or to the public, such as through open calls, sign-ups or public tests, rather than arranged with specific individuals for a role in the Work's development.

b) They receive no compensation other than credit.

c) They hold no ownership or intellectual property rights to the Work. Any rights to their contributions are licensed or transferred to the Work's Creators.

d) They do not control the development, Distribution, or sale of the Work, and receive no share of its Revenue.

e) They are not Employees of a Creator.

4. Licensing Tiers

4.1 Tiers and Requirements

Each Work has a single Licensing Tier at any given time. That Licensing Tier applies to every Candy Arts License assigned to the Work which defines Licensing Tiers. A Work may only be assigned, and remain subject to, a Licensing Tier for as long as it meets all requirements of that Licensing Tier. Where a Work does not meet these requirements, whether at the moment of assignment or at any later time, its Licensing Tier must be changed in accordance with §5.2.

Free Tier

a) The Work's Budget has not exceeded €7'500 (seven thousand five hundred euros) at any time during its existence.

b) The Work has qualified as a Non-Commercial Work throughout its existence.

c) The Work has qualified as an Indie Work throughout its existence.

d) The Work has never been subject to the Indie Tier or the Professional Tier under any Candy Arts License.

Indie Tier

a) The Work's Budget has not exceeded €7'500 (seven thousand five hundred euros) at any time during its existence.

b) The Work has qualified as an Indie Work throughout its existence.

c) The Work has never been subject to the Professional Tier under any Candy Arts License.

d) Every Creator holds a valid Candy Dialogue Engine Indie Certificate.

Professional Tier

No additional requirements apply.

4.2 Commercial and Non-Commercial Works

A Work qualifies as a **Non-Commercial Work** if, throughout its entire existence, including any period before it became a Work, all of the following conditions have been met:

a) No Entity has derived, or attempted to derive, any Direct Revenue from the Work.

b) The Work has not been deemed a Commercial Work under any Candy Arts License.

Any Work that does not qualify as a Non-Commercial Work is a **Commercial Work**. Once a Work has become a Commercial Work, it can never again qualify as a Non-Commercial Work, even if the practices that disqualified it have ceased.

4.3 Indie Works

A Work qualifies as an **Indie Work** if, throughout its entire existence, including any period before it became a Work, all of the following conditions have been met:

a) No more than five (5) Entities are Creators or Volunteers in relation to the Work at any given time. An Entity that ceases to be a Creator or Volunteer continues to count toward this limit until twelve (12) months after it first became one.

b) Every Creator is an individual person.

c) Any other Entities involved in the development, Distribution, or sale of the Work are Neutral Entities or Community Contributors.

Where an Entity ceases to be a Creator or Volunteer due to death, illness, injury or other circumstances beyond its control that prevent it from continuing its involvement, it immediately ceases to count towards the limit defined at (a).

For the purposes of the limit defined at (a), the Creators and Volunteers of the Work's Alternate Versions, Expansions and Access Products, or the Entities that would be their Creators and Volunteers if they were Works, count as Creators and Volunteers of the Work.

4.4 Budget

The Budget of a Work is the sum of the monetary or material costs incurred by its Creators to develop, market, Distribute and operate the Work.

The following costs shall be included as part of a Work's Budget, to the extent they are incurred for the development, marketing, Distribution or operation of the Work:

- Commissions, as defined under §3.2.
- Purchases of digital assets for use in the Work, such as art or code assets.
- Software license fees, whether one-time or recurring.
- Marketing costs.
- Costs of producing or delivering copies of the Work, or of providing access to it, such as manufacturing, packaging, shipping, download or web hosting, cloud streaming services, or store submission fees.
- Any third-party services, such as server hosting, legal services, or marketing services.
- Media licensing costs, such as audio, video or images included within a Work.
- Salaries, wages, or other compensation paid to any person for work performed on or in connection to the Work, whether as an employee or otherwise.

Costs of work performed for the Work are included whether or not the result is ultimately used in the Work, such as work on content or features that were never implemented or were later removed.

Purchases of digital assets are only included in a Work's Budget where the asset, in whole or in part, in modified form, or through content created from it, has been part of any version of the Work Distributed at any time. Such purchases remain included in the Budget even if the asset is later removed.

The following costs are explicitly excluded from a Work's Budget:

- Any payments made to Candy Arts, such as License fees for the use of This Asset.

- Purchased hardware, such as computers, servers, components and peripherals.
- General overhead costs, such as rent, utilities, internet access, insurance, or office supplies, that are not specific to the Work. This exclusion does not apply to costs incurred for the Work, such as renting a recording studio or an event venue.
- The value of the time and work of Creators who are individual persons.
- Tutorials, courses, books, or other educational products and services providing general knowledge or skills that are not specific to the Work. This does not apply to research, analysis, or advice prepared for the Work, such as market studies or pricing advice.
- Revenue shares, sales commissions, or transaction fees retained by Distribution Platforms or Payment Processors from the Work's Revenue.

Costs incurred in currencies other than Euros are converted to Euros using the European Central Bank reference rate on the last day of the month in which they were incurred.

Wages Splitting

For the purpose of calculating a Work's Budget, where a person's salary, wages or other compensation covers work on several projects, only the proportion of that compensation equal to the proportion of their project time dedicated to the Work shall be added to the Work's Budget. Time not spent on any identifiable project, such as breaks, meetings, training, administration, or idle time, is divided among those projects in the same proportion.

Another project means a distinct product or client engagement, other than the Work and its Alternate Versions and Expansions, whose existence can be demonstrated, for example through its own development records, Distribution, or client invoices.

Such proportions must be documented by records kept at the time the work was performed, such as timesheets or project records, and must be consistent with the person's employment records. Where any proportion of a person's project time is not documented, or where the records are implausible or inconsistent, the compensation for that proportion shall be added to the Budget of each Work the person worked on.

A person's total compensation for the period, including any overtime pay, bonuses, or other supplements, is averaged across all hours for which they are compensated, and each project is allocated that average rate for each of its hours. Hours for which the person is not compensated, such as unpaid overtime, are not counted.

For example:

- *An employee is paid €10'000 per month. In July, the employee worked a total of 200 hours, but only 20 hours (10%) were spent on tasks related to a Work; the remaining 180 hours were spent on other projects. Therefore, only 10% of the employee's salary (€1'000) needs to be added to the Work's Budget.*

Recurring Software Fees Splitting

Recurring software fees, such as subscriptions, shall be calculated per calendar month; fees covering a longer period shall be divided equally among the months they cover. Where the software

was not used for a Work at any time during a month, no part of that month's fee shall be added to that Work's Budget.

