

## SETTLEMENT AGREEMENT

WHEREAS Watch Tower Bible and Tract Society of Canada, with a head office at 13893 Highway 7, Georgetown, Ontario ("Watch Tower of Canada"), and Watch Tower Bible and Tract Society of Pennsylvania, with a head office at 25 Columbia Heights, Brooklyn, New York ("Watch Tower of Pennsylvania"), have commenced legal proceedings in the Ontario Court of Canada under file No. 05-CV-296308PD2 ("the Action"), against Peter Anthony Mosier, an individual residing at 5 Concord Place, Suite 1611, Toronto, Ontario, M3C 3M8 ("Mosier");

AND WHEREAS, Watch Tower of Canada and Watch Tower of Pennsylvania (collectively, "Watch Tower") have objected to *inter alia* Mosier's registration of the "watchtower.ca" domain name, Mosier's operation of a website at <http://quotes.watchtower.ca> (the "Quotes Website"), Mosier's use of certain metatags in the Quotes Website, and Mosier's reproduction of over 450 of Watch Tower's literary and artistic works first published between 1955 and the present;

AND WHEREAS, the parties now wish to resolve the Action amicably;

NOW THEREFORE, in consideration of the following terms and condition, the adequacy and sufficiency which are hereby acknowledged, the parties hereby agree and undertake as follows:

1. The Minutes of Settlement shall take effect upon execution by all the parties (the "Effective Date").
2. Mosier shall, within five days of the Effective Date, assign the domain name "watchtower.ca" to Watch Tower of Pennsylvania, and shall provide all passwords and other information necessary to effect the assignment to Watch Tower's counsel, namely Bereskin & Parr (attention: Jonathan G. Colombo).

3. Mosier shall, within five days of the Effective Date, delete (i.e. "take-down") the Quotes Website in its entirety, and all versions and reproductions thereof, from all servers including all web servers of which Mosier has knowledge and control. Mosier undertakes that he will not thereafter, directly or indirectly, create, operate, maintain, or host, or assist a third party to create, operate, maintain or host, any website similar to the Quotes Website.

4. Without limiting the generality of the foregoing, the term "any website similar to the Quotes Website" includes a website that reproduces any or all of the literary and/or artistic works owned by Watch Tower, or that uses a domain name and/or metatags that are the same as, or confusingly similar to, the WATCH TOWER, WATCHTOWER, AWAKE, and JEHOVAH'S WITNESSES trade marks, or any other trade mark, trade name or domain name owned by Watch Tower from time to time.

5. Mosier agrees and undertakes that as of the Effective Date he shall not, directly or indirectly, use, register or control any other domain name that includes or comprises, or that is a variant of, or is confusingly similar to, the WATCH TOWER, WATCHTOWER, AWAKE, and JEHOVAH'S WITNESSES trade marks, or any other trade mark, trade name or domain name owned by Watch Tower from time to time.

6. Mosier shall, within five days of the Effective Date, destroy all versions of the *Watchtower Library on CD-ROM* (the "CD-ROMs"), and all copies thereof, whether in print or electronic form, that are in Mosier's possession, power or control.

7. Mosier shall, within five days of the Effective Date, destroy all reproductions from any and all literary and artistic works contained in any Watch Tower publications (including the Religious Works as defined in the Action), that Mosier did not obtain through a legal public source. Mosier further agrees and undertakes not to obtain any Watch Tower's publications or any copies thereof, whether in print or electronic form, except through legal public sources.

8. Mosier agrees and undertakes that as of the Effective Date, he will not, directly or indirectly, copy or reproduce any artwork contained in any Watch Tower publication, or reproduce any substantial part of any Watch Tower publication (which shall not, in any event, exceed five percent of any one article), unless Mosier can establish that the artwork or article is outside the term for copyright protection.

9. Within ten days of the Effective Date, Mosier shall provide a sworn affidavit to counsel for Watch Tower, namely Bereskin & Parr, confirming compliance with paragraphs 2, 3, 4, 5, 6, 7 and 8 above. A draft of the affidavit is attached as Schedule "A" hereto.

10. Subject to Mosier's strict compliance with the undertakings provided above, Watch Tower hereby releases Mosier from all claims for damages, profits, losses and legal fees, relating to all past infringement or violation of the rights of Watch Tower as particularized in the Statement of Claim in the Action, including all effects and consequences thereof. Mosier hereby releases Watch Tower, their officers, directors, employees, lawyers, agents and affiliated and related companies or entities, from all claims for damages, profits, losses and legal fees relating in any way to the subject matter of the Action, including all effects and consequences thereof.

11. Upon Mosier's compliance with his obligations contained in paragraphs 2, 3, 4, 5, 6, 7 and 8, above, Watch Tower shall discontinue the action on a "without costs" basis, and Mosier hereby consents to said discontinuance and shall execute the Consent attached as Schedule "B" hereto.

12. Following the discontinuance of the Action, the parties shall be free to comment truthfully on the Action, and on the terms of settlement, except that neither party can comment on the settlement negotiations themselves. Furthermore, the release provided in Section 10, above, shall not apply to any defamatory or false statements made by either party following the Effective Date.

13. Mosier agrees that any failure by him to comply with his obligations under the Settlement Agreement will cause irreparable harm to Watch Tower, and that Watch Tower will have the right to seek an interim, interlocutory and permanent injunction to enforce compliance, and Mosier hereby consents to the issuance of such an injunction.

