

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Cinemaware, Inc.		10/06/2005	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	eGames, Inc.		
Street Address:	2000 Cabot Blvd. West		
Internal Address:	Suite 110		
City:	Langhorne		
State/Country:	PENNSYLVANIA		
Postal Code:	19047		
Entity Type:	CORPORATION: PENNSYLVANIA		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Serial Number:	78578918	CROSS OF IRON	
Registration Number:	2632067	CINEMAWARE	
Registration Number:	2753361	DEFENDER OF THE CROWN	
Registration Number:	2854102	ROBIN HOOD DEFENDER OF THE CROWN	
Registration Number:	2735691	HEROES LIVE FOREVER	
CORRESPONDENCE DATA			
Fax Number:	(215)750-3722		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	215 750-6606 x127		
Email:	sboudreau@egames.com		
Correspondent Name:	Susan Boudreau, Esq.		
Address Line 1:	2000 Cabot Blvd. West		
Address Line 2:	Suite 110		
Address Line 4:	Langhorne, PENNSYLVANIA 19047		

OP \$140.00 78578918

NAME OF SUBMITTER:	Susan Boudreau
Signature:	/Susan Boudreau/
Date:	10/17/2005

Total Attachments: 12

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ASSET PURCHASE AGREEMENT

AMONG

eGAMES, INC.

AND

CINEMAWARE, INC.

AND

LARS FUHRKEN-BATISTA

OCTOBER 6, 2005

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is entered into as of October 6, 2005 among **eGAMES, INC.**, a Pennsylvania corporation ("Purchaser"), **CINEMAWARE, INC.**, a California corporation ("Seller"), and **LARS FUHRKEN-BATISTA**, the principal shareholder of Seller ("Shareholder").

RECITALS

A. Seller is presently engaged in the business of designing, developing, distributing and selling interactive entertainment software products for game platforms and the Internet.

B. Seller desires to Transfer (as hereinafter defined) to Purchaser, and Purchaser desires to purchase from Seller, all of the assets owned or held for use by Seller or used by Seller in connection with acquiring, designing, developing, distributing, promoting and/or selling interactive entertainment software products for various game platforms and the Internet (referred to herein as the "Products" or the "Business"), other than the Excluded Assets (as hereinafter defined), on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the respective representations, warranties, covenants, agreements and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

ARTICLE I DEFINITIONS

Unless otherwise defined herein or the context otherwise requires, the terms defined in this Article I shall have the meanings herein specified for all purposes of this Agreement, applicable to both the singular and plural forms of any of the terms herein defined. Unless otherwise indicated, any reference herein to a Section, Article, Exhibit or Schedule shall mean the applicable section, article, annex or schedule of or to this Agreement. All accounting terms used in this Agreement not defined in this Article I shall, except as otherwise provided for herein, be construed in accordance with generally accepted accounting principles, consistently applied.

"Action" shall mean any actual or threatened claim, action, suit, arbitration, hearing, inquiry, proceeding, complaint, charge or investigation by or before any Person, Governmental Entity or arbitrator and any appeal from any of the foregoing.

"Affiliate" of a Person shall mean any Person that directly or indirectly controls, is controlled by, or is under common control with, the indicated Person.

"Agreement" shall mean this Asset Purchase Agreement, together with all Schedules and Exhibits hereto.

"Approvals" shall have the meaning given to such term in Section 2.1(d) hereof.

"Assets" shall have the meaning given to such term in Section 2.1 hereof.

"Assumed Contract" shall have the meaning given to such term in Section 2.8(a) hereof.

"Assumed Liabilities" shall have the meaning given to such term in Section 2.8 hereof.

"Balance Sheet Date" shall have the meaning given to such term in Section 3.5 hereof.

"Business" shall have the meaning given to such term in the preamble of this Agreement.

"Claim" shall have the meaning given to such term in Section 7.3 hereof.

"Claim Notice" shall have the meaning given to such term in Section 7.3 hereof.

