

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	LICENSE		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
AMF Bowling Worldwide, Inc.		12/05/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Billiards Acquisition, Inc.		
Street Address:	The Anderson Group, Inc.		
Internal Address:	121 West Long Lake Road, 3rd Floor		
City:	Bloomfield Hills		
State/Country:	MICHIGAN		
Postal Code:	48034		
Entity Type:	CORPORATION: MISSOURI		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	2474248	HIGHLAND SERIES AMF LIMITED EDITION	
Registration Number:	2013389	AMF	
CORRESPONDENCE DATA			
Fax Number:	(202)659-1559		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(202) 659 - 6944		
Email:	MBergsman@dickinsonwright.com		
Correspondent Name:	Marc A. Bergsman		
Address Line 1:	Dickinson Wright PLLC		
Address Line 2:	1901 L Street, N.W., Suite 800		
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20036		
ATTORNEY DOCKET NUMBER:	047833-00021		
NAME OF SUBMITTER:	Marc A. Bergsman		

CH \$65.00 2474248

Signature:	/Marc A. Bergsman/
Date:	12/08/2005
<p>Total Attachments: 26</p> <p>source=amf trademark license#page1.tif source=amf trademark license#page2.tif source=amf trademark license#page3.tif source=amf trademark license#page4.tif source=amf trademark license#page5.tif source=amf trademark license#page6.tif source=amf trademark license#page7.tif source=amf trademark license#page8.tif source=amf trademark license#page9.tif source=amf trademark license#page10.tif source=amf trademark license#page11.tif source=amf trademark license#page12.tif source=amf trademark license#page13.tif source=amf trademark license#page14.tif source=amf trademark license#page15.tif source=amf trademark license#page16.tif source=amf trademark license#page17.tif source=amf trademark license#page18.tif source=amf trademark license#page19.tif source=amf trademark license#page20.tif source=amf trademark license#page21.tif source=amf trademark license#page22.tif source=amf trademark license#page23.tif source=amf trademark license#page24.tif source=amf trademark license#page25.tif source=amf trademark license#page26.tif</p>	

TRADEMARK LICENSE AGREEMENT

TRADEMARK LICENSE AGREEMENT

THIS AGREEMENT (“**Agreement**”) is made on the 5th day of December, 2005 (the “**Effective Date**”).

BETWEEN:

- (1) **AMF BOWLING WORLDWIDE, INC.**, a company incorporated under the laws of Delaware (“**Licensor**”); and
- (2) **BILLIARDS ACQUISITION, INC.**, a corporation organized under the laws of the state of Missouri (“**Licensee**”).

WHEREAS:

- (A) Licensor has over a number of years established considerable goodwill and reputation in connection with the production, distribution and sale to retail dealers and distributors in the United States and Canada of a variety of residential, commercial, semi-custom and custom slate billiards and game tables and accessories, and related billiards products under the Trademarks (as defined below).
- (B) Licensor owns the Trademarks as set forth on Schedule 1 attached hereto and all goodwill associated therewith.
- (C) Pursuant to the Asset Purchase Agreement between Licensee and AMF Billiards & Games, LLC (“**Billiards & Games**”) dated December 5, 2005 (the “**Asset Purchase Agreement**”), Licensee acquired the assets of Billiards & Games, which assets exclude the Trademarks.
- (D) As the Trademarks are used in connection with the Billiards & Games business, Licensee desires to obtain and Licensor is willing to grant to Licensee a license to use the Trademarks in respect of the Billiards & Games business in accordance with the terms and conditions set out in this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

- 1.1. Unless the context dictates otherwise, the following terms, as used in this Agreement shall have the following meanings:

“**Business Name**” means a registered business name in any state or territory of the Territory;

“**Change of Control**” means (i) the direct or indirect sale or transfer of all or substantially all of the assets used in the production and distribution of the Licensed Goods and Services of Licensee; (ii) merger of Licensee with or into any third party, whether in one or a series of transactions, after which the holders of Licensee’s

outstanding shareholdings immediately prior to such transaction own or control less than a majority of the voting shareholdings of the resulting surviving entity(ies); or (iii) a sale of shares of Licensee in a single or series of related transactions that results in more than fifty percent (50%) of the voting shares of such Licensee being owned by or controlled by persons who were not shareholders of Licensee immediately prior to such transaction or series of related transactions;

“Competitor” means any manufacturer, distributor, supplier or affiliates thereof, or any other person or entity whose business substantially consists of (i) the operation of bowling centers, including, without limitation, ancillary entertainment services in the nature of billiards and amusement center services that include video and coin operated games; (ii) the sale and/or supply of any bowling related products, including, without limitation, any apparatus and machines used in bowling and skittle games, computerized bowling scoring machines and displays, pinspotting apparatus and machines, bowling ball handling and conveying machines and apparatus, bowling lane maintenance apparatus and machinery, lane dressing apparatus and machinery, bowling furniture (for instance, scoring tables, chairs, stools and benches), bowling related clothing, bowling footwear, bowling headwear, bowling related sporting articles, bowling balls, bowling pins and bowling alleys/corridors; or (iii) the sale and/or supply of any Computer Games.

