

2-12-99



100966586

56-387-21A, B, C, D&V

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Abenaki Publishers, Inc.

- Individual(s)
- General Partnership
- Corporation-State Vermont
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement & Line of Credit Promissory Note
- Other
- Merger
- Change of Name

Execution Date: December 31, 1998

2. Name and address of receiving party(ies)

Name: Rodale Press, Inc.

Internal Address:

Street Address: 33 East Minor Street

City: Emmaus State: PA ZIP: 18098-0099

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Pennsylvania
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No N/A

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,146,117 1,952,037
 1,526,269 2,076,612
 1,909,548

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Kevin G. Smith, Esquire

Internal Address:

SHOEMAKER AND MATTARE, LTD.

Street Address: 2001 Jefferson Davis Hwy.
1203 Crystal Plaza Bldg. 1

City: Arlington State: VA ZIP: 22202

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) \$ 140.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

19-2110 (if necessary)

(Attach duplicate copy of this page if paying by deposit account)

02/16/1999 DNGIYEN 00000077 1146117

DO NOT USE THIS SPACE

01 FC:481
02 FC:482

40.00 OP
100.00 OP

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Kevin G. Smith

Name of Person Signing

Kevin G. Smith
Signature

2/12/99

Date

Total number of pages including cover sheet, attachments, and document: 17

LINE OF CREDIT PROMISSORY NOTE AND SECURITY AGREEMENT

Borrower: ABENAKI PUBLISHERS, INC.

Date: December 31, 1998

Amount: \$1,500,000.00

FOR VALUE RECEIVED, ABENAKI PUBLISHERS, INC., a Vermont corporation whose address is 160 Benmont Avenue, Bennington, Vermont 05201 (the "Borrower"), promises to pay to the order of RODALE PRESS, INC., a Pennsylvania corporation, its successors and/or assigns ("Rodale"), at Rodale's office at 33 East Minor Street, Emmaus, Pennsylvania 18098-0099, or such other location as Rodale may designate in writing, the sum of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS lawful money of the United States of America, or the unpaid balance outstanding on the records of Rodale, whichever is less, together with interest on the unpaid balance of the principal as hereinafter set forth.

1. Background.

Borrower's owner, Thomas Stoneback, and Rodale's subsidiary, Environmental Recreation Holdings, Inc. ("ERHI"), have entered into a Stock Sale and Purchase Agreement (the "Agreement") bearing even date herewith. Pursuant to Paragraph 1.2 of the Agreement, Rodale is obligated to establish for the benefit of Borrower a line of credit (the "Loan") in the amount of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS.

This Note evidences the Loan in the amount of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS, and the indebtedness evidenced by this Note represents the credit facility made available by Rodale to Borrower pursuant to the Agreement.

The proceeds of the loan will be utilized by Borrower in the operations of its publishing business.

This Note is a blanket Note which evidences original and subsequent advances of principal, not exceeding the face amount hereof outstanding at any time, to Borrower upon Borrower's request from time to time orally (and confirmed in writing), or in writing, if acceptable to Rodale.

In the event of any inconsistencies between the terms of this Note and the Agreement, then in that event the terms of this Note shall control.

2. Definitions.

A. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

B. The term "Liabilities" includes the liability evidenced by the Note (including any past, present, or future advances or re-advances, substitutions, extensions, renewals, interest, late charges, penalties and fees of any and all types) outstanding to Rodale from the Borrower or any Obligor (which term shall include the Borrower and all persons otherwise liable for the payment of this Note (the "Sureties")).

3. Incorporation of Security Documents.

This Note shall be subject to all terms and conditions of, and the holder hereof shall be entitled to all rights, remedies and benefits of, any security document now or previously executed by the Borrower or any Obligor and delivered to Rodale in connection with the creation of any of the Liabilities, and such security documents are incorporated by reference in this Note. Said security document shall secure payment of all late charges and other sums due under this Note, in addition to the principal and interest.

4. Interest Rates.

A. During the term of this Note interest shall be at the rate of the Wall Street Journal Prime Rate, which rate shall change as and when the Wall Street Journal Prime Rate changes.