For example:

- *A software license costs €120 per year, which is €10 per month. The software is not used for a Work during two months of that year. Only €100 is added to the Work's Budget for that year.*

Related Works

Alternate Versions of a Work add their Budgets to one another. Where Expansions or Access Products exist for a Work, whether or not they are Works, their Budget shall be calculated as if they were Works and added to the Budget of their parent Works.

Furthermore, any spending shall only be included once in a Work's Budget. For example, where an asset is used in one or more of a Work's Expansions or Access Products, and potentially also in the Work itself, at no additional cost to the Creators, the cost of that asset is only included once in the Work's Budget. However, if additional costs are incurred for the re-use of that asset across Expansions or Access Products, the total spending shall be included in the Work's Budget.

As further example:

- *If the Creators of a Work purchase an art asset for €100 and use it in a Work, as well as in two Expansions of that Work, €100 is added to the Work's Budget.*
- *If the Creators of a Work use an art asset in a Work and in two Expansions of that Work, and the Creators pay €100 for each use of the asset, the total of €300 is added to the Work's Budget.*

4.5 Revenue

Revenue Generalities

Revenue means all gross income, whether monetary or in-kind, generated directly or indirectly by a Work and received by its Creators or on their behalf.

Direct Revenue

Direct Revenue is any Revenue received in consideration for, or arising from, the Work itself, its Expansions, or its Access Products. This includes, without limitation:

- Sales of a Work or of copies of a Work (whether physical or digital).
- Subscription fees.
- In-app purchases or microtransactions.
- Advertising income, sponsorships, or product placement within or alongside a Work.
- Custom content commissions.
- Royalties received from third parties.
- Crowdfunding contributions tied to delivery of a Work or to access, license, or related benefits.

- Donations or recurring support (including through patronage or crowdfunding platforms).
- The sale, licensing, or assignment of rights or ownership to a Work, whether in whole or in part.
- Payments received under exclusivity agreements (such as platform or timed exclusivity deals).
- Revenue received from third parties for the sale, exchange, or monetization of content, assets, or services related to a Work, including but not limited to Mods, Add-Ons, derivative content, or the trade or resale of digital items, accounts, or similar assets originating from or used within a Work.
- Revenue arising from the sale, licensing, sharing, or commercial use of content, data, or metadata generated by or through a Work, including without limitation user data, analytics, performance metrics, gameplay records, or similar derivative information.
- Any other monetary or in-kind compensation derived from or in connection with a Work itself.

Uncertain Income

Where it cannot be clearly shown that income is unrelated to a Work, that income is deemed Direct Revenue. For example:

- Bundles, deals, or promotions in which a Work is sold together with other products or services.
- Subscriptions that grant access to a Work alongside other products or services.
- Donations, sponsorships, or similar contributions made to a Creator in the context of their activities creating Works or similar products, even where contributors state that a contribution is not intended for any Work.
- Store credit or virtual currency purchased by End-Users which may be spent on a Work, its Expansions, or its Access Products.

Indirect Revenue

The following are not Direct Revenue:

- Rewards, prizes, and awards, such as from competitions and contests.
- Increased sales, visibility, or market value of other products, brands, or services as an incidental result of a Work.
- Sales of merchandise, goods, or collectibles based on characters, settings, or other elements of a Work, other than Access Products.
- Any other incidental benefit arising from a Work's existence or success that is not payment for the Work itself.

4.6 Fees

Free Tier

No fees are owed for Works subject to the Free Tier.

Indie Tier

No fees are owed for Works subject to the Indie Tier, other than the purchase of a Candy Dialogue Engine Indie Certificate by each Creator, as required under §4.1.

Indie Certificates must be purchased from Candy Arts or from an official distribution channel authorized or managed by Candy Arts, at the price set by that channel. A list of official channels is published on the Candy Arts website.

Professional Tier

Where a Work is subject to the Professional Tier, its Creators owe Candy Arts a fee of €250 (two hundred and fifty euros) for each started interval of €25'000 (twenty-five thousand euros) of the Work's Budget, with the first interval starting at €0 (zero euros).

For example:

- *A Work with a Budget of €0 to €25'000 owes €250, and a Work with a Budget over €50'000 up to €75'000 owes €750.*

Fees include costs incurred before This License was assigned or before the Work became subject to the Professional Tier.

Fees are calculated separately for each Work. Where an amount is included in the Budget of more than one Work subject to the Professional Tier, such as through Alternate Versions, Expansions or Access Products under §4.4, it is counted toward the fees of only one of those Works, chosen by their Creators.

For example:

- *A game with a Budget of €55'000 is in its third interval (over €50'000, up to €75'000) and owes €750. Its Creators then release a DLC with a Budget of €10'000. The game's Budget rises to €65'000, which is still within the third interval: if the DLC is not a Work, or if the DLC is a Work and its Creators choose to count its Budget toward the game's fees, no further fees are owed.*
- *Had the DLC's Budget been €25'000, the game's Budget would have risen to €80'000, entering its fourth interval (over €75'000, up to €100'000), and a further €250 would have been owed.*

Fees owed under This License are cumulative with any fees owed under other Candy Arts Licenses assigned to the same Work.

Payment

Indie Certificates must be purchased prior to assigning This License to a Work under the Indie Tier.

Fees for the Professional Tier become owed when the Work's Budget enters a new interval, or, for a Work changing to the Professional Tier, at the moment it becomes subject to the Professional Tier. Fees must be paid within three (3) months of becoming owed.

Where fees are paid late, the amount owed increases by a compound interest of 1% (one percent) per late month. Creators are responsible for adding this interest to the payment, without notification from Candy Arts.

Payments must be made through the payment methods published on the Candy Arts website. Each payment must identify the Work and state the Budget it covers.

5. Assignment and Changes

5.1 Assignment Record

Every assignment of This License to a Work must be recorded in the Work's **Assignment Record** from the moment of assignment.

Where a Work is Distributed, its Assignment Record must take the form of a text file (such as TXT, PDF, or MD) included with all copies of the Work, together with a notice, or a link to such notice, on at least one of the following:

- The web pages from which the Work can be accessed or downloaded.
- The Work's official website.