“Computer Games” means residential and commercial video amusement and entertainment games and game table systems (including parts and accessories therefor) wherein the primary elements of operation are digitally driven by application hardware and software; including any game or system that includes digitally driven integrated systems generally, video monitors, electronic boards, central processing units or similar components that depict or contain video streams.

“Domain Name” means the domain name described in Schedule 2;

“Excluded Field of Use” means use in connection with:

1. bowling center, family entertainment center and amusement center services, including the operation of bowling centers, family entertainment centers and amusement arcades;
2. entertainment services related to the operation of bowling centers, family entertainment centers and amusement arcades;
3. rental of bowlers’ equipment to customers;
4. bowling centers and/or any bowling related products and services, including, without limitation, any apparatus and machines used in bowling and skittle games, computerized bowling scoring machines and displays, pinspotting apparatus and machines, bowling ball handling and conveying machines and apparatus, bowling lane maintenance apparatus and machinery, lane dressing apparatus and machinery, commercial game room and commercial outdoor furniture, including bowling center furniture (for instance, scoring tables, chairs, stools and benches), bowling related clothing, bowling footwear, bowling

headwear, bowling related sporting articles, bowling balls, bowling pins and bowling alleys/corridors; bowling alley/center services, including the rental of bowling equipment, promoting and conducting bowling competitions, and retail services associated with all of the foregoing;

5. Computer Games;
6. with respect to the United Kingdom, the services and activities listed in Schedule 3 attached hereto (the "Other Restricted Activities"); and
7. any other product, service or application outside of the Licensed Goods and Services.

"Licensed Goods and Services" means residential, commercial, semi-custom and custom slate billiards, pool, carom and snooker tables, and related billiards products and accessories (including instructional videos and DVDs), residential game tables and accessories, as well as product lines of residential game room and residential outdoor furniture, as well as the operation of wholesale distribution centers distributing only Licensed Goods and Services;

"Name" means the name "AMF Billiards" and any variations thereof including the same phrase (e.g., AMF Billiards and Games);

"Promotional Materials" means all materials used in the promotion of, or otherwise in connection with, the Licensed Goods and Services (whether written or recorded in any other medium) and includes artwork, advertising materials, display materials, brochures, posters and internal and external signage;

"Retained Websites" shall have the meaning given to it in Section 2.1;

"Taxes" means any taxes or duties established by any government, government agency or other regulatory body, including, if applicable, any value added tax but excluding any taxes payable on the income of Licensor;

"Term" shall have the meaning given to it in Section 8.1;

"Territory" means worldwide;

"Trademarks" means the registered and unregistered Trademarks listed on Schedule 1;

"URL" means universal resource locator, the computer internet address of a website;

"Use Guidelines" shall mean Licensor's guidelines as to use of the Trademarks as notified by Licensor to Licensee; and

"Website" shall have the meaning given to it in Section 2.1.3.

1.2. Headings of Sections are for ease of reference and shall not affect the interpretation of this Agreement.

2. LICENSE

2.1. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee:

2.1.1. an exclusive, sublicensable (to the extent necessary for the routine business activities of Licensee in relation to the Licensed Goods and Services, including for the operation of promotions, the production of Promotional Materials and for advertising the Licensed Goods and Services, and as permitted under Section 2.3 only), royalty-free license to use the Trademarks in the Territory only in connection with the Licensed Goods and Services, including in the Promotional Materials and the Website, for the Term (subject to early termination pursuant to Section 8.2.3) but, for the avoidance of doubt, excluding any use in or in relation to the Excluded Field of Use;

2.1.2. the right to register and use Business Names that incorporate the Name for the Term (subject to early termination pursuant to Section 8.2) and only in connection with an entity owned or operated by Licensee (other than a Competitor) that offers the Licensed Goods and Services under the Trademarks and not, for the avoidance of doubt, in connection with the Excluded Field of Use, provided that upon the termination (for whatever reason) or expiration of this Agreement, Licensee (at Licensee's expense) shall take all necessary steps (including, without limitation, executing and delivering such applications, agreements or other documents as may be necessary for such purposes) to transfer or assign the Business Names to Licensor; and

2.1.3. a non-exclusive, sublicensable (to the extent necessary for the routine business activities of Licensee in relation to the Licensed Goods and Services, including for the operation of promotions, the production of Promotional Materials and for advertising the Licensed Goods and Services, and as permitted under Section 2.3 only), royalty-free license to use the Domain Name for the Term (subject to early termination pursuant to Section 8.2.3) to host Licensee's website for the Licensed Goods and Services (the "**Website**") provided that:

(i) the Domain Name and the Website are only used in connection with the Licensed Goods and Services and are not used in connection with the Excluded Field of Use, including, without limitation, to promote, distribute or sell any product or good falling within the Excluded Field of Use (whether or not such product or good bear the Trademarks);

(ii) Licensee, at its own expense, creates a Link(s) on its Website to Licensor's website located at "amf.com". For purposes of this Agreement, a "Link" means a connection from one hypertext document to another

activated by clicking on the reference with a mouse so that the browser will display the target of the Link - which is a website; and

- (iii) the Website includes a disclaimer, in a form reasonably acceptable to Licensor, of any relationship or affiliation between Licensee and Licensor other than as a licensor and licensee.

For the avoidance of doubt, Licensor is not granting Licensee any right to use the domain name "*amf.com*" as it requires such domain name to operate websites relating to the Excluded Field of Use ("**the Retained Websites**"). Licensor shall, at Licensee's expense, create a Link(s) on the home page of the Retained Website to the Website, if such a Link does not already exist. If such a Link already exists, Licensor shall retain such Link and shall not disable or remove the Link. For purposes of this Agreement, a "Link" means a connection from one hypertext document to another activated by clicking on the reference with a mouse so that the browser will display the target of the Link, namely the Website. Licensor's and Licensee's consent to the establishment of a Link(s) pursuant to this Agreement shall not be construed to constitute endorsement or acceptance by either party of the content and information on the other party's website, and neither party represents or warrants the accuracy/quality of the content and information on the other party's website; and

2.2. Licensor and Licensee acknowledge and agree that:

2.2.1. except as otherwise expressly provided herein, the licenses granted to Licensee hereunder are granted in respect of the Licensed Goods and Services only and do not extend to include use in relation to the Excluded Field of Use;

2.2.2. the Licensed Goods and Services and the content of the Website shall not include or comprise anything of a pornographic, obscene, or illegal nature, or otherwise be contrary to public policy and/or public morals;

2.2.3. Licensor's consent to the establishment of a Link(s) pursuant to this Agreement shall not be construed to constitute endorsement or acceptance by Licensor of the content and information on Licensee's Web Site, and Licensor does not represent or warrant the accuracy/quality of the content and information on Licensor's website; and

2.2.4. each party shall retain sole ownership of the content and materials on its respective website, including, but not limited to, its trademarks, service marks, trade names, symbols, logos, and copyrights. No licenses are granted to any of the foregoing except as expressly set forth in this Agreement. Any licenses will automatically terminate upon the termination of this Agreement.

2.3. Licensee shall be entitled to grant sublicenses of its rights hereunder to third parties (other than a Competitor) to use the Trademarks and the Domain Name in relation to the Licensed Goods and Services provided that Licensee first obtain Licensor's written consent and:

- 2.3.1. Licensee ensures that the terms and conditions of any such sublicenses contain terms and conditions substantially similar to those contained in this Agreement and which prohibit any further sublicensing;
- 2.3.2. Licensee ensures such sublicenses are governed by written sublicense agreements that name Licensor as an intended third party beneficiary of such agreements with rights to directly enforce the same;
- 2.3.3. any breach by a sublicensee shall be deemed a breach by Licensee for which Licensee shall be liable and against which Licensor can seek relief against Licensee directly;
- 2.3.4. Licensee ensures that any sublicense automatically terminates on:
 - (i) the termination of this Agreement; and/or
 - (ii) on the occurrence of any of the following events:
 - (a) the sublicensee directly or indirectly sells or transfers all or substantially all of its assets used in the provision of the Licensed Goods and Services to a third party other than to Licensee;
 - (b) the sublicensee merges with or into any third party, whether in one or a series of transactions, after which more than fifty percent (50%) of the voting shares of the resulting entity are owned or controlled by persons or entities which are not Licensee; or
 - (c) the shares of the sublicensee are sold in a single or series of related transactions that result in more than fifty per cent (50%) of the voting shares of such sublicensee being owned by or controlled by persons or entities which are not Licensee.
- 2.3.5. Licensor's consent shall not be unreasonably withheld, delayed or conditioned.
- 2.3.6. Unless Licensor shall have advised Licensee of its objection to a proposed sublicense within sixty (60) days of a written request to consent to a sublicense, Licensor shall be deemed to have consented to the sublicense.
- 2.4. Licensee shall ensure that the Licensed Goods and Services and all materials to which the Trademarks (including, without limitation, the Website) are applied shall at all times be in material compliance with applicable laws, and Licensed Goods and Services produced and distributed, the materials supplied, and the content of the Website shall not be detrimental to the reputation and goodwill of Licensor in the Trademarks.
- 2.5. Licensor shall have the right to:
 - 2.5.1. inspect during normal business hours and on reasonable notice Licensee's use of the Trademarks including, without limitation, any Promotional Materials;

- 2.5.2. request samples of any Promotional Materials;
- 2.5.3. request samples exhibiting, indicating or otherwise showing how the Trademarks are being used or are intended to be used, including, but not limited to, Promotional Materials and the content of the Website; and
- 2.5.4. request information;

in each case as reasonably required by Licensor to enable Licensor to confirm that Licensee is complying with this Agreement. Licensee will supply appropriate access, samples, lists or information to Licensor within thirty (30) days from receipt of Licensor's request.