B. Upon the occurrence of an Event of Default, interest shall be due and payable immediately on the entire unpaid principal balance of this Note (together with interest accrued thereon and all other sums due under this Note or any other Loan Document including, without limitation, any overdue interest) from the date of the occurrence of such Event of Default to the date on which such Event of Default is waived in writing by Rodale, at an annual rate (the "Default Rate") equal to four (4%) percent in excess of the Wall Street Journal Prime Rate then in effect, but not more than the highest rate permitted by law.

C. The interest rates provided in this Note shall apply to the indebtedness evidenced hereby before, on, or after the date or dates on which Rodale enters judgment on this Note.

D. The "Wall Street Journal Prime Rate" is a floating annual rate of interest that is published in the Wall Street Journal under the column title, "Money Rates". The Wall Street Journal "Prime Rate", has been used by Rodale as a reference rate in the pricing of this loan to Borrower, but does not necessarily reflect the lowest rate of interest actually charged by Rodale to any particular class or category of borrowers from Rodale. Rodale's determination to price this Loan to Borrower at such reference rate shall not in

any way preclude Rodale from making loans to any other borrower at a rate which is higher or lower than such reference rate.

E. Interest shall be computed on the basis of a 360 day year for the actual number of days elapsed (365/360 or 366/360, as the case may be).

5. Term.

The term of this Note shall be for a period of five (5) years commencing on the date of first Advance.

6. Advances.

A. Under and subject to all of the terms, conditions, and limitations set forth in the Agreement which is incorporated herein by this reference, Borrower may borrow, repay, and reborrow from Rodale from time to time during the term of this Note such amounts as Borrower may request (the "Advances") but not exceeding the amount of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS in the aggregate at any one time outstanding.

B. Advances shall be made upon receipt by Rodale of information as to the amount of the Advance requested communicated to Rodale by telephone from any one of the officers and employees listed in Exhibit "A" attached hereto (the "Authorized Officers"). Borrower further agrees to confirm such telephone information by delivering to Rodale no later than the following business day a written confirmation ("Confirmation"), signed by one of the Authorized Officers, in the form set forth as Exhibit "B" hereto, indicating the date and amount of the Advance and the revised principal balance of the Note.

7. Increase in Indebtedness.

Under and subject to all of the terms, conditions and limitations set forth in the Agreement, and in this Note, Rodale agrees to increase the advances to an amount as Borrower may request, but not exceeding a maximum of one hundred twenty (120%) percent of the cash requirements set forth in the three (3) year business plan, which is attached hereto as Exhibit "D" and incorporated herein by reference. In the event of an increase in the authorized advanced, such request shall be made in writing by any one of the persons listed on Exhibit "A" attached hereto and confirmed in the form set forth on Exhibit "B" attached hereto.

8. Repayment Schedule.

A. Commencing on the last day of the calendar quarter following the date of execution of this Note, and continuing on the last day of each subsequent calendar quarter during the remaining term of this Note, Borrower shall pay interest only, in

arrears, at the aforesaid Interest Rate, computed on the outstanding principal balance of this Note.

B. All unpaid principal, all accrued but unpaid interest, all accrued but unpaid Late Charges, and all of Rodale's costs incurred in the collection of any sum due under this Note (including, without limitation reasonable attorney's fees) shall be automatically and immediately due and payable, without notice or demand, upon the earlier of (i) five (5) years from the date of this Note or (ii) the sale, transfer or encumbrance of any ownership interest in Abenaki or the sale of any substantial portion of the assets of Abenaki without the prior written consent of Rodale.

9. Late Charges.

Borrower shall pay to Rodale a monthly late charge imposed by Rodale for any payment of principal and/or interest received by Rodale after the fifth day after its due date, in an amount equal to five (5%) percent of any overdue amount.

10. Application of Payments.

All payments shall be applied first to the payment in full of any costs incurred in the collection of any sum due under this Note, including (without limitation) reasonable attorney's fees, then to the payment in full of any late charges, then to the payment in full of accrued, unpaid interest and finally to the reduction of the unpaid principal balance of this Note.

11. Prepayment.

Any Advances may, at Borrower's election, be voluntarily prepaid in whole or in part at any time and from time to time prior to the maturity of this Note (whether by its stated maturity or by acceleration). Borrower shall confirm such prepayment by delivery to Rodale a confirmation in the form set forth as Exhibit "B" hereto, signed by any one of the Authorized Officers, setting forth the date and amount of such payment and the revised outstanding principal balance of the Note.