The Assignment Record lists all assignments and removals of Candy Arts Licenses for the Work, in the form of entries. Each assignment entry must state:

- The date of assignment.
- The name of the Candy Arts License.
- The Licensing Tier.
- The Major Version and Sub-Version of the Candy Arts License assigned, such as "1.0".

Removal entries are governed by §7.1.

Existing entries must not be removed or modified. Copies of the Work Distributed after a new entry is added, and all notices, must include that entry.

For example:

> *2026-10-28 – Candy Dialogue Engine Usage License, Indie Tier (1.0)*
>
> *2027-01-14 – Candy Dialogue Engine Usage License, Indie Tier (1.1)*
>
> *2027-02-23 – Candy Dialogue Engine Usage License, Professional Tier (1.1)*
>
> *2027-03-16 – Removed: Candy Dialogue Engine Usage License*

Creators are not required to follow the above template exactly, as long as all required information is included and presented clearly.

Where multiple Candy Arts Licenses are assigned to the same Work, a single Assignment Record may be kept for all of them.

5.2 Changing Tiers

Voluntary Change

Creators may change a Work's Licensing Tier at any time to any Licensing Tier for which the Work qualifies under §4.1.

Mandatory Change

Where a Work no longer meets the requirements of its Licensing Tier, a new Licensing Tier for which the Work qualifies must be assigned.

Where this results from deliberate actions or decisions by any of the Work's Creators, the new Licensing Tier must be assigned immediately.

Where this is incidental and not caused by any decision, action, error, or negligence of the Creators, Creators have thirty (30) days to assign a new Licensing Tier. In such cases:

If a new Licensing Tier is assigned within this thirty (30) day period, it applies retroactively from the moment the change became necessary, provided that the Work has met its requirements since that moment.

If a new Licensing Tier is not assigned within this thirty (30) day period, it applies only from the date of assignment, and any Revenue derived in the interim is considered Unjust Enrichment.

Assignment of the New Tier

A change of Licensing Tier is a new assignment of This License. It must be added to the Work's Assignment Record in accordance with §5.1.

5.3 Legacy Licenses

For the purposes of This License, the following licenses, published by Candy Arts, are deemed Legacy Licenses:

- Candy Dialogue Engine Free Indie License
- Candy Dialogue Engine Starter Indie License
- Candy Dialogue Engine Pro Indie License
- Candy Dialogue Engine Studio License

As of the Effective Date of This License, Legacy Licenses may no longer be newly assigned to any Work or software product.

Any Work to which a Legacy License is assigned may change to This License, provided the Work and its Creators comply with the terms of This License. This License explicitly authorizes such change, even where the terms of the assigned Legacy License do not allow it.

A Work may only change to This License if every Legacy License assigned to it, for any Candy Arts Asset, is changed to the corresponding Usage License at the same time.

Unpaid royalties on Direct Revenue derived before such change of license shall remain owed to Candy Arts, under the terms of the Legacy License.

Notwithstanding the above, where a Work changes from the Candy Dialogue Engine Studio License to This License before 1 February 2027, any royalties still owed under that Legacy License are cancelled, and royalties already paid under it are credited toward fees calculated on the Work's Budget under any Candy Arts License assigned to the Work, whether currently owed or owed in the future.

6. Usage

6.1 Distribution

This License, when assigned to a Work, authorizes its Creators to Distribute the Work, provided that the Work, its Creators, and any such Distribution fully comply with This License.

This Asset may only be Distributed as part of a Work. Distributing This Asset on its own, or separately from the Work in which it is Incorporated, is not permitted.

Creators may also authorize some Neutral Entities to engage in specific Distribution activities, as set out in §3.2.

6.2 Revenue

This License, when assigned to a Work subject to the Indie Tier or the Professional Tier, authorizes its Creators to derive Direct Revenue from the Work. Works subject to the Free Tier must remain Non-Commercial Works under §4.2.

6.3 Attribution

Any Distributed Work must properly credit Candy Arts, in compliance with the guidelines outlined below.

Attribution Materials

The following **Attribution Materials** are provided with This Asset by Candy Arts in the form of digital files:

- **Code Disclaimer**: either of the files titled "Candy_Arts_Code_Disclaimer".
- **Candy Arts Splash Screen**: either of the files titled "Candy_Arts_Splash_Screen".

Where an Attribution Material is provided in multiple file formats, Creators may choose which of the file formats to use.

The Attribution Materials may not be altered, obscured, or modified except for resizing or format adaptation necessary to fit the medium, provided that readability and the proportions of the visual content are preserved.

Programming Code

All programming scripts, source files, or other text-based materials that contain any portion of This Asset's code, whether modified or unmodified, must include—within code comments or other text visible in the file—the full text within the Code Disclaimer file.

The Code Disclaimer text must appear at the very beginning of each such file, in a manner that is clearly legible and reasonably prominent. Formatting (such as color, font, or size) may be adjusted only to ensure readability and to conform to the syntax or conventions of the file type.

This requirement applies to source files. Compiled or tokenized forms of such files produced by exporting the Work are exempt, provided the source files comply.

Translation of the Code Disclaimer text into any language is strictly prohibited, even if the original text is included alongside the translation. The phrasing of the Code Disclaimer text must always appear exactly as written by Candy Arts.

Video Games and Interactive Software

The Candy Arts Splash Screen must be displayed for not less than three (3) seconds when the software is launched.

The Candy Arts Splash Screen may be skipped by user input after the first launch of the software, provided that it continues to appear automatically on subsequent launches unless skipped by the user.

The Candy Arts Splash Screen must appear before or alongside other engine or middleware credits, and must not be hidden behind other UI elements.

Promotional Materials

Promotional materials or other media Distributed alongside a Work, which are not themselves Works, are not required to display Attribution.

Where such materials include Attribution to Candy Arts, it must be made clear that the Attribution refers solely to the use or inclusion of This Asset within the main Work.

Additional Guidelines

Candy Arts may, at its own discretion, grant written waivers or alternative attribution terms upon request, for instance where a Work's format or context makes compliance with the above guidelines impractical.

Works that do not clearly fall within any of the categories described under §6.3, or that, due to the particular characteristics of their presentation, would be unable to display accreditation in a sufficiently visible or legible manner despite compliance with these guidelines, must contact Candy Arts prior to any Distribution to arrange specific attribution guidelines appropriate to the Work's medium or format.

