

07-08-2002



Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

102146843

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Huish Family Fun Centers, Inc.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State California, Other

Additional name(s) of conveying party(ies) attached? Yes No

- Nature of conveyance: Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: July 14, 1998

2. Name and address of receiving party(ies) Name: Festival Fun Parks, LLC Internal Address: c/o Palace Entertainment Suite 900 Street Address: 18300 Von Karman Ave., City: Irvine State: CA Zip: 92612

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State, Other limited liability company - DE

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,192,996 2,192,994 2,515,958 2,202,446 2,493,713

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Josh S. Ridout

Internal Address:

Street Address: Paul, Hastings, Janofsky & Walker LLP 555 So. Flower St., 23rd Flr

City: Los Angeles State: CA Zip: 90071-2371

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41): \$ 140

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

1609652

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Josh S. Ridout Name of Person Signing

Signature

6/28/02 Date

Total number of pages including cover sheet, attachments, and document: 9

07/08/2002 LMUELLER 00000039 2192996

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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40.00 OP 100.00 OP

TRADEMARK REEL: 002538 FRAME: 0487

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY
AND ASSETS AND JOINT ESCROW INSTRUCTIONS

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND ASSETS AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is made as of the ____ day of July, 1998, by and between HUI SH FAMILY FUN CENTERS, INC., a California corporation ("Seller"), and FESTIVAL FUN PARKS, LLC., a Delaware limited liability company ("Purchaser").

R E C I T A L S

a. Seller owns and operates certain family fun centers (collectively, the "Centers") located in Escondido, Vista, El Cajon, Fountain Valley, Upland, San Diego, and Anaheim, California which provide amusement and entertainment activities including, without limitation, miniature golf, arcade and video games, batting cage, go-carts, Kidopolis play areas, laser tag, hard ride parks, softplay and bumper boats, and also provide food and beverage service (collectively, the "Business").

b. The Centers in Escondido and Vista are located on land the fee interest in which is owned by the operator thereof and is being purchased by Purchaser hereunder (collectively, the "Purchased Real Property") and the other Centers are located on land currently leased by the operator thereof from affiliates of Seller under existing ground leases (each an "Existing Ground Lease" and collectively, the "Existing Ground Leases") which Existing Ground Leases are to be terminated pursuant to the terms hereof and replaced with New Ground Leases (as defined below) (the "Leased Real Property"; together the Leased Real Property and the Purchased Real Property are referred to herein as the "Real Property"), as each is more particularly described on Schedule 1.

c. Seller and Purchaser desire that Seller sell to Purchaser, and Purchaser desires to purchase from Seller, all of the improvements on and to the Real Property and all of the assets utilized in connection with the Business (collectively, the "Assets"), except for the Excluded Assets and the Excluded Liabilities (each as defined herein).

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby mutually covenant and agree as follows:

ARTICLE I

PURCHASE AND SALE OF REAL PROPERTY AND ASSETS: ASSUMPTION OF ASSUMED LIABILITIES

1.1 Purchase and Sale of the Real Property and Assets. Subject to the terms and conditions set forth herein, at the Closing (as hereinafter defined), Seller agrees to sell, convey, assign, transfer and deliver to Purchaser, and Purchaser agrees to purchase from Seller, free and clear of all liens, mortgages, rights, charges, security interests, claims, restrictions, easements and encumbrances of any kind or nature whatsoever (collectively, "Liens") other than the Permitted Exceptions (as defined below), all of Seller's right, title and interest in and to the Real Property and the Assets. The Real Property and the Assets include, without limitation:

(a) fee interests in the Purchased Real Property and leasehold interests in the Leased Real Property under those certain ground leases, the form of which is attached hereto as Exhibit 1.1(a), to be executed at Closing (each a "New Ground Lease" and collectively, the "New Ground Leases") by Purchaser and the respective owners of the Leased Real Property, as set forth on Schedule 1.1(a);

(b) all physical equipment, furniture, fixtures, machinery, amusement games, food operations, and all other tangible personal property used in the conduct of the Business, including hand tools and office equipment (collectively, the "Physical Assets");