- 2.6. Licensor shall have the right to review at any time the Website to confirm that the content of the Website is in compliance with this Agreement.
- 2.7. During the Term, Licensee shall ensure that all goods produced and/or sold under the Trademarks by Licensee and the content of the Website shall at all times be in compliance with the restrictions contained in this Agreement and that the goods produced and sold under the Trademarks be of a quality equal or better than that of the Licensed Goods and Services provided by Licensor under the Trademarks immediately prior to the Effective Date. Licensor agrees not to require any substantial or unreasonable modifications to the quality standards in effect as of the Effective Date. Notwithstanding anything to the contrary contained in this Agreement, the parties acknowledge and agree that Licensee's use of manufacturing facilities outside of the United States, alone, shall not imply a lower quality of goods in breach of this Section 2.7.
- 2.8. Licensee shall ensure that all materials on or in connection with which the Trademarks are used (including, without limitation, the Promotional Materials and the Website) shall state that the Trademarks are owned by Licensor and used by Licensee under license from Licensor. The foregoing shall not apply to any marketing or promotional material or literature existing as of the date of this Agreement that is transferred to Licensee under the Asset Purchase Agreement.
- 2.9. Without prejudice to any other right Licensor may have, Licensor may request by written notice to Licensee, that Licensee take remedial action to resolve any issues that Licensor may discover when conducting an audit or a review of the Website or at any other time (including, without limitation, any failure to meet the quality standards and/or the Use Guidelines where applicable), and Licensee shall take all reasonable steps necessary to comply with such request.

3. INTELLECTUAL PROPERTY

- 3.1. Licensee acknowledges and agrees that Licensor is the owner of all right, title and interest in and to the trademarks set forth in Table 1 on Schedule 1 and that Licensor is the lawful registrant of the Domain Name. Except as expressly provided herein, no right or license is granted to Licensee in respect of the Trademarks and/or the Domain Name.
- 3.2. All use of the Trademarks (whether before or after the Effective Date) by Licensee, and the goodwill associated therewith, shall inure to the benefit of Licensor. Licensee hereby assigns to Licensor any right, title and interest (other than the rights granted under this Agreement during the Term) they may have or acquire to the Trademarks and the Name respectively and any goodwill associated therewith whether before or after the Effective Date.
- 3.3. Licensee shall not directly or indirectly:
 - 3.3.1. do any act or omit to do any act which might impair or affect the validity of the Trademarks, their registration or goodwill, or in any way diminish the rights of Licensor in and to the Trademarks and/or Domain Name, or in any way debase the Trademarks and/or Domain Name, or reduce their commercial value to Licensor or Licensor's Group, or impair or affect any of Licensor's unregistered, common law or other rights in the Trademarks and/or Domain Name; and
 - 3.3.2. register or use or attempt to register or to use, other than as granted to Licensee hereunder or as otherwise mutually agreed to by the parties, any trademark, service mark, design, company name, trade name, URL or domain name, which may be identical to, similar to or comprise or include the Trademarks and/or Domain Name (in part or in whole).
- 3.4. During the Term, Licensor shall maintain the existing registrations associated with the Trademarks and the Domain Name in the Territory, provided however that Licensee (i) cooperates with Licensor in providing specimens of use and/or documentation in support of such maintenance, and (ii) shall reimburse Licensor in respect of all costs and expenses associated with such maintenance filings, including government filing fees and trademark agent and/or lawyers' fees together with any Taxes due thereon. Where any of the registered Trademarks and/or Domain Name is due for renewal, on the written request of Licensee, Licensor shall produce to Licensee a copy of the receipt for such renewal fees not later than three (3) months after the last day for such renewals. In the event that maintenance filing is for a multiple class trademark registration, Licensee shall be responsible for paying only the government fee and apportioned professional fees for the class(es) comprising the Licensed Goods and Services.
- 3.5. Licensee will be responsible (at Licensee's expense) for submitting applications to register Licensee as a permitted user or registered user of the registered Trademarks in respect of the Licensed Goods and Services in the Territory as applicable. Licensor agrees (at Licensee's expense) to execute and deliver to Licensee such applications, agreements or other documents as may be necessary for such purposes, provided

however, that such applications, agreements or other documents are not contrary to the terms of this Agreement.