"Closing" shall have the meaning given to such term in Section 2.5 hereof.

"Closing Date" shall have the meaning given to such term in Section 2.5 hereof.

"Closing Stock Payment" shall have the meaning given to such term in Section 2.4(a) hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Contracts" shall have the meaning given to such term in Section 2.1(b) hereof.

"Damages" shall mean any and all losses, liabilities, obligations, costs, expenses, damages or judgments of any kind or nature whatsoever (including reasonable attorneys', accountants' and experts' fees, disbursements of counsel, and other costs and expenses incurred pursuing indemnification claims under Article IX hereof).

"eGames Stock" shall have the meaning given to such term in Section 2.3 hereof.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall mean any Person which is (or at any relevant time was) a member of a controlled group of corporations within the meaning of Code Section 414(b), all trades or businesses under common control within the meaning of Code Section 414(c), and all affiliated service groups within the meaning of Code Section 414(m), of which Seller is (or at any relevant time was) a member.

"Escrow Account" shall have the meaning given to such term in Section 2.4(b) hereof.

"Escrow Agent" shall have the meaning given to such term in Section 2.4(b) hereof.

"Escrow Agreement" shall have the meaning given to such term in Section 2.4(b) hereof.

"Escrow Stock" shall have the meaning given to such term in Section 2.4(b) hereof.

"Exchange Act" shall have the meaning given to such term in Section 4.3 hereof.

"Excluded Assets" shall have the meaning given to such term in Section 2.2 hereof.

"\$.50 Per Share Warrant" shall have the meaning given to such term in Section 2.3 hereof and shall be in the form attached hereto as Exhibit C.

"Financial Statements" shall have the meaning given to such term in Section 3.4(a) hereof.

"Governmental Entity" shall mean any local, state, federal or foreign (i) court, (ii) government or (iii) governmental department, commission, instrumentality, board, agency or authority, including, without limitation, the IRS and other taxing authorities.

"Intellectual Property" shall have the meaning given to such term in Section 2.1(c).

"Knowledge" shall mean (a) knowledge of any of the senior management of Seller, including Lars Batista, and (b) the knowledge that any of such persons would be reasonably expected to have after making inquiry of those persons employed by such party who would reasonably be expected to have knowledge of the issue in question.

"Legal Requirement" shall mean any statute, law, ordinance, rule, regulation, permit, order, writ, judgment, injunction, decree or award issued, enacted or promulgated by any Governmental Entity or any arbitrator.

"Lien" shall mean all liens (including judgment and mechanics' liens, regardless of whether liquidated), mortgages, assessments, security interests, easements, claims, pledges, trusts (constructive or other), deeds of trust, options or other charges, encumbrances or restrictions.

"Material Adverse Effect" shall mean any event, change or effect that is (or could reasonably be expected to be) materially adverse to the Assets or the Business or to Purchaser's ability to continue to operate the Business as operated prior to the Closing.

"Noncompetition Agreements" shall mean the Noncompetition Agreements in the forms attached hereto as Exhibit B and Exhibit B-1.

"Ordinary Course" shall mean, when used with reference to Seller, the ordinary and normal course of the operation of the Business, consistent with past practices.

"Owned Tangible Personal Property" shall have the meaning given to such term in Section 2.1(a) hereof.

"Pennsylvania Law" shall mean the Pennsylvania Business Corporation Law.

"Person" shall mean all natural persons, corporations, business trusts, associations, companies, partnerships and joint ventures.

"Plan" shall mean any employee benefit plan within the meaning of Section 3(3) of ERISA and any other written or oral employee plan (other than arrangements merely involving the payment of wages) which are or at any time have been established, maintained, or contributed to by Seller or any ERISA Affiliate for the benefit of current or former employees, with respect to which Seller or an ERISA Affiliate has or may in the future have any liability or obligation to contribute or make payments of any kind.

"Products" shall have the meaning given to such term in the preamble of this Agreement.

"Purchase Price" shall have the meaning given to such term in Section 2.3 hereof.