12. Security Interest.

A. To secure the payment of the indebtedness evidenced by this Note and Security Agreement, Borrower hereby grants to Rodale a security interest in the property described on Exhibit "C" attached hereto and incorporated herein by this reference (the "Collateral"), together with all substitutions and replacements for any of the collateral, and all products and proceeds of the collateral, whether the proceeds be accounts receivable or proceeds thereof or other proceeds or other dispositions thereof.

B. To secure the payment of the indebtedness evidence by this Note and Security Agreement, Borrower hereby grants to Rodale a security interest in the

Borrower's registered trademarks listed on Exhibit "E" attached hereto and incorporated herein by this reference, together with all substitutions and replacements for any of the trademarks and all products and proceeds of the trademarks, whether the proceeds be accounts receivable or proceeds thereof or other proceeds or other dispositions thereof. Borrower agrees to enter into and to execute a separate security agreement in form and content satisfactory to Rodale to permit the recording of said security interest in the trademarks in the United States Patent and Trademark Office.

C. The foregoing security interest shall not be rendered void by the fact that no indebtedness evidenced by this Note exists as of any particular date, but shall continue in full force and effect until the filing of termination statements signed by Rodale with respect to the Collateral.

13. Representations and Warranties of Borrower.

Borrower hereby covenants, represents, warrants and agrees that:

A. The Collateral will be solely used for and in connection with the operation and maintenance of Borrower's business;

B. The Collateral will not be misused, abused, wasted or allowed to deteriorate, but shall be kept in good working order and condition and repair, reasonable wear and tear excepted;

C. The Collateral shall be insured at all times in the amount of its full insurable value and against all expected risks to which it may be exposed, including fire and extended coverage and those which Rodale may reasonably designate with policies satisfactory to Rodale and payable to both Rodale and Borrower as their interests appear, providing thirty (30) days minimum advance cancellation notice to Rodale; and the proceeds of such insurance may be applied by Rodale either to reduce any indebtedness secured hereby or to repair and replace such Collateral;

D. The Collateral shall be kept and remain in Borrower's possession and control at Borrower's business premises at the address set forth above, and shall not be moved to any other location without the prior written consent of Rodale; and Rodale may inspect the Collateral at any reasonable time;

E. The Collateral is free and clear from, and is not subject to, any assignment, security interest, mortgage, pledge, lien, levy taxes or other assessments, interest, charge, adverse claim or other encumbrance, including any financing statement or other document filed in any public office, except for ongoing royalty obligations ("encumbrance"); and Borrower shall keep and maintain the Collateral free and clear of any such encumbrance, and shall not create nor permit to remain any such encumbrance;

F. The Collateral will not be sold, or otherwise transferred, or become subjected to any subsequent interest of any party, except for the sale of inventory in the ordinary course of Borrower's business or as expressly authorized in writing by Rodale;

G. Borrower shall pay and reimburse Rodale for all costs and expenses (including reasonable attorneys' fees, legal expenses, and advances and expenditures

for removal of any encumbrance from the Collateral, for curing, correcting or remedying any Event of Default hereunder, for insurance and for protection, preservation, maintenance and repair of the Collateral) incurred by Rodale in connection with the exercise by Rodale of any of its rights and remedies under this Line of Credit Note and Security Agreement, or in enforcing, perfecting or protecting its interests under this Line of Credit Note and Security Agreement.

14. Events of Default.

The occurrence of any of the following events with respect to Borrower or any of them shall, without notice or demand, constitute a default on the part of Borrower hereunder ("Event of Default"):

A. If Borrower shall fail to make any payment of principal or interest under this Line of Credit Note and Security Agreement when due, and such failure shall continue uncorrected for a period of ten (10) days;

B. If there shall occur any other breach, failure or violation by Borrower in the payment or performance of any of its obligations, covenants or warranties under this Line of Credit Note and Security Agreement, and such breach, failure or violation shall continue uncorrected for a period of fifteen (15) days after written notice thereof from Rodale to Borrower;

C. If Borrower shall be unable to pay its debts as they become due, or shall default in the payment or performance of any material obligation, liability or indebtedness to any person, unless and to the extent only that the same is being diligently contested in good faith by appropriate proceedings and appropriate reserves therefor have been established in accordance with generally accepted accounting principles consistently applied;