3.6. Licensor agrees that during the Term, it will not abandon or allow to lapse the existing registered Trademarks and/or the Domain Name in the Territory except:

3.6.1. with the prior consent of Licensee; or

3.6.2. where Licensee has breached its obligations to provide Licensor with specimens or related materials necessary to maintain the registered Trademarks or to reimburse Licensor in respect of its costs and expenses related to the maintenance of such registered Trademarks and/or the Domain Name.

4. WARRANTIES AND LIMITATION OF LIABILITY

4.1. Each party represents and warrants to the other party that:

4.1.1. it has the power and authority to enter into this Agreement and to fully perform its obligations under this Agreement; and

4.1.2. so far as each party is aware, the performance by such party of its obligations under this Agreement will not conflict with any other agreement or obligation of such party to which such party is bound.

4.2. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY LOSS OF PROFIT AND/OR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST SAVINGS, LOST BUSINESS, BUSINESS INTERRUPTION, LOSS OF BUSINESS OPPORTUNITY AND/OR ANY SIMILAR COSTS) AND/OR ANY OTHER INDIRECT LOSS ARISING OUT OF THIS AGREEMENT WHETHER IN CONTRACT OR IN TORT EVEN IF THE LOSS WAS REASONABLY FORESEEABLE OR LICENSOR HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

4.3. The above exclusions shall apply to the fullest extent permitted by law, and nothing in this Agreement shall restrict the liability of either party for death or personal injury arising from that party's negligence, or fraudulent misrepresentation.

4.4. Except as set forth in Schedule 1, Licensor owns all right, title and interest in and to the Trademarks, and to Licensor's knowledge, no person or entity has or shall have any claim of ownership with respect to the Trademarks other than Licensor. Licensor is the lawful registrant of the Domain Name.

4.5. To Licensor's knowledge, the Trademarks do not violate, infringe or otherwise conflict or interfere with the proprietary rights of any third party in the countries wherein protected or used in connection with pool tables and related billiard products.

5. APPLICATIONS AND RENEWALS AND PAYMENT

- 5.1. Licensor shall invoice Licensee for any amounts due pursuant to Sections 3.4 and/or 3.5 hereunder together with any Taxes due thereon. On receipt of Licensor's invoice, Licensee shall pay by bank transfer to Licensor's designated account any amounts due pursuant to Sections 3.4 and/or 3.5 hereunder together with any Taxes due thereon within thirty (30) days.
- 5.2. Thereafter, Licensor shall have the right to charge interest on any outstanding amounts at three per cent (3%) per annum, or if lower, the maximum rate permitted by law.
- 5.3. Unless otherwise agreed with Licensor, Licensee shall make all payments under this Agreement in the currency the expenses are paid or are to be paid by Licensor.
- 5.4. If Licensee is required by applicable law to make any deductions or withholdings from payments to Licensor, for which Licensor may not reclaim a refund in the United States, Licensee shall pay such additional amounts to Licensor as may be necessary to ensure that the actual amounts received by Licensor after deductions or withholdings (and after payment of any additional Taxes due as a consequence of such additional amounts) shall equal the amount that would have been payable to Licensor if such deductions or withholdings were not required.

6. INFRINGEMENT

- 6.1. Each party shall promptly notify the other in writing of:
 - 6.1.1. any unauthorized or improper use by any person, entity or organization in the Territory of the Trademarks and activities which are likely to amount to infringement, misuse, passing-off or counterfeiting in respect of the Trademarks; and/or
 - 6.1.2. any allegations, claims or demands (actual or threatened) in respect of infringement of any third party trademark rights by reason of Licensee's use of the Trademarks.
- 6.2. Licensor may, at its sole discretion, bring an action based on infringement, misappropriation or misuse or passing off in the Territory in relation to the Trademarks and/or the Domain Name, at its own cost. Licensee shall provide such assistance to Licensor as may be reasonably required in connection with such proceedings.
- 6.3. In the event Licensor elects not to bring any action based on infringement, misappropriation or misuse or passing off in the Territory in relation to the Trademarks and/or the Domain Name, Licensee shall have the right, at its own cost, to pursue such action, including without limitation the right to seek an injunction. Licensor shall provide such assistance to Licensee, at Licensee's expense, as may be reasonably required in connection with such proceedings; provided, however, that any settlement or disposition of any such action initiated by Licensee shall require Licensor's prior written approval, which approval shall not be unreasonably withheld.

- 6.4 Any damages, awards or settlement monies actually received by Licensor pursuant to Section 6.2 upon the final judgment or settlement of any such action shall belong to Licensor. Any damages, awards or settlement monies actually received by Licensee pursuant to Section 6.3 upon the final judgment or settlement of any such action shall belong to Licensee.