14. The Settlement Agreement represents the entire agreement between the parties with respect to the subject matter hereof, and supercedes any prior agreements, representations, warranties, discussions, or undertakings regarding the subject matter hereof. The Settlement Agreement can only be modified by written instrument signed by all the parties.

15. The Settlement Agreement shall take effect upon the Effective Date, shall be of indefinite duration, shall apply worldwide, and shall be governed by and construed in accordance with the laws of Ontario, Canada.

16. Any notice required or permitted by the Settlement Agreement shall be in writing, and shall be given by courier or registered mail to the addresses set out on page one, above, or such other address as a party may designate in writing pursuant to this section.

17. The failure of any party to exercise any right or option given to it by the Settlement Agreement or to insist upon strict adherence to the terms of the Settlement Agreement, shall not constitute a waiver of any terms or conditions of the Settlement Agreement with respect to any other or subsequent breach.

18. The Settlement Agreement may be executed in counterparts and by fax, each of which constitutes an original, but all of which constitute the Settlement Agreement.

19. The Settlement Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, assigns and personal representatives.

Executed at Georgetown, Ontario, this 19<sup>th</sup> day of December, 2005.

**WATCH TOWER BIBLE AND TRACT SOCIETY OF CANADA**

By: Kenneth A. Little  
Signature  
Kenneth A. Little  
Name  
President  
Title

Executed at Georgetown, Ontario, this 19<sup>th</sup> day of December, 2005.

**WATCH TOWER BIBLE AND TRACT SOCIETY OF PENNSYLVANIA**

By: Kenneth A. Little  
Signature  
Kenneth A. Little  
Name  
On behalf of Watch Tower Bible  
Title and Tract Society of Pennsylvania

Executed at Toronto, Ontario, this 9<sup>th</sup> day of December, 2005.

**PETER ANTHONY MOSIER**

By: Peter Mosier  
Signature

Witness: Stephanie Chong

Name: STEPHANIE CHONG

SCHEDULE "A"

ONTARIO  
SUUPERIOR COURT OF JUSTICE

B E T W E E N:

WATCH TOWER BIBLE AND TRACT SOCIETY OF CANADA AND  
WATCH TOWER BIBLE AND TRACT SOCIETY OF PENNSYLVANIA

Plaintiff(s)

- and -

PETER ANTHONY MOSIER

Defendant(s)

**AFFIDAVIT**

I, PETER ANTHONY MOSIER, of the City of Toronto, in the Province of Ontario, hereby  
make oath and say as follows:

1. That I have fully complied with paragraphs 2, 3, 4, 5, 6, 7 and 8 in the Settlement Agreement between myself and Watch Tower Bible and Tract Society of Canada and Watch Tower Bible and Tract Society of Pennsylvania, a copy of which is attached as Schedule "A" to this my affidavit.

SWORN before me at the City of )  
 Toronto, in the Province of Ontario, )  
 on this \_\_\_\_\_ day of November, 2005. )

\_\_\_\_\_  
 ) PETER ANTHONY MOSIER  
 )  
 )

\_\_\_\_\_  
 A Commissioner, etc.

SCHEDULE "B"



**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N:**

**WATCH TOWER BIBLE AND TRACT SOCIETY OF CANADA AND  
WATCHTOWER BIBLE AND TRACT SOCIETY OF PENNSYLVANIA**  
Plaintiffs

and

**PETER ANTHONY MOSIER**  
Defendant

**CONSENT**

The parties through their respective solicitors, hereby consent to the discontinuance of this action without costs.

Dated: December , 2005

Dated: December , 2005

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**JOHNSTON WASSENAAR LLP**  
Barristers & Solicitors  
56 The Esplanade  
Suite 401  
Toronto, ON  
M5E 1A7

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**BERESKIN & PARR**  
Barristers & Solicitors  
Scotia Plaza, Suite 4000  
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M5H 3Y2

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Jonathan Colombo

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Solicitors for the defendant

Solicitors for the plaintiffs

.Court File No. 05-CV-296308PD2

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N:**

**WATCH TOWER BIBLE AND TRACT SOCIETY OF CANADA AND  
WATCHTOWER BIBLE AND TRACT SOCIETY OF PENNSYLVANIA**  
Plaintiffs

and

**PETER ANTHONY MOSIER**  
Defendant

**NOTICE OF DISCONTINUANCE**

The plaintiffs wholly discontinue this action against Peter Anthony Mosier.

December , 2005

**BERESKIN & PARR**  
Barristers & Solicitors  
Box 401, Scotia Plaza  
40 King Street West  
Toronto, Ontario  
M5H 3Y2

Jonathan Colombo  
L.S.U.C. #32188W

Tel: (416) 957-1613  
Fax: (416) 361-1398

Solicitors for the plaintiffs

**TO: JOHNSTON WASSENAAR LLP**  
Barristers & Solicitors  
56 The Esplanade  
Suite 401  
Toronto, ON  
M5E 1A7

Michelle Wassenaar

Tel: 416-867-1661  
Fax: 416-867-9052

Solicitors for the defendant

NOTE: If there is a counterclaim, the defendant should consider rule 23.02, under which the counterclaim may be deemed to be discontinued.

NOTE: If there is a crossclaim or third party claim, the defendant should consider rule 23.03, under which the crossclaim or third party claim may be deemed to be dismissed.