Where Candy Arts reasonably determines that a Work does not display adequate attribution in a sufficiently legible or noticeable manner, even if the attribution technically complies with the terms under §6.3, Candy Arts retains full discretion to require that the Creators modify, within a reasonable time frame, how attribution to Candy Arts is displayed.

Restrictions

Crediting Candy Arts does not imply any support, endorsement, approval, partnership or sponsorship by Candy Arts and Creators may not make any such claim without explicit authorization. See also §10.11.

7. Removal and Release

7.1 Removal from Works

This License may only be removed from a Work where all of its Creators agree to its removal, and where the Work and its Creators meet all of the following requirements:

a) The Work no longer Incorporates This Asset, and has been modified accordingly before This License is removed. Where reasonably and legally possible, existing copies of the Work must also be updated or modified.

b) The Creators have ceased Distributing, supporting, and deriving Direct Revenue from previous versions and copies of the Work that Incorporate This Asset.

c) Where reasonably and legally possible, and within their control, the Creators have ensured that no other Entity continues to Distribute or derive revenue from such versions and copies.

d) Candy Arts has been notified of the removal. The notification must include the identity of the Work and of all its Creators, the name of This License, the date of removal, and a legally binding statement that all obligations under This License have been fulfilled and that the Work complies with the requirements above.

e) A removal entry stating the date of removal and the name of This License has been added to the Work's Assignment Record in accordance with §5.1.

Reasonable exemptions to these requirements include, for example, pirate copies being Distributed without authorization or control from the Creators, End-Users continuing to use copies they lawfully own, or Content Creators reviewing or broadcasting older copies.

Ceasing support may include, without limitation, discontinuing bug fixes and updates for versions or copies of the Work that Incorporate This Asset (except for updates which remove This Asset), or denying such copies access to online services provided or controlled by the Creators, such as game servers or in-game content stores.

Upon removal of This License, all Creators of the Work are released from This License in relation to that Work.

7.2 Creator Release

A Creator is released from This License in relation to a Work once both of the following are fulfilled:

a) This License has been removed from the Work under §7.1, or the Creator no longer holds any of the roles listed in §1.4 in relation to the Work.

b) All of the Creator's outstanding obligations under This License in relation to the Work, including any fees due, have been fulfilled or settled to the satisfaction of Candy Arts.

If the release of a Creator would leave a Work without any bound Creators, removal of This License from the Work is not required, and the Work becomes a Dormant Work, provided that both of the following are fulfilled:

a) All rights previously granted to other Entities, such as Neutral Entities, to Distribute the Work or derive revenue from it have been withdrawn or otherwise ended.

b) Candy Arts has been notified in writing that the release will result in the Work becoming a Dormant Work, and of the date on which this status takes effect.

7.3 Dormant Works

A **Dormant Work** is a Work to which This License is assigned, but for which no Creators remain bound.

Any Entity that later takes on any of the roles listed in §1.4 in relation to a Dormant Work becomes bound by This License as a Creator in accordance with §3.1.

Candy Arts claims no control or ownership over Dormant Works, as set out in §10.3, and bears no responsibility for false or mistaken claims of rights or compliance made by Entities purporting to be bound, as set out in §10.14.

7.4 Contractual or Legal Conflicts

If the Creators have entered into contractual obligations that conflict with any of the above requirements, removal of This License or release of a Creator is not permitted until those obligations have ended.

Creators are responsible for understanding and complying with the laws that apply to their Works, activities, and any related services. Where applicable law prevents reasonable compliance with any of these requirements, Candy Arts retains sole discretion to determine whether a Work or a Creator may be released from This License.

7.5 Survival of Terms

Removal of This License or release of a Creator does not release Creators from any obligations which, by their nature or specific terms, are intended to survive termination.

8. Infractions

The actions listed under Section §8 constitute infractions of This License, and shall be subject to Preventive or Corrective Actions at Candy Arts' sole discretion, as set out in §9.2.

8.1 Insufficient Attribution

Insufficient Attribution occurs where an Entity fails to comply with the attribution requirements of This License (§6.3).

Where Insufficient Attribution is committed for the purpose of concealing the use of This Asset within a Work, or where Creators fail or decline to comply with any requests or notices from Candy Arts to display proper attribution, the incident of Insufficient Attribution shall be deemed malicious.

Where Insufficient Attribution isn't malicious nor causes significant harm to Candy Arts (including financial harm or visibility loss), Candy Arts will issue a Notice of Corrective Action requiring that the affected Work display the proper attribution. Malicious Insufficient Attribution may be subject to any Preventive or Corrective Actions under §9.2.

8.2 Defamation

Defamation occurs where an Entity publicly issues false or misleading statements about Candy Arts. Statements of opinion or legitimate criticism do not constitute Defamation.

Where there is reasonable belief that an Entity was aware of the untrue nature of their statements, Defamation is deemed to have been committed knowingly.

Where an Entity, prior to making such statements, could have readily verified their falsity through due diligence, Defamation shall be deemed to have been committed recklessly.

Candy Arts reserves the right to respond publicly to Defamatory statements in order to restore the truth and any harm caused to its reputation. Where an Entity knowingly or recklessly commits any act of Defamation, Candy Arts may, in such a response, disclose relevant information about the Entity, such as communications between Candy Arts and the Entity, where permitted by applicable law.

Furthermore, Candy Arts may require that the Defaming Entities issue public statements of apology, retraction and correction to any defamatory statements.

8.3 Unjust Enrichment

Any benefit derived from the use of This Asset in violation of This License, or through infringement of Candy Arts' copyright or other intellectual property rights, constitutes **Unjust Enrichment**.

Unjust Enrichment must be remitted to Candy Arts upon discovery or upon request, in an amount equal to the fees that would have been owed under This License for such use. This is without prejudice to Candy Arts' right to claim damages, or the profits derived from such use, under applicable law.

Where the use of This Asset in violation of This License was deliberate or concealed, the Creators additionally owe Candy Arts a contractual penalty equal to two (2) times the fees that would have

been owed. The penalty is owed in addition to those fees, and its payment does not release the Creators from the obligation to comply with This License.

Where such amounts are not remitted to Candy Arts within thirty (30) days of their request, Candy Arts may, without prior notice, claim interest on the outstanding amount at the rate provided by applicable law from the date of default until full payment is made.