7. INDEMNITY

- 7.1. Licensee shall indemnify, defend and hold harmless Licensor, its subsidiaries, affiliates, or successors, or their respective officers, directors, employees, and agents, harmless against any and all claims, actions, suits, liabilities, demands, expenses (including reasonable attorneys' fees and disbursements), losses, costs, or damages asserted against or incurred by such parties, arising out of or in connection with (a) the use of the Trademarks by Licensee and/or any permitted sublicensees whether in connection with the Licensed Goods and Services or otherwise and (b) the manufacture, sale, offer for sale, use or importation, of the Licensed Goods and Services.
- 7.2. The indemnity in Section 7.1 above shall not apply in respect of any losses, claims, damages, liabilities, expenses, demands, proceedings and costs which arise as a result of any act or omission of Licensor.
- 7.3. During the Term, Licensor shall indemnify, defend and hold harmless Licensee, its subsidiaries, affiliates, or successors, or their respective officers, directors, employees, and agents, harmless against any and all claims, actions, suits, liabilities, demands, expenses (including reasonable attorneys' fees and disbursements), losses, costs, or damages asserted against or incurred by such parties, arising out of or in connection with Licensor's use of the Trademarks in the Territory in breach of this Agreement, or for any claim by a third person that Licensee's use of the Trademarks infringes upon the proprietary rights of such third person.
- 7.4. The indemnity in Section 7.3 above shall not apply in respect of any losses, claims, damages, liabilities, expenses, demands, proceedings and costs which arise as a result of any act or omission of Licensee.

8. TERMINATION

- 8.1. Subject to early termination pursuant to Section 8.2.3, this Agreement shall be perpetual.
- 8.2. This Agreement may be terminated by Licensor by written notice to Licensee:
- 8.2.1. upon Licensee having a receiver, liquidator, administrator or administrative receiver appointed, ceasing to trade or having a winding-up order made against it, or passing resolutions for winding-up (other than for a solvent reconstruction or amalgamation) or making any composition or arrangement with creditors generally, or suffering or being subject to any analogous procedure in any applicable jurisdiction;
- 8.2.2. in the event that Licensee undergoes a Change of Control to a Competitor;

- 8.2.3. in the event that any breach or repeated breach of this Agreement by Licensee and/or any sublicensees is a material breach of this Agreement, and Licensee does not cure (or procure the sublicensee to cure) such breach within ninety (90) days of Licensee's receipt of a written notice from Licensor specifying such breach (except in the case of Licensee's failure to make a payment due to Licensor hereunder in which case the period of cure shall be thirty (30) days); provided that if such breach is capable of being rectified but incapable of being rectified within said ninety (90) days, Licensor shall delay taking action so long as Licensee shall be begun to rectify such breach within such period and thereafter proceeds diligently to complete the rectification of the breach and such breach is rectified within a reasonable period thereafter;
- 8.2.4. immediately upon written notice to Licensee if Licensee, directly or indirectly, issues proceedings of any kind to challenge the validity or Licensor's ownership of the Trademarks or registration of the Domain Name; or
- 8.2.5. in the event a sublicensee directly or indirectly, issues proceedings of any kind to challenge the validity or Licensor's ownership of the Trademarks or registration of the Domain Name, Licensor will notify Licensee of such action on the part of the sublicensee and Licensee shall have thirty (30) days to resolve the issue. If after thirty (30) days, the sublicensee does not withdraw its challenge to the validity or Licensor's ownership of the Trademarks or registration of the Domain Name, Licensor may upon written notice to Licensee immediately terminate the Agreement.
- 8.3. Termination of and/or expiration of this Agreement will not relieve or release any party from making payments or performing obligations which may be owing to the other party under the terms of this Agreement.
- 8.4. On termination of this Agreement (however arising), Licensee shall:
 - 8.4.1. pay to Licensor any amounts due under Sections 3.4 and/or 3.5 due and owing to Licensor but unpaid as at the date of termination or expiration together with any Taxes due thereon within thirty (30) days thereof;
 - 8.4.2. subject to Section 8.5 below, immediately (or if this is not possible, as soon as reasonably practical) cease using the Name, Trademarks, or any derivation thereof, in any form and delete the Name, Trademarks, or any derivation thereof, or any other words associated therewith, from their company names, business names, internal and external signage, Promotional Materials and any other materials. Any costs associated with the change of company name, business name, signage, Promotional Materials and any other materials shall be borne by Licensee.
- 8.5. Upon termination of this Agreement for any reason other than pursuant to Sections 8.2.3 and 8.2.4 hereof, Licensee shall have the right to (i) sell-off all inventory bearing the Trademarks, and (ii) exhaust existing Promotional Materials bearing the Trademarks, all

for a period of one hundred eighty (180) days from the date of termination. All of Licensee's obligations under this Agreement shall continue in effect for the duration of the foregoing one hundred eighty (180) day period.