D. If Borrower shall become insolvent or shall voluntarily suspend transaction of its business or operations; or if Borrower shall file a voluntary petition under the Bankruptcy Code, as amended; or if Borrower shall file an answer admitting the jurisdiction of the court and the material allegations of an involuntary petition filed against it under the Bankruptcy Code, as amended, or shall fail to have such a petition dismissed within thirty (30) days after its filing; or if Borrower shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of any receiver, trustee or custodian of all or a part of its property; or, as may be applicable, if Borrower shall institute dissolution or liquidation proceedings or shall die or become totally and permanently disabled;

E. If an order for relief shall be entered following the filing of an involuntary petition against Borrower under the Bankruptcy Code, as amended; or if an order shall be entered appointing a receiver, trustee or custodian for Borrower of all or a part of its property; or if a writ or warrant of attachment, execution, distraint, levy, possession or any similar process shall be issued by any court against all or a part of the property of Borrower, which writ or warrant shall not be dismissed or a stay of foreclosure obtained within thirty (30) days of the issuance thereof, or

F. If any property of the Borrower shall become subject to a bulk sale, or to condemnation or forfeiture proceedings.

G. If a controlling interest in Abenaki or a substantial portion of Abenaki's assets is/are is sold.

H. If Thomas Stoneback shall default under the terms of the Term Note and Security Agreement executed even date herewith between Thomas Stoneback and Rodale.

15. Rodale's Rights and Remedies.

Upon the occurrence of an Event of Default, in addition to all other rights and remedies provided hereunder, Rodale shall have and may exercise all of the rights and remedies provided by the Uniform Commercial Code, and any other applicable law. In conjunction with, in addition to, or in substitution therefor, Rodale shall have and may exercise the following rights and remedies:

A. Rodale may notify or require Borrower to notify the account Borrowers of the assignment and security interest in the accounts receivable which are part of the collateral (the "Receivables"), and to have payments thereon made directly to Rodale in accordance with the terms of this Agreement;

B. Rodale may, alone or in conjunction with Borrower, take any and all action necessary to collect the Receivables, and in so doing, may have all of Borrower's mail delivered to Rodale by notifying the postal authorities or may open and dispose of mail addressed to Borrower and execute, sign and endorse negotiable and other instruments for the payment of money or other evidences of payment, on behalf of and in the name of Borrower, for all of which this shall be deemed a sufficient power of attorney.

C. The entire unpaid indebtedness of Borrower to Rodale secured hereby shall become immediately due and payable, without notice or demand;

D. Rodale may enter upon Borrower's business premises to take possession of, assemble and collect the Collateral or to render it unusable;

E. Rodale may in its sole discretion, sell, assign and deliver all or any part of the Collateral at any public or private sale without notice or advertisement, and bid and become a purchaser at any such sale, and if notice to the Borrower is required, written notice mailed to Borrower at its business address as hereinabove set forth, at least ten (10) days prior to the date of public sale of the Collateral or the date after which private sale of the Collateral will be made, shall constitute reasonable notice; and Rodale may apply the proceeds of any disposition of the Collateral available for satisfaction of the indebtedness secured hereby in the order, amounts and manner which Rodale may determine in its sole discretion.

16. Warrant of Attorney to Confess Judgment.

THE FOLLOWING PARAGRAPH SETS FORTH A WARRANT OF ATTORNEY OF THE Borrower FOR AN ATTORNEY TO CONFESS JUDGMENT AGAINST IT. IN GRANTING

THIS WARRANT OF ATTORNEY TO CONFESS JUDGMENT AGAINST IT, Borrower HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, AND ON THE ADVICE OF SEPARATE COUNSEL, UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS Borrower HAS OR MAY HAVE TO PRIOR NOTICE, EXCEPT AS SET FORTH IN THIS PARAGRAPH 15, AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS Borrower HAS OR MAY HAVE FOR AN OPPORTUNITY FOR HEARING UNDER THE CONSTITUTIONS AND LAWS OF THE UNITED STATES OF AMERICA AND THE COMMONWEALTH OF PENNSYLVANIA.