Where Creators remit such amounts of their own initiative, before Candy Arts undertakes any Preventive or Corrective Actions with respect to the incident of Unjust Enrichment, Candy Arts shall not claim interest on them, and the contractual penalty does not apply.

8.4 Wrapper Abuse

Wrapper Abuse is the act of redistributing This Asset together with a Work where the primary intent, effect, or commercial value of such Distribution lies in the redistribution of This Asset itself rather than in the Work as an original creation. Wrapper Abuse is strictly prohibited, regardless of whether any Revenue is derived from the practice.

Candy Arts has full discretion to assess whether a Work constitutes Wrapper Abuse. Such assessment may be based, without obligation or limitation, on any of the following criteria:

- The usefulness, purpose and proper functioning of the Work.
- The Distribution of multiple, substantially similar or derivative Works.
- The sale price of the Work in relation to the apparent value of the Work.
- Customer feedback, comments or purchasing trends suggesting acquisition of the Work for the purpose of accessing This Asset.
- Statements by Creators or any other Entities affiliated with the Work.
- The manner in which the Work is advertised.
- Files included with the Work, or the Work being Distributed as non-compiled software.
- Lack of meaningful development progress of a Work allegedly Distributed in pre-release or other unfinished state.
- The platforms through which the Work is Distributed, or the manner of its Distribution.
- Presence of alterations to This Asset not pertinent to the Work.
- Code comments.
- Any past history of Wrapper Abuse or similar abuses by Creators of the Work, or history of other license abuse or non-compliance, including with regard to products or services not affiliated with or owned by Candy Arts.

The above criteria, on their own, shall not be deemed to constitute Wrapper Abuse. Rather, they may be taken into consideration as part of a more extensive assessment as to whether a Work constitutes Wrapper Abuse. Candy Arts shall provide good faith, reasonable leeway to any Work being assessed as potential Wrapper Abuse.

Where there is reasonable suspicion that a Work is being Distributed with the intent or likelihood of Wrapper Abuse, and where Creators associated with the Work have no history of similar abuses, Candy Arts may issue a Notice of Corrective Action to reduce the possibility of Wrapper Abuse.

If Creators fail or decline to comply with such Notice of Corrective Action, or where there is strong evidence that a Work is being Distributed with the intent to commit Wrapper Abuse, or where Creators have a history of similar abuses, Candy Arts may take any other Preventive or Corrective Actions it deems appropriate.

8.5 Reclassification Abuse

Reclassification Abuse is the act of representing an existing or substantially identical Work as a new or distinct Work, or conversely, representing a new Work as a continuation or component of an existing Work, for the purpose of circumventing, resetting, or evading the terms, conditions, or eligibility of This License.

Reclassification Abuse includes, without limitation, rebranding, renaming, repackaging, or making superficial modifications to a Work in order to claim eligibility for a different Licensing Tier, to conceal prior non-compliance, or to otherwise misrepresent the Work's identity, continuity, or relationship to other Works or Entities.

Candy Arts retains full discretion to determine whether a Work constitutes Reclassification Abuse, based on its substance, content, continuity, and prior history of Distribution.

8.6 License Hoarding

License Hoarding occurs where an Entity assigns This License to a Work and either:

a) The Work was still in an early stage of development at the time of assignment, and its development subsequently stalled or proceeded at a slow pace, such that there is reason to believe This License was assigned to secure an older Sub-Version for what is effectively an undefined future project not in active development.

b) The Work has undergone active development since This License was assigned, but its scope has changed considerably throughout the development process, such that the Work's current form would reasonably be deemed a different game or software product than the form it had at the time of assignment.

Candy Arts may deem a Work to constitute License Hoarding where any of the following circumstances apply:

a) Statements or admissions by the Creators indicating that the Work fits the criteria of License Hoarding.

b) Lack of reasonably meaningful or sustained development activity for a period of at least one (1) year following the assignment of This License.

c) Significant changes in the scope, genre, or creative direction of the Work inconsistent with its original form.

d) Rebranding or transformation of a Work into a different franchise or intellectual property, where continuity of identity cannot reasonably be claimed.

Candy Arts shall provide good faith, reasonable leeway to any Work being assessed as potential License Hoarding.

Where License Hoarding is deemed to have occurred, Candy Arts may require that This License, as assigned to the Work, be upgraded to its latest published Sub-Version.

8.7 Chargeback/Refund Fraud

Chargeback/Refund Fraud occurs where an Entity initiates or procures, through any card provider, payment processor, marketplace, or similar platform, a chargeback, refund, or other such reversal of payment made – directly or through third parties – to Candy Arts, and where such chargeback or refund is not motivated by lawful or legitimate grounds.

A chargeback or refund shall be deemed illegitimate if, after appeal by Candy Arts, the issuer or processor reverses the refund in favor of Candy Arts, or if the object of the purchase was duly delivered or made available as advertised and did not present any defects.

Refunds granted under the refund policy of the platform through which the purchase was made, or under applicable consumer protection law, are always deemed legitimate.

Any Entity committing Chargeback/Refund Fraud shall be Blacklisted, even on a first offense, and Candy Arts reserves the right to claim compensation for any resulting damages.

9. Enforcement and Remedies

9.1 Right to Enforce

Candy Arts retains the right to enforce This License and to take any and all actions necessary to protect This Asset, Candy Arts, its intellectual property, its reputation, and all associated rights. Candy Arts' rights of enforcement apply to all forms of breach or infraction, or threatened breach or infraction, of This License.

Candy Arts shall attempt to issue notice of any Preventive or Corrective Actions to the affected Creators under the same conditions described at §10.8. Where such Preventive or Corrective Actions concern a Work, Candy Arts is required only to attempt notification of one Creator associated with that Work. Any Creator so notified shall, where possible, inform the remaining Creators.

Where notification cannot be issued to any or all Creators of a Work due to the Creators failing to comply with the conditions at §10.8, the Preventive and Corrective Actions remain valid and are deemed to apply from the moment the decision is made by Candy Arts to take these Preventive and Corrective Actions.

Failure by Candy Arts to enforce any provision of This License shall not be construed as a waiver of any right to enforce that provision or any other provision in the future.