- 8.6. The provisions of Sections 1, 3 (excluding Sections 3.4, 3.5, 3.6), 4, 7, 8.3, 8.4, 8.5, 8.6 and 10 shall survive any termination or expiration of this Agreement (however arising).

9. LAWS/REGULATIONS

- 9.1. Licensee will obey, comply and conform to all applicable laws and regulations and obtain in advance any and all appropriate government approvals, permits, licenses and the like pertaining to the operation, advertising and marketing of the Licensed Goods and Services.

10. MISCELLANEOUS

- 10.1. **Actions.** The parties agree to use their commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate or implement expeditiously the transactions contemplated by this Agreement.
- 10.2. **Relationship of the Parties.** Nothing in this Agreement shall be deemed to create an agency, partnership, employment or joint venture relationship between the parties.
- 10.3. **Assignment.** Nothing contained in this Agreement will operate as or be construed as an assignment of any right, title or interest in or to the Trademarks, any of the applications for or registrations thereof, any common law rights, or any associated goodwill. Licensor retains the right to assign any and all of its rights and interests in this Agreement and the Trademarks (subject to this Agreement). This Agreement will be binding upon any such assignee as well as upon any successor of Licensor in ownership or control of the Trademarks. Licensee may not assign, sublicense (other than as permitted herein), transfer or otherwise dispose of any or all of their rights or obligations under this Agreement without the prior written consent of Licensor; provided that (i) Licensee may transfer this Agreement without such consent to a third party (other than to a Competitor) as part of a Change of Control, and (ii) Licensee may enter into the Patent and Trademark Security Agreement with Comerica Bank (the "Bank") to be executed in connection with the Credit Agreement of even date herewith between Licensee and the Bank (the "Credit Agreement"), assigning its rights and interests hereunder for collateral security purposes to the Bank, provided that upon the exercise of its rights and remedies thereunder, the Bank cannot make any claim against Licensor for any amount that Licensee is not entitled to claim directly under this Agreement, and in connection with any such Patent and Trademark Security Agreement, the Bank shall be deemed to have automatically accepted all terms and conditions contained in this Agreement. In the foregoing case, Licensee nonetheless shall remain fully and unconditionally responsible for the performance of all of its obligations hereunder. Any attempt by Licensee to assign their rights, or purported assignment of rights, in violation of this Section 10.3 will be void ab initio.

- 10.4. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors or permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto, and their successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.
- 10.5. **Severability.** If any provision of this Agreement is found by competent authority to be invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of the remainder of this Agreement shall continue in effect to the maximum extent possible.
- 10.6. **Amendment.** Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective.
- 10.7. **Waiver.** No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.
- 10.8. **Costs and Expenses.** Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.
- 10.9. **Injunctive Relief.** Each party agrees that if certain material obligations under this Agreement are not performed in accordance with their specific terms or are otherwise breached, (a) severe and irreparable damage would occur, (b) no adequate remedy at law would exist and (c) damages would be difficult to determine. Each of the parties agrees that, in such case, the injured party or parties shall be authorized and entitled to obtain from any court of competent jurisdiction injunctive relief, whether preliminary or permanent, as well as any other relief permitted by applicable law, and the breaching party shall waive any requirement that such party or parties post bond as a condition for obtaining any such relief.
- 10.10. **Notices.** Every notice, demand, consent, request, approval, report, offer, acceptance, certificate, or other communication which may be, or is required to be, given or delivered under or with respect to this Agreement or by applicable law shall be in writing and shall be deemed to have been sufficiently given for all purposes hereof upon receipt, if sent by overnight delivery (receipt verified) to the address below, or given personally to the address below, or at such other address within the continental United States as any party may hereafter designate by similar notice to the other:

if to Licensor, to:

AMF Bowling Worldwide, Inc.
8100 AMF Drive

Mechanicsville
Richmond VA 23111
USA
Attention: Daniel McCormack

with a copy (such copy not constituting notice) to:

McGuireWoods LLP
901 E. Cary Street
One James Center
Richmond, Virginia 23219-4030
Attention: Joseph C. Carter III
Tel: (804) 775-4307
Fax: (804) 698-2028

if to Licensee, to:

Billiards Acquisition, Inc.
c/o The Anderson Group, Inc.
121 West Long Lake Road, 3rd Floor
Bloomfield Hills, Michigan 48034
Attention: Walter Jones
Tel: (248) 645-8000
Fax: (248) 645-8001

With a copy (such copy not constituting notice) to:

Dickinson Wright PLLC
500 Woodward Avenue, Suite 4000
Detroit, Michigan 48226
Attention: Bernadette M. Dennehy
Tel: (313) 223-3451
Fax: (313) 223-3598

- 10.11. **Governing Law.** This Agreement shall be enforced, governed by, and construed in accordance with the laws of the Commonwealth of Virginia, regardless of the choice of law or conflict of law provisions of Virginia or any other jurisdiction. The parties agree that any suit brought in connection with this Agreement shall be brought in the state or federal courts in the Eastern District of Virginia. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO VENUE, INCLUDING AN OBJECTION BASED ON THE GROUNDS OF FORUM NON CONVENIENS, THAT SUCH PARTY NOW HAS OR HEREAFTER MAY HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION.
- 10.12. **Counterparts.** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto


were upon the same instrument. Signatures by fax shall be deemed originals and shall be binding.

