

AGREEMENT

This AGREEMENT ("Agreement") is entered into this 31st day of August, 2007, between American Blind & Wallpaper Factory, Inc. ("ABWF") and Google Inc. ("Google") (collectively, "the Parties").

WHEREAS, the Parties have been engaged in litigation in an action styled Google Inc. v. American Blind & Wallpaper Factory, Inc., United States District Court, N.D. Cal. No. C 03-5340-JF (RS) (the "Litigation"); and

WHEREAS, the Parties desire to resolve the Litigation on mutually acceptable terms and to dismiss the Litigation based upon this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants here contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

1. Dismissal of the Litigation. Concurrent with the execution of this Agreement, ABWF shall file a stipulation for dismissal of the Litigation in the form attached hereto as Exhibit A, which provides that ABWF dismisses its Counterclaims with prejudice, Google's claim for declaratory relief is dismissed as moot, and each party shall bear its own costs and attorneys' fees incurred in connection with the Litigation.

2. Covenant Not to Sue. So long as Google does not make a material change in its AdWords trademark policy that adversely affects ABWF, ABWF covenants not to sue Google, any direct or indirect subsidiary of Google, or any other entity that carries Google advertisements, in any venue or jurisdiction on any legal theory that arises from that entity's carrying of advertisements under Google AdWords or AdSense programs. For purposes of this provision, a material change that adversely affects ABWF is a change in policy that allows advertisements related to home decorating and not authorized by ABWF to appear that contain any federally registered trademarks owned by ABWF in their text, provided that ABWF has previously given Google notice of those trademarks pursuant to Google's trademark complaint policy. ABWF's federally registered trademarks include, without limitation, American Blind Factory; American Blind & Wallpaper Factory; DecorateToday; American Blind; American Blinds.

3. Mutual Releases.

(a) In consideration of the terms of this Agreement, the Parties hereby fully and finally mutually release and discharge each other as well as any of their respective parent and subsidiary companies, officers, directors, employees, attorneys, predecessors, successors, and assigns, for and from any and all claims, counterclaims, demands, causes of action, liabilities, damages, costs, expenses and any form of relief of whatever kind or

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nature that were or could have been raised in this Litigation, whether known or unknown, anywhere in the world, as of the date of this Agreement.

(b) Each of the Parties has read and has agreed to waive the rights available to it, if any, under Section 1542 of the California Civil Code, which provides in pertinent part as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

4. No Assistance. ABWF shall not take any steps to voluntarily assist any other party in asserting any claims against Google. This provision shall not preclude ABWF's counsel in this litigation from representing other parties adverse to Google, nor from ABWF providing information in response to a subpoena or Court order, provided that ABWF complies with any confidentiality obligations imposed independent of this Agreement, including without limitation the terms of the Protective Order in force in the Litigation.

5. Representations and Warranties.

(a) The Parties represent to each other that they are not aware of any claims against the other that exist as of the date of this Agreement that are not released by this Agreement.

(b) The Parties represent that they have the full right and authority to bind themselves to the terms and conditions of this Agreement.

(c) The Parties have entered into this Agreement freely and voluntarily.

(d) Each of the Parties has read and understands the entire Agreement and desires to be bound thereby, and each Party has been represented by counsel of its own choosing in connection with this Agreement.

(e) Except as expressly set forth herein, no representations or warranties of any kind or character have been made to induce any Party to execute and enter into this Agreement. ABWF expressly acknowledges that Google has not made and has not agreed to make any payment to ABWF of any kind whatsoever, whether in cash, credit or otherwise, and that Google has not agreed to make any change to its trademark policies or any exception to how it applies its trademark policies.

6. No Assignment of Claims. The Parties represent and warrant that they have not assigned, transferred or otherwise conveyed or purported to assign, transfer or convey to any person or entity any of the rights, remedies, causes of action, claims, counterclaims

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or demands for damages that they have released hereunder, or that they have asserted in the Litigation.

7. No Admission of Liability. Nothing in this Agreement shall be construed as an admission of liability or wrongdoing by any Party.

8. Entire Agreement. This Agreement constitutes the entire agreement of the Parties and supersedes all prior agreements, understandings and negotiations, whether written or oral, between the Parties with respect to the subject matter hereof, and may not be changed, supplemented or amended except in a writing signed by the Parties.