9.2 Preventive and Corrective Actions

Candy Arts may, at its discretion, take **Preventive or Corrective Actions**, including but not limited to:

- Auditing.
- Notice of Corrective Action.
- Mandatory Change of Licensing Tier, as set out in §5.2.
- Remittance Demand.
- Distribution Suspension.
- Blacklisting.
- Termination for Breach.
- DMCA or equivalent take-down notices against infringing Works or related materials.
- Seeking financial compensation for damages resulting from the breach, including any legal fees or costs.
- Initiating legal proceedings.

Candy Arts, at its sole discretion, will exercise these measures in good faith and in proportion to the nature, severity, intent, frequency and consequences of the infraction, taking into consideration any efforts by the parties involved to remedy or prevent further non-compliance.

9.3 Auditing

Candy Arts reserves the right to verify compliance with This License at any time, through **Auditing** measures.

At the request of Candy Arts, any Creator bound by This License must provide, within a reasonable period of time specified by Candy Arts, any of the following information or documents:

a) Proof of purchase of any Indie Certificates required under This License.

b) Proof of the date on which This License was assigned to the Work, and of each subsequent assignment.

c) A list of expenses and budget items relevant to the calculation of a Work's Budget, as described under §4.4.

d) Proof of Revenue or funding, including but not limited to payment processor statements, sales reports from distribution platforms, or accounting documents.

e) Proof of Distribution, including but not limited to listings, identifiers, or records from any platforms, storefronts, repositories, or services where the Work is or has been Distributed.

f) Identification and contact information of all Creators associated with a Work.

g) Any other evidence reasonably necessary to determine a Work's compliance with This License.

Creators shall maintain the ability to provide such information or documentation for ten (10) years after the relevant records were created.

Auditing Conditions

Candy Arts may impose Audits described at (b) and (c) no more than once every twelve (12) months, unless the previous such Audit has revealed non-compliance with the terms of This License. In such event, Candy Arts may conduct a subsequent Audit within thirty (30) days, and further Audits once every three (3) months, for a total period of twenty-four (24) months after the last Audit that revealed any incident of non-compliance.

Where Candy Arts declines or fails to conduct an Audit within any of the above periods, such omission shall not be deemed a waiver of Candy Arts' right to conduct future Audits, nor a waiver of any rights, claims, or remedies with respect to compliance during such periods.

Audits shall be limited to materials reasonably necessary to verify compliance, such as financial, licensing, and production records related to Works Incorporating This Asset. Candy Arts shall treat all obtained information as confidential and shall not disclose it to third parties except where required by law or necessary for enforcement proceedings.

Creator Conditions

Creators may require that an Audit be conducted by a professional appointed by Candy Arts, such as a certified lawyer, accountant, or other qualified licensing professional, where confidentiality, data protection, or other legitimate privacy concerns reasonably justify such an arrangement.

Such professional shall act on behalf of Candy Arts, and all associated costs shall be borne by the Creators. This option does not apply where no suitable professional is reasonably available in the

jurisdiction or region of the Creators. Professionals who hold any personal, financial, or business ties to the Creators, or to any affiliated organizations or individuals, are not considered suitable for this purpose.

Creators may likewise require that an in-person Audit be conducted by such a professional on their premises, under the same conditions: the professional shall act on behalf of Candy Arts, the Creators shall bear all associated costs, and this option shall not apply where no suitable professional is reasonably available.

Auditor Safety

For safety and practicality, Candy Arts shall not be required to conduct or send any professional or representative to conduct an in-person Audit in any location that Candy Arts, in good faith, considers to present material risk to personal safety, health, or security, or where access is restricted by law, conflict, or travel limitations.

In such cases, Candy Arts may, at its discretion, require that the Audit be conducted remotely or through submission of equivalent documentation. Candy Arts shall bear no liability for delays, refusals, or inability to conduct an Audit due to such circumstances.

Consequences

Failure to provide all required documentation in due time or to comply with an Audit shall be deemed non-compliance and may result in Preventive or Corrective Actions under §9.2.

Where an Audit reveals underpayment, misreporting, or any other breach, Candy Arts may apply any relevant Preventive or Corrective Actions under §9.2, including the recovery of unpaid fees, a Mandatory Change of Licensing Tier, or Termination for Breach.

In the event that This License is removed from a Work or terminated for any reason, in any manner, and whether by Candy Arts, Creators, or any other Entity, all Auditing terms and conditions shall survive for a period of no less than five (5) years thereafter.

9.4 Notice of Corrective Action

Where Candy Arts determines, in good faith, that a breach or infraction may have occurred, Candy Arts may issue a written **Notice of Corrective Action** to the offending party, identifying the issue and requiring corrective action within a reasonable time.

Where a breach or infraction is unintentional or incidental, and provided such issues are not systemic or recurrent on the part of a Work or its Creators, no further action will be taken if corrective measures are undertaken in due time.

Creators may, within the response period specified in the Notice of Corrective Action, contact Candy Arts to discuss its terms if (i) they have reasonable cause to believe that no breach or infraction has been committed, (ii) if compliance is not possible, would cause disproportionate harm, or would conflict with other legal or contractual obligations, or (iii) to request alternate arrangements. Candy Arts will review such concerns in good faith and may, at its discretion, amend, clarify, or withdraw the Notice of Corrective Action where appropriate.

Failure to comply within the time allowed, or refusal to comply, will result in further Preventive or Corrective Actions by Candy Arts.

9.5 Remittance Demand

Where any amount owed under §8.3 is not remitted to Candy Arts in due time, Candy Arts may issue a **Remittance Demand** to any Entities involved.

Where possible, the recipients of any Remittance Demand are required to inform any other Entities involved with the same incidents of Unjust Enrichment.

Where multiple Entities are involved in the same incidents of Unjust Enrichment, all such Entities are jointly and severally liable for the full amount concerned. Candy Arts may, at its discretion, require full remittance from any one or more of those Entities, irrespective of any internal arrangements or allocation of Revenue between them.

9.6 Distribution Suspension

Where a Work doesn't comply with the terms of This License, Candy Arts may issue a **Distribution Suspension** against the Work.

Where a Distribution Suspension is issued, any rights or authorizations to Distribute the Work, granted by Candy Arts and held by the Creators, shall be immediately suspended and any Distribution of the Work shall immediately cease.

Any Distribution Suspension shall specify a duration limit, either in the form of a date or time frame, or in the form of conditions the Work and its Creators must fulfill for the Distribution Suspension to expire.