"Purchaser's Financial Statements" shall have the meaning given to such term in Section 4.6(b) hereof.

"Retained Liabilities" shall have the meaning given to such term in Section 2.9 hereof.

"Rule 144" shall have the meaning given to such term in Section 5.11 hereof.

"SEC" shall have the meaning given to such term in Section 4.6 hereof.

"SEC Filings" shall have the meaning given to such term in Section 4.6 hereof.

\$.75 Per Share Warrant" shall have the meaning given to such term in Section 2.3 hereof and shall be in the form attached hereto as Exhibit C-1.

"Shareholder" shall have the meaning given to such term in the preamble of this Agreement.

"Stock Consideration" shall have the meaning given to such term in Section 2.3 hereof.

"Subsidiary of a Person" shall mean any corporation, partnership, limited liability company, association or other business entity at least 50% of the outstanding voting power of which is at the time owned or controlled directly or indirectly by such Person or by one or more of such subsidiary entities, or both.

"Tax" shall mean all taxes, including without limitation all Federal, state, local or foreign income, gross receipts, license, payroll, unemployment, excise, severance, stamp, occupation,

premium, windfall profits, environmental (including, without limitation, taxes under Code Section 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), employment, disability, real property, personal property, ad valorem, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated tax or other tax, assessment or charge of any kind whatsoever, and any interest, fine, penalty or addition thereto, whether disputed or not.

"**Tax Return**" shall mean any return, declaration, report, claim for refund or information, or statement relating to Taxes, and any exhibit, schedule, attachment or amendment thereto.

"**Third Party Claim**" shall have the meaning given to such term in Section 7.3 hereof.

"**Transfer**" shall have the meaning given to such term in Section 2.1 hereof.

"**Warrant Consideration**" shall have the meaning given to such term in Section 2.3 hereof.

ARTICLE II

PURCHASE AND SALE OF ASSETS

2.1 **Purchase and Sale of Assets**. On the terms and subject to the conditions hereof, at the Closing, Seller will sell, transfer, grant, convey, assign and deliver ("Transfer") to Purchaser, and Purchaser will purchase and accept from Seller, the rights, properties and assets owned by Seller in connection with the operation or conduct of the Business as of the date hereof, or acquired by Seller in connection with the operation of the Business between the date hereof and the Closing Date, including, but not limited to, the rights, properties and assets described in this Section 2.1 (collectively the "Assets"):

(a) **Personal Property**. The software, files, books and records, and all other tangible personal property owned by Seller in connection with the operation of the Business as of the date hereof or acquired by Seller in connection with the operation of the Business between the date hereof and the Closing Date, including those items listed or described on Schedule 2.1(a), except for property excluded under Section 2.2 (collectively, the "Owned Tangible Personal Property");

(b) **Contract Rights**. All rights and incidents of interest of Seller existing as of the date hereof or acquired by Seller between the date hereof and the Closing Date in, to or under all licenses, leases, agreements, customer orders, contracts, written or verbal (including product warranty claims, rebates and indemnity or other rights of action against any person arising out of acts, omissions or occurrences before, at or after the Closing), prepaid items, deposits and refunds relating to the Business, including those items listed on Schedule 2.1(a) (collectively, the "Contracts");

(c) **Intellectual Property**. The entire right, title and interest of Seller existing as of the date hereof or acquired by Seller between the date hereof and the Closing Date in

connection with the operation of the Business or used by Seller in connection with the operation of the Business in, to or under (i) all United States, international and foreign patents and applications therefor and all reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof, (ii) all software, licenses, artwork, drawings and renderings, inventions (whether patentable or not), invention disclosures, improvements, trade secrets, proprietary information, know how, technology, technical data and customer lists, and all documentation relating to any of the foregoing, (iii) all copyrights, copyright registrations and applications therefor, and all other rights corresponding thereto throughout the world, (iv) all industrial designs and any registrations and applications therefor, (v) all trade names, logos, common law trademarks and service marks, trademark and service mark registrations and applications therefor, (vi) all databases and data collections and all rights therein, (vii) Seller's list of customer prospects pertaining to the Business, (viii) all moral and economic rights of authors, musicians, composers and inventors, however denominated, and (ix) any similar or equivalent rights to any of the foregoing (as applicable) (collectively, the "Intellectual Property");

