JONES DAY

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JP315436:cmg

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Re: <u>Infringement of Williams and Bally Trademarks and Copyrights</u>

There has been some recent confusion regarding the ability of members of the pinball community to legally produce, supply or sell (including give away) parts for Williams and Bally Pinball Machines. These items include cabinet decals, backglasses/translites, decals, playfields and overlays, as well as other items using any of the trademarked game names, Williams or Bally company trademarks, or original copyrighted artwork for these machines.

The purpose of this letter is to dispel that confusion. Since 2014, the *only* entity that is licensed to use all of the intellectual property, including trademarks and copyrights, related to Williams and Bally Pinball Machines, is Planetary Pinball Supply, Inc. ("PPS"). The owner of these rights has licensed them rights to PPS on an exclusive, worldwide basis. It has also provided PPS with the right to enforce this intellectual property against any trademark or copyright infringement, (to include demands for damages and injunctive relief) committed by anyone discovered to be making or selling such products, or participating in any way in the distribution of such products.

PPS is actively working with many suppliers to provide new parts to the market. Due to the number of projects as well as the associated time and expense, PPS often finds that projects it is working on or has planned is undermined by an unauthorized third party making an inferior, counterfeit product without approval. Of course, this then creates a challenge for PPS in moving forward with the authorized project. This hurts everyone, makes certain projects unprofitable for PPS and makes them less likely to be introduced into the marketplace.

If you have any questions regarding these rights or know someone that is infringing them, you can contact PPS at legal@planetarypinball.com. Moreover, if you have some questions about whether a product originates with PPS, or has been properly sublicensed by PPS, please contact PPS. PPS has confirmed that many of these infringing parts are grossly inferior to the real ones and some customers are paying hundreds of dollars for products that are simply not worth the money, or the potential legal risk.

Additionally, some have voiced the claim that they thought the intellectual property related to these materials were in the public domain - *They are not*. Others have claimed that because they made the infringing article by hand, or because the product is not currently offered by PPS, that their actions cannot constitute an infringement. There is no legal basis, whatsoever, for such supposed defenses to infringement.

NAI-1502150724v1

October 7, 2016 Page 2

Prompt action will be taken against anyone found to be infringing these exclusive rights and selling what amounts to counterfeit articles. Moreover, the relevant statutes provide for enhanced damages and the payment of PPS' attorney fees by those willfully infringing these rights. Now that this notice has been circulated, any future manufacture or sale of such items will be treated as a willful infringement.

Again, the best thing to do is to contact PPS before embarking on projects which may create an issue. PPS will let you know if there are potential issues or, if they see no issues, will let you know that as well.

Very truly yours,

Tim Fraelich