9. Construction. This Agreement shall be deemed prepared by counsel for all Parties hereto and no contrary presumption, interpretation or construction shall arise in the event of any ambiguity or uncertainty thereof.

10. Governing Law; Venue. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California and the United States of America, without regard to conflict of laws principles. Any enforcement or litigation related to this Agreement shall be brought only state or federal court, as appropriate, in the County of Santa Clara, California. The parties hereby agree to submit to the jurisdiction of said court.

11. Attorneys' Fees. In any action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs.

12. Execution in Counterpart/Facsimile Signatures. This Agreement may be executed in multiple counterparts, all of which taken together will constitute one and the same document. Facsimile signatures on this Agreement shall be as effective and binding as original signatures.

13. Successors in Interest. None of the Parties may assign or transfer this Agreement, in whole or in part, to any third party, other than in connection with the acquisition of the capital stock of a Party or of a merger or purchase and sale of substantially all of the assets of such party or an existing line or division thereof, unless otherwise agreed by the Parties in writing. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their respective representatives, subsidiaries, successors in interest and assigns.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed on its behalf by a duly authorized representative as indicated below.

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Dated: Aug 31, 2007 AMERICAN BLEND & WALLPAPER FACTORY

By: 

Title: CEO

Dated: _____

GOOGLE INC.

By: _____

Title: _____

Dated: _____

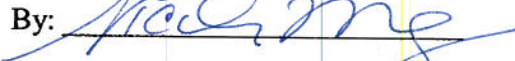
AMERICAN BLIND & WALLPAPER FACTORY

By: _____

Title: _____

Dated: 8/31/07

GOOGLE INC.

By: 

Title: DEPUTY GENERAL COUNSEL

EXHIBIT A

1 ROBERT N. PHILLIPS (SBN 120970)
2 ETHAN B. ANDELMAN (SBN 209101)
3 HOWREY LLP
4 525 Market Street, Suite 3600
5 San Francisco, CA 94105
6 T: (415) 848-4900
7 F: (415) 848-4999

8 DAVID A. RAMMELT (Admitted *Pro Hac Vice*)
9 SUSAN J. GREENSPON (Admitted *Pro Hac Vice*)
10 KELLEY DRYE & WARREN LLP
11 333 West Wacker Drive, Suite 2600
12 Chicago, IL 60606
13 T: (312) 857-7070
14 F: (312) 857-7095

15 Counsel for Defendant/Counter-Plaintiff
16 American Blind & Wallpaper Factory, Inc.

17 UNITED STATES DISTRICT COURT
18 NORTHERN DISTRICT OF CALIFORNIA

19 GOOGLE INC., a Delaware corporation,
20
21 Plaintiff,

22 v.

23 AMERICAN BLIND & WALLPAPER
24 FACTORY, INC., a Delaware corporation
25 d/b/a decoratetoday.com, Inc., and DOES 1-
26 100, inclusive,

27 Defendants.

28 AMERICAN BLIND & WALLPAPER
FACTORY, INC., a Delaware corporation
d/b/a decoratetoday.com, Inc.,

Counter-Plaintiff,

v.

GOOGLE INC.,

Counter-Defendant.

Case No. C 03-5340-JF (RS)

**STIPULATION OF DISMISSAL OF
ACTION WITH PREJUDICE;
[PROPOSED] ORDER**

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STIPULATION

Plaintiff and Counter-Defendant Google Inc. and Defendant and Counter-Plaintiff American Blind & Wallpaper Factory, Inc. ("ABWF") hereby stipulate as follows:

1. The parties agree that all of ABWF's claims against Google will be dismissed with prejudice.

2. In light of the foregoing dismissal with prejudice and other factual developments, the parties agree that Google's claims are moot, and therefore stipulate to their dismissal as moot.

3. The parties further agree that each of them shall bear its own attorneys' fees and costs in this litigation.

IT IS SO STIPULATED.

Dated: August 31, 2007 KELLEY DRYE & WARREN LLP

By: _____
DAVID A. RAMMELT
Attorneys for Defendant and Counter-Plaintiff AMERICAN
BLIND & WALLPAPER FACTORY, INC.

Dated: August 31, 2007 KEKER & VAN NEST, LLP

By: _____
MICHAEL H. PAGE
Attorneys for Plaintiff and Counter-Defendant GOOGLE INC.

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated:

Honorable Jeremy Fogel
United States District Court