(c) any and all leasehold interests in any assets (other than real property and the Excluded Assets) leased by Seller (collectively, the "Leased Assets") pursuant to equipment or other leases (collectively, the "Equipment Leases"), a list of which is set forth on Schedule 1.1(c);

(d) all of the buildings, structures, appurtenances and other improvements on and to the Real Property (collectively, the "Improvements");

(e) the inventory of Seller (collectively, the "Inventory");

(f) all of Seller's right, title and interest in and to, and all claims and rights under, contracts, instruments, purchase and sale orders and other agreements related to the Business, including without limitation intangible and intellectual property owned or licensed by Seller and used by Seller in the conduct of the Business (collectively, the "Intangible Assets"), including without limitation, the Bullwinkle's License (as defined below), trade secrets, trade names, operational systems and methods, design features, architectural plans, software, marketing and promotional materials, logos, facility plans,

training materials and facility opening materials, a list of which is set forth on Schedule 1.1(f);

(g) that certain License Agreement from Filmtel International Corp., as licensor, to David L. Brown III, as licensee, dated as of January 3, 1980 (as amended, the "Bullwinkle's License"), which will grant Purchaser and its affiliates the right to use the Cartoon Characters identified therein at any current or future Restaurant (as such defined terms are defined in the Bullwinkle's License); provided, that Purchaser shall grant Seller the sublicense described in Section 1.2(b);

(h) accounts receivable of the Business extant as of the Closing Date other than (i) the account receivable (the "Bullwinkle's International Account Receivable") in the amount of approximately \$80,000 owed by Bullwinkle's International, a California corporation ("Bullwinkle's International") to Seller, and (ii) accounts receivable of the Business owed by customers with respect to group events occurring prior to the Closing Date (collectively, the "Receivables");

(i) cash in an amount of approximately \$80,000 constituting all of the cash on hand at the Seller's locations at 12:01 a.m. on the Closing Date used in operating the Business in the ordinary course, including without limitation cash in cash registers, token machines and automatic teller machines (collectively, the "Cash On Hand"); and

(j) all of Seller's right, title and interest in and to all other tangible and intangible property, rights or assets relating directly to the Business or shown as an asset on the Fiscal 1998 HFFC Balance Sheet (collectively, the "Other Assets"), including, without limitation, all of the assets of Bullwinkle's Partnership #1 and Bullwinkle's Partnership #2 & #3, a California Limited Partnership, (collectively, the "Bullwinkle's Partnerships") and Seller's twenty-six percent (26%) interest in Bullwinkle's International.

1.2 Exclusion of Excluded Assets. Notwithstanding Section 1.1, Seller shall not sell and Purchaser shall not purchase any of the following assets (the "Excluded Assets"):

(a) Any of Seller's interest in the projects/family fun centers located in Wilsonville, Oregon and Seattle (Tukwila), Washington, specifically including any and all amounts advanced or obligations paid or investments made by Seller in either project;

(b) A sub-license from Purchaser to Seller of the Bullwinkle's License executed at Closing, which will entitle Seller to utilize the Bullwinkle's License in its entirety at any current or future restaurant operated by Seller after the Closing;

(c) Seller's continuing right to utilize the other Intangible Assets at any current or future family fun center or other operation operated by Seller following completion of the transactions contemplated hereunder, subject to Purchaser's continued right to use such Intangible Assets in the operation of the Business and the non-competition agreement attached hereto as Exhibit 8.1(g)-1;

(d) Seller's retention of certain tools and equipment as set forth in Schedule 1.2(d) for construction of new improvements upon its retained real property or at subsequent locations;

(e) Except the Cash On Hand as provided in Section 1.1(i), all of Seller's cash;

(f) Seller's right, title and interest in and to the condominiums set forth on Schedule 1.2(f);

(g) The Bullwinkle's International Account Receivable; and

(h) All of Seller's right, title and interest in and to the 1992 Acura Legend LS and the 1996 Chrysler Van LXI currently used by John Huish and his wife.