Upon any Default which shall continue uncorrected for a period of ten (10) days after written notice thereof from Rodale to Borrower, Borrower hereby empowers the Prothonotary or Clerk of Courts or any attorney of any court of record within the Commonwealth of Pennsylvania or elsewhere to appear for Borrower and to confess judgment, or a series of judgments, against Borrower in favor of Rodale for the unpaid principal balance of this Note and Security Agreement, together with accrued interest thereon, accrued late charges (if any), costs of suit and a reasonable attorney's fee. One or more executions may issue forthwith upon such judgment or judgments. Borrower hereby waives and releases all procedural errors in said proceedings, waives stay of execution, and waives all exemptions from execution and sale now or hereafter provided by law. No single exercise of the foregoing power to confess a judgment or a series of judgments shall be deemed to exhaust this power, whether or not any such exercise shall be held by any court to be valid, voidable or void, but this power shall continue undiminished and may be exercised from time to time as often as Rodale shall elect until such time as Rodale shall have received payment in full of this Note and Security Agreement, including principal, costs of suit and reasonable attorney's fees. Borrower hereby waives and releases all benefits that might accrue to it by virtue of any present or future laws exempting the collateral or any other property, real or personal, or any part of the proceeds arising from any sale of such property, from attachment, levy or sale under execution, exemption from civil process, or extension of time for payment, as well as the right of inquisition on any real estate that may be levied upon under a judgment obtained by virtue hereof, and Borrower voluntarily condemns the same. Moreover, Borrower waives presentment for payment of principal, demand, notice of nonpayment, protest and notice of protest hereunder.

17. No Waiver.

Rodale shall not by any act of omission or commission be deemed to waive any of its rights or remedies hereunder unless such waiver be in writing and signed by Rodale and then only to the extent specifically set forth therein. A waiver on one event shall not be construed as continuing or as a part to or waiver of such right or remedy on a subsequent event.

18. Borrower's Waivers.

Borrower waives presentment for payment, demand, notice of dishonor, protest, and notice of protest with regard to this Note, all errors, defects and imperfections in any proceedings instituted by Rodale under the terms of this Note, and all benefit that might accrue to Borrower by virtue of any present or future laws exempting any property, real or personal, or any part of the proceeds arising from any sale of any such property, from attachment, levy, or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment; and Borrower agrees that any real estate that may be levied upon pursuant to a judgment obtained by virtue hereof, on any writ of execution issued thereon, may be sold upon any such writ in whole or in part in any order desired by Rodale.

19. Excessive Interest.

Nothing herein contained nor any transaction related hereto, shall be construed or shall operate either presently or prospectively to require Borrower (a) to pay interest at a rate greater than is now lawful in such case to contract for, but shall require payment of interest only to the extent of such lawful rate, or (b) to make payment or to do any act contrary to law, but if any clause or provision herein contained shall otherwise so operate to invalidate this Note, in whole or in part, then such clause or provision only, shall be held for naught as though not herein contained and the remainder of this Note shall remain operative and in full force and effect. Any interest paid in excess of lawful rate shall be refunded to Borrower. Such refund shall be made by application of the excess amount of interest paid against any sum outstanding hereunder and shall be applied in such order as the holder may determine. If the excessive amount of interest paid exceeds the sums outstanding hereunder, the portion exceeding said sums shall be refunded in cash by the holder. Any such crediting or refund shall not cure or waive any default by Borrower hereunder. Borrower agrees, however, that in determining whether or not any interest payable hereunder exceeds the highest rate permitted by law, any non-principal payment (except payments specifically stated herein to be "interest"), including, without limitation, prepayment premiums and late charges, shall be deemed, to the extent permitted by law, to be an expense, fee, premium or penalty rather than interest.

20. Waiver of Jury Trial.

The parties hereto acknowledge and agree that any controversy which may arise under this Note or the relationship established thereunder would be based upon difficult and complex issues and, therefore, the parties hereto waive any and all rights any or each of them may have to trial by jury in any action, proceeding, counterclaim or other litigation whatsoever arising directly or indirectly out of or in any way connected with this loan transaction or the Loan Documents or the relationship created thereby.