- 10.13. **Entire Agreement.** This Agreement and the Schedules constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement.

[signatures on following page]

IN WITNESS WHEREOF the duly authorized representatives of the parties have executed this Agreement on the date first above written to be effective from the Closing Date.

AMF BOWLING WORLDWIDE, INC.

By: 
Name: W. Thomas Dillake Jr
Title: Vice President - Corporate Controller

BILLIARDS ACQUISITION, INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF the duly authorized representatives of the parties have executed this Agreement on the date first above written to be effective from the Closing Date.

AMF BOWLING WORLDWIDE, INC.

By: _____

Name: _____

Title: _____

BILLIARDS ACQUISITION, INC.




By: Walter C. Jones

Name: Walter C. Jones

Title: Chief Executive Officer

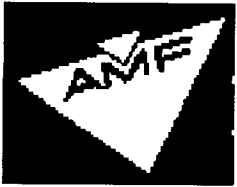
**Schedule 1
Trademarks**

Table 1: Registered Trademarks¹

Country	Trademark	Registration No.	Filing Date	Goods
Canada	 AMF PLAYMASTER & Design	TMA467,917	12/19/1996	Class 28: Pool and billiard tables
China	AMF PLAYMASTER	803421	12/28/1995	Class 28: Snooker and billiard tables and accessories, game tables
U.S.A	 HIGHLAND SERIES AMF LIMITED EDITION & Design	2,474,248	7/31/2001	Class 28: Pool, billiard and snooker tables
U.S.A	 AMF & Triangle Design	2,013,389	11/05/1996	Class 28: Billiard tables and game tables

¹ All intellectual property rights of Licensor, its subsidiaries and affiliates are subject to a lien to secure Licensor's obligations under the certain Credit Agreement dated as of February 27, 2004, as amended.

Table 2: Unregistered Trademarks

Country	Trademark	Goods
Canada / U.S.A	 AMF & Two Triangle Design	Billiard equipment and accessories
Canada / U.S.A	AMFAST	Cushions

**Schedule 2
Domain Name**

amfbilliards.com

Schedule 3
Other Restricted Activities

Aerial tramways, amusement or scenic

Amusement concessions

Amusement rides

Archery ranges

Bathing beaches

Billiard halls

Bingo halls

Boat rental

Bowling instruction

Bridge clubs

Bridge instruction

Cable lifts, amusement or scenic

Canoe rental

Carnival operation

Cave operation

Circus companies

Day camps

Exhibition operation

Fairs (agricultural)

Fireworks display service

Fishing piers

Fortune tellers

Games (teaching)

Go-cart raceway operation
Go-cart rentals
Golf courses, miniature operation of
Golf driving ranges
Golf professionals not operating retail stores
Golf, pitch-n-putt
Gymnastics instruction
Handball courts
Health clubs
Horse shows
Houseboat rentals
Hunting guides
Ice skating rink operation
Judo instruction
Karate instruction
Lifeguard service
Moped rental
Motorcycle rental
Natural wonders tourist attraction
Observation tower operation
Pack trains for amusement
Parachute training for pleasure
Phrenologists
Picnic grounds operation
Ping pong halls

Pool halls

Racquetball courts

Rental of beach chairs and accessories

Rental of bicycles

Rental of golf carts

Rental of rowboats and canoes

Rental of saddle horses

Riding academies and schools

Riding stables

River rafting

Rodeo animal rental

Rodeos, operation of

Roller skating rink operation

Scenic railroads for amusement

Schools and camps, sports instructional

Scuba and skin diving instruction

Shooting galleries

Shooting ranges, operation of

Skating instruction, ice or roller

Ski instruction

Ski lifts, cable lifts, and ski tows operated separately from lodges

Ski rental concessions

Slot-car racetracks

Sporting goods rental

Sports instructors, professional: golf, skiing, swimming, etc.

Sports professionals

Swimming instruction

Swimming pools

Tennis clubs

Tennis courts

Ticket sales offices for sporting events

Tourist attractions

Tourist guides

Trampoline operation

Trapshooting facilities

Waterslides, operation of

Wave pools, operation of

Wax figure exhibitions

Yoga instruction