1.3 Limited Assumption of Liabilities. On the terms and subject to the conditions set forth herein, at the Closing, Purchaser shall assume, and agrees to pay, perform and discharge in due course, only those liabilities and obligations of Seller with respect to (i) the Equipment Leases, (ii) the Bullwinkle's License and the written agreements set forth in Schedule 1.3 pertaining to the Bullwinkle's Partnerships, and (iii) those contracts, agreements and other instruments set forth on Schedule 1.3 (the "Contracts"); but in each case only to the extent of obligations under (i), (ii) or (iii) accruing and relating to periods after the Closing Date (collectively, the "Assumed Liabilities"). The Assumed Liabilities shall be assigned by Seller and assumed by Purchaser pursuant to an assignment and assumption agreement in the form attached as Exhibit 1.3 (the "Assignment and Assumption of Liabilities"). Except for the Assumed Liabilities, Purchaser shall not assume, or have any responsibility whatsoever for, any debt, liability, obligation, commitment of any nature, whether now or hereafter existing, absolute, contingent or otherwise, known or unknown, relating to Seller, the Real Property, the Assets or the Business. Without limiting the generality of the foregoing, Purchaser shall not assume or have any responsibility whatsoever for any of the following liabilities and obligations: (i) any liability of Seller for any federal, state or local taxes with respect to the Real Property, the Assets or the Business; (ii) any liability of Seller to third parties resulting from the negotiation of this Agreement and the consummation of the transactions contemplated hereby; (iii) any liability related to the Excluded Assets or any obligation or liability not expressly assumed with respect to the Bullwinkle's Partnerships or Bullwinkle's International; (iv) Seller's Payables (as hereinafter defined); and (v) any other liability of Seller with respect to the Real Property, the Assets or

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement, or has caused this Agreement to be executed on its behalf by a representative duly authorized, all as of the date first above set forth.

SELLER:

HUIH FAMILY FUN CENTERS, INC.,
a California corporation

By: _____

Its: _____

PURCHASER:

FESTIVAL FUN PARKS, LLC,
a Delaware limited liability company

By: FEC Holding Company, Inc.,
a Delaware corporation

Its: Member

By: Michael C. Manno

Its: VICE PRESIDENT

Escrow Holder acknowledges receipt of the foregoing Agreement and accepts and agrees to be bound by the instructions contained therein in consideration for being designated as Escrow Holder thereunder.

Dated: _____, 1998.

CHICAGO TITLE COMPANY,
a California corporation

By: _____

Its: _____

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement, or has caused this Agreement to be executed on its behalf by a representative duly authorized, all as of the date first above set forth.

SELLER:

HUISSH FAMILY FUN CENTERS, INC.,
a California corporation

By: John M. Hui

Its: President
7/14/98

PURCHASER:

FESTIVAL FUN PARKS, LLC,
a Delaware limited liability company

By: FEC Holding Company, Inc.,
a Delaware corporation

Its: Member

By: _____

Its: _____

Escrow Holder acknowledges receipt of the foregoing Agreement and accepts and agrees to be bound by the instructions contained therein in consideration for being designated as Escrow Holder thereunder.

Dated: _____, 1998.

CHICAGO TITLE COMPANY,
a California corporation

By: _____

Its: _____

SCHEDULE 1.1 (f) INTANGIBLE ASSETS

Bullwinkle's License (as defined in the Agreement)

Miscellaneous Trademarks (see attached)

The following marks are the subject of applications for registration filed by Huish Family Fun Centers, Inc. on the Principal Register with the United States Patent and Trademark Office ("PTO") as follows (see attached copies of applications filed with PTO):

<u>Mark</u>	<u>Application #</u>	<u>Date Filed</u>
BULLWINKLE'S	#74/421,561	August 4, 1993
BULLWINKLE'S and Design	#74/421,486	August 4, 1993
HUISH FAMILY FUN CENTERS	#75/099,205	May 6, 1996
KIDOPOLIS	#75/099/200	May 6, 1996
Diamond Shaped Logo	#75/102,605	May 10, 1996

LA/284535.18