9.7 Blacklisting

Blacklisted Works or Entities may no longer become bound by any Candy Arts Licenses, nor may Blacklisted Entities assign any Candy Arts Licenses to any Works, even where such Entities would not be bound by the Candy Arts Licenses upon assignment.

Blacklisted Entities or Works remain bound by Candy Arts Licenses they were already bound to prior to becoming Blacklisted, unless these Candy Arts Licenses are explicitly terminated by Candy Arts, or by the Creators themselves.

Blacklisting is intended to protect Candy Arts against Entities or Works that cause or risk causing significant or repeated harm, damage, or disruption, or that demonstrate unwillingness to comply with License terms.

Application

Blacklisting takes immediate effect upon decision by Candy Arts, regardless of whether the affected Entities have received, responded to, or acknowledged the notice. Failure or inability to contact the affected parties does not delay or invalidate the Blacklisting.

In the event of Blacklisting, Creators shall not be entitled to refunds or compensation for any previously purchased Candy Arts products, services, or usage rights. Candy Arts shall not be held liable for any loss, damage, or expense arising from or related to a Blacklisting, including but not limited to loss of revenue, legal fees, damages, refund obligations or inability to fulfill contractual commitments.

Candy Arts is not required to physically or technically prevent use of, access to or payment for its products or services by affected parties following a Blacklisting. Any Blacklisting remains fully valid and enforceable even if affected parties manage to access, pay for, or use Candy Arts products or services.

Appeal

Entities may appeal their own Blacklisting or the Blacklisting of their Work by contacting Candy Arts directly. Candy Arts retains full discretion to uphold, modify, or reverse any Blacklisting.

Where the Blacklisting may have occurred in error, appellants may provide evidence and reasoning to demonstrate the error. Where the Blacklisting did not occur in error, appellants must satisfy all of the following conditions before their appeal may be considered:

- Rectify all violations or infractions such that the Entities and/or Works involved are in full compliance with all applicable Candy Arts Licenses.
- Acknowledge and accept responsibility for any infractions that led to the Blacklisting.
- Ensure that any outstanding fees or compensation owed to or expected by Candy Arts have been paid in full.
- Publicly retract and correct any false, misleading, or defamatory statements made against Candy Arts.

Fulfilling these conditions does not guarantee the success of an appeal and does not obligate Candy Arts to reverse or modify the Blacklisting. Candy Arts retains the right, at its own discretion, to impose additional or alternative conditions for the reversal of a Blacklisting.

9.8 Termination for Breach

This License may be **Terminated for Breach** by Candy Arts with respect to any Creator or Work which breaches, violates, or fails to comply with the terms of This License, or which infringes Candy Arts' copyrights or other intellectual property rights.

Candy Arts will only resort to such termination in the following cases:

- Repeated and/or severe breaches or infractions of This License, or of any of Candy Arts' copyrights or intellectual property rights.
- Creators ignoring or refusing to comply with Notices of Corrective Action or other Preventive or Corrective Actions.
- Creators or Works not being eligible for This License.

Upon Termination for Breach, all rights granted under This License shall immediately cease, and the affected Works and Creators shall discontinue all use of This Asset, all Distribution of Works Incorporating This Asset, and all derivation of Direct Revenue from such Works.

Termination for Breach shall not release the breaching party from liability for any acts, omissions, or obligations incurred prior to termination, nor shall it affect Candy Arts' rights to seek damages, equitable relief, or other remedies available under applicable law or This License.

Creators shall not be entitled to refunds or compensation for any previously purchased Candy Arts products, services, or usage rights. Candy Arts shall not be held liable for any loss, damage, or expense arising from or related to Termination for Breach, including but not limited to loss of revenue, legal fees, damages, refund obligations or inability to fulfill contractual commitments.

Candy Arts reserves the right, at its own discretion, to reinstate This License upon satisfactory demonstration of full compliance and remediation of the breach.

10. General Provisions

10.1 Jurisdiction

This License is governed by the laws of Switzerland. Any dispute must be submitted exclusively to the competent courts of Switzerland.

10.2 Effective Date

This License enters into effect on the Effective Date designated at the top of this document.

10.3 Scope

This License governs only the use of This Asset, and does not confer or imply any rights or authority on the part of Candy Arts over the Works in which it is used, except that the use of This Asset is conditional on Works and their Creators being in compliance with This License.

Any payments made to Candy Arts under This License are deemed to constitute compensation solely for the use of This Asset, and not in compensation for any exploitation of any Work by Candy Arts.

An Entity may simultaneously be a Creator under multiple Candy Arts Licenses, including multiple instances of the same Candy Arts License across different Works. In such cases, the Entity's rights and obligations under each Candy Arts License are independent and apply solely to the Work governed by that Candy Arts License, except as provided in §4.1.

10.4 Invalid Provisions

If any provision of This License is held to be invalid, illegal, or unenforceable by a competent court, such provision shall be modified only to the extent necessary to render it enforceable, and the remaining provisions shall remain in full force and effect.

10.5 Continuity and Transfer

Candy Arts may assign or otherwise transfer This License, including any rights or obligations under it, to any successor entity, purchaser, or affiliate, provided that such entity assumes all obligations of Candy Arts outlined in This License and that the rights of Creators are not reduced thereby.

Creators hereby grant advance consent to any such transfer or assignment. Upon any such transfer, the term "Candy Arts" as used in This License shall be deemed to refer to the successor or assignee from the date of such transfer.

10.6 License Modification

This License may only be modified by Candy Arts. Every past and current version is published at www.candy-arts.com.

Version Numbers

License versions are numbered a.b.c, meaning **Major Version**, **Sub-Version** and **Update**. For example, "Candy Dialogue Engine Usage License (1.0.3)" is Major Version 1, Sub-Version 0, Update 3.

Major Versions

Major Versions apply only to the matching major versions of This Asset. For example, a license titled "Candy Dialogue Engine Usage License (2.0.0)" would exclusively govern Candy Dialogue Engine 2.x.x and would not apply to Candy Dialogue Engine 1.x.x.

For all intents and purposes, license Major Versions are to be treated as different Candy Arts Licenses, intended for different Candy Arts Assets which happen to share a name. As such, any publication of any new Major Version is not considered a modification of This License.

Sub-Versions

Sub-Versions are significant modifications to This License.