21. Unconditional Liability.

Borrower hereby waives all other notices in connection with the delivery, acceptance, performance, default, or enforcement of the payment of this Note, and agrees that its liability shall be unconditional, without regard to the liability of any other party, and shall not be affected in any manner by any indulgence, extension of time, renewal, waiver or modification granted or consented to by Rodale, and consent to any and all extensions of time, renewals, waivers, or modifications that may be granted by Rodale with respect to the payment or other provisions of this Note, and to the release of any collateral, with or without substitutions.

22. Construction.

This Note shall be construed and enforced in accordance with the domestic internal laws of the Commonwealth of Pennsylvania without regard to its rules pertaining to conflict of laws.

23. Severability.

Any provision contained in this Note which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

24. Jurisdiction.

In any legal proceeding involving, directly or indirectly, any matter arising out of or related to this Line of Credit Note and Security Agreement or the relationship evidenced hereby, Borrower hereby irrevocably submits to the non-exclusive jurisdiction of any state or federal court located in any county in the Commonwealth of Pennsylvania where Rodale maintains an office and agrees not to raise any objection to such jurisdiction or to the laying or maintaining of the venue of any such proceeding in such county.

25. Successors, Heirs and Assigns.

The provisions of this Note shall bind and inure to the benefit of Borrower and Rodale and their respective successors, heirs, personal representatives and permitted assigns.

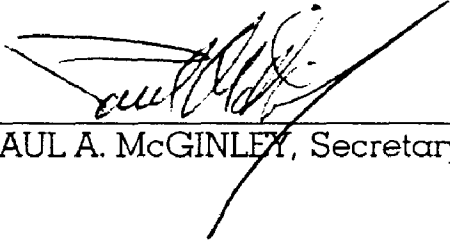
26. Headings.

The captions of headings in this Note are for convenience only and shall not control or affect the meaning or construction of any provision hereof.

IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby has caused this Note to be executed and delivered this 31st day of December, 1998.

ATTEST:

ABENAKI PUBLISHERS, INC.



PAUL A. MCGINLEY, Secretary

BY: 

THOMAS STONEBACK, Chairman

EXHIBIT "A"

Authorized Officers

THOMAS STONEBACK

A handwritten signature in black ink, appearing to read "Stoneback", written over a horizontal line.

EXHIBIT "B"

Confirmation

TO: Rodale Press, Inc.

FROM: Abenaki Publishers, Inc.

This will confirm that pursuant to the authority of the undersigned, Abenaki Publishers, Inc. has requested an Advance in the amount of \$_____. After such Advance, the outstanding principal balance on the Line of Credit Promissory Note and Security Agreement shall be \$_____.

DATE: _____

THOMAS STONEBACK,
Authorized Officer

O R

This shall confirm pre-payment by delivery to Rodale of the sum of \$_____ on the Line of Credit Promissory Note and Security Agreement. Subsequent to such payment, the amount outstanding on the Line of Credit Promissory Note and Security Agreement shall be \$_____.

DATE: _____

THOMAS STONEBACK,
Authorized Officer

EXHIBIT "C"

A. All of Debtor's existing and future accounts, contract rights, chattel paper, instruments and documents and all other rights to the payment of money whether or not yet earned, for services rendered or goods sold, consigned, leased or furnished by Debtor or otherwise, together with (i) all goods (including any returned, rejected, repossessed or consigned goods), the sale, consignment, lease or other furnishings of which shall be given or may give rise to any of the foregoing, (ii) all of Debtor's rights as a consignor, consignee, unpaid vendor or other lienor in connection therewith, including stoppage in transit, setoff, detinue, replevy and reclamation, (iii) all general intangibles related thereto, (iv) all guaranties, mortgages, security interest, assignments, and other encumbrances on real or personal property, leases and other agreements or property securing or relating to any accounts, (v) choses-in-action, claims and judgments, (vi) any return or unearned premiums, which may be due upon cancellation of any insurance policies, and (vii) all products and proceeds of any of the foregoing.

B. All of Debtor's present and future inventory (including but not limited to goods held for sale or lease or furnished or to be furnished under contracts for service, raw materials, work-in-process, finished goods and goods used or consumed in Debtor's business) whether owned, consigned, or held on consignment, together with all merchandise, component materials, supplies, packing, packaging and shipping materials, and all returns, rejected or repossessed goods sold, consigned, leased or otherwise furnished by Debtor and