(d) Governmental Licenses, Permits and Approvals. To the extent transferable, all rights and incidents of interest of Seller existing as of the date hereof or acquired by Seller between the date hereof and the Closing Date in, to or under all licenses, permits and authorizations (collectively, the "Approvals") issued or requested to be issued by any Governmental Entity or other board or agency (e.g. the Entertainment Software Rating Board) in connection with the operation of the Business;

(e) Books and Records. Copies of all books, records, ledgers, files, documents, correspondence, studies, reports and other documents of Seller relating to the Business or the Assets; and

(f) Goodwill. The goodwill of the Business.

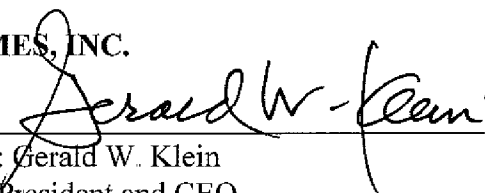
2.2 Excluded Assets Notwithstanding anything contained in this Agreement to the contrary, the following rights, properties and assets (collectively, the "Excluded Assets") will not be included in the Assets: any and all rights to future royalties that may be payable under (i) the May 28, 2004 agreement between Seller and Zoo Digital Publishing Ltd. relating to exclusive distribution rights in certain territories for the Game Boy Advance versions of *Defender of the Crown* and (ii) the April 8, 2004 agreement between Bethesda Softworks LLC and Seller relating to a casino title for PS2 and Xbox developed by Seller for Bethesda Softworks LLC

2.3 Purchase Price. Purchaser will pay for the Assets and Business an aggregate purchase price of (i) such number of shares of restricted common stock of Purchaser (the "eGames Stock") equal to \$300,000 divided by the average closing "ask" quotation of a share of eGames Stock on the OTC BB for (i) the five (5) trading days prior to the date of this Agreement and (ii) the five (5) trading days ending one trading day prior to the Closing, but in no event less than 600,000 shares or more than 855,000 shares (the "Stock Consideration"), (ii) a warrant for the purchase of 150,000 shares of Purchaser's common stock at an exercise price of \$.50 per share (the "\$.50 Per Share Warrant") and (iii) a warrant for the purchase of 150,000 shares of Purchaser's common stock at an exercise price of \$.75 per share (the "\$.75 Per Share Warrant"; together with the \$.50 Per Share Warrant, the "Warrant Consideration" and, together with the

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.

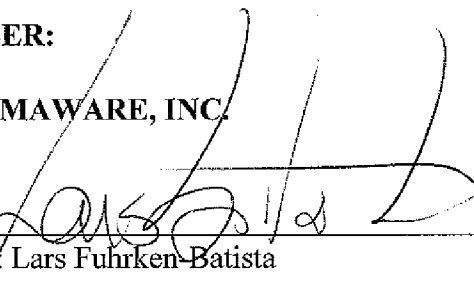
PURCHASER:

eGAMES, INC.

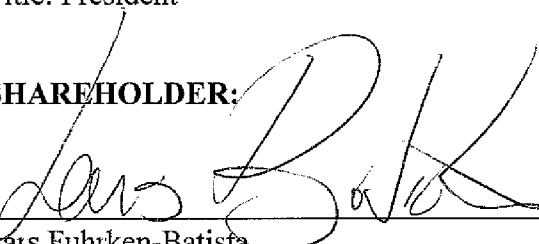
By: 
Name: Gerald W. Klein
Title: President and CEO

SELLER:

CINEMAWARE, INC.

By: 
Name: Lars Fuhrken-Batista
Title: President

SHAREHOLDER:


Lars Fuhrken-Batista