Any new Sub-Versions shall only bind a Work and its Creators if the Creators agree to assign that Sub-Version to the Work.

Whenever a Sub-Version is assigned to a Work, it must be the latest published one. This applies when This License is first assigned to a Work, when Creators upgrade This License to another Sub-Version, and when a Work switches to a different Licensing Tier.

Updates

Updates are minor modifications to any Sub-Version of This License. Updates apply automatically and without approval from Creators: at all times, the terms of any given Sub-Version of This License are deemed to be the terms of the latest published Update.

Updates may only introduce limited modifications for administrative or legal purposes, including to correct errors, clarify language, reflect changes in the identity, structure, or ownership of Candy Arts or This Asset, or to comply with applicable laws or regulations. Updates may also increase the rights granted to Creators by This License or reduce their obligations under This License, and may not reduce these rights or increase these obligations. Any change that goes beyond these limits is not an Update and can only take effect as a new Sub-Version.

Updates are not required to be compatible with any other contractual obligations Creators may have entered with any Entities. Creators are fully responsible to ensure any contractual obligations they enter do not conflict with any potential future Updates to This License.

Creators who object to a new Update may contact Candy Arts within sixty (60) days of its publication to explain their objections. Depending on the nature of the objections, Candy Arts may grant Creators or their Works a limited period to be released from This License under §7.2, during which the previous Update's terms continue to apply. In all other cases, including where the release is not completed within the granted period, the new Update applies from its publication.

10.7 Liability

Candy Arts provides no warranties regarding the reliability, stability, performance, compatibility, or suitability of This Asset for any particular purpose, nor that This Asset will be free of defects, errors, or interruptions, nor that This Asset will meet the specific requirements or expectations of any Creator.

Except in cases of gross negligence or willful misconduct where such exclusion is not permitted by law, Candy Arts is not liable for any direct, indirect, incidental, consequential, special, or exemplary

damages, including but not limited to loss of data, loss of profits, business interruption, reputational harm, or any other loss or damage arising from or related to the use of, or inability to use, This Asset or any Works.

The entire risk arising out of the use or performance of This Asset remains with the Creator. By using or Incorporating This Asset, Creators acknowledge that they are solely responsible for verifying the safety, integrity, and functionality of their own Works and for maintaining adequate backups and safeguards.

Any and all liability towards End-Users is assumed in full by the Creators of the Works and is not attributable to Candy Arts, even in circumstances involving This Asset.

10.8 Creator Contact Information

Candy Arts communicates with Creators by e-mail. Creators are responsible for maintaining a publicly disclosed e-mail address at which they, or a legal representative, can be contacted by Candy Arts. This address should preferably be provided within the Work, on pages where the Work is Distributed, and on any official website associated with the Work or its Creators.

The absence of such an address does not constitute a breach of This License; however, Creators bear full responsibility for any resulting inability of Candy Arts to contact them. Correspondence sent to a Creator's publicly disclosed address is deemed received upon sending.

Upon request, Creators must provide a valid postal address at which they or their legal representative can receive correspondence and service of legal documents.

Candy Arts is not required to contact Creators by any other means, including website contact forms, telephone, social media, or messaging platforms.

Where multiple Creators are associated with a Work, it is sufficient for Candy Arts to contact any one of them regarding matters related to that Work. The Creator so contacted is responsible for informing the other Creators in accordance with their own internal arrangements.

10.9 Candy Arts Communication

For matters that are not private or exclusive to specific Works or Creators, including the publication of new Sub-Versions or Updates of This License, Candy Arts must provide notice by publishing an announcement on the Candy Arts website (www.candy-arts.com) under the page titled "Announcements".

Publication on this page constitutes formal notice to all Creators of the information posted. Creators are expected to review this page at least once every thirty (30) days. Failure to do so does not constitute a breach of This License, but Creators are deemed to have received notice of all information older than thirty (30) days published thereon.

10.10 Lawful Use

Creators may only use This Asset in lawful manners and for lawful purposes. Creators are fully responsible for ensuring their use of This Asset and any use of their Works comply with all applicable laws.

10.11 No Vetting or Endorsement

Candy Arts does not review, monitor, supervise, or approve any Work in which This Asset is Incorporated.

The Incorporation of This Asset within a Work, or any crediting or acknowledgment of Candy Arts, must not be interpreted as endorsement, approval, sponsorship, partnership, or association by Candy Arts.

10.12 Development and Support

Candy Arts is not obligated to provide technical support, customization, maintenance, bug fixes, updates, upgrades, or future versions of This Asset.

10.13 Suggestions and Feedback

Candy Arts welcomes suggestions, feedback, or ideas regarding This Asset.

However, by submitting any such materials, the submitting party acknowledges and agrees that:

a) All suggestions, feedback, and ideas are deemed non-confidential and non-proprietary.

b) Candy Arts has no obligation to review, acknowledge, consider, or implement any submission.

c) Candy Arts owes no form of compensation, credit, or attribution for the use, partial use, or non-use of any submitted materials.

d) Candy Arts has the unrestricted right to use, reproduce, modify, adapt, distribute, or otherwise exploit any suggestions, feedback, or ideas for any purpose, commercial or otherwise, without limitation or obligation.

10.14 False Representation

Candy Arts bears no responsibility for any false, mistaken, or fraudulent representation made by any individual or organization regarding their ownership of, rights to, authorship of, or association with a Work.

Where an individual or organization is found to have obtained, used, or Distributed a Work without authorization from its lawful rights holders, any resulting obligations and liabilities, including any compensation owed to those rights holders, must be resolved directly between the parties concerned. Candy Arts is not required to refund, return, or otherwise compensate any party for payments received in good faith under This License from such an individual or organization.

10.15 Multiple Creators

Where multiple Creators are bound by This License with respect to the same Work, all Creators are collectively responsible for ensuring that the Work and each of its Creators remain in compliance with This License at all times, and are jointly and severally liable toward Candy Arts for any non-compliance.

Candy Arts may rely on any action taken or statement made by a Creator regarding a Work as valid and binding on that Work and all of its Creators, including where that Creator has misrepresented their rights, authority, or control over the Work.

Creators associated with the same Work are solely responsible for establishing their own internal agreements and governance to ensure compliance with This License. Such agreements do not bind Candy Arts, and Candy Arts is not responsible for resolving disputes between Creators, verifying the distribution of rights and authority among them, or allocating fault for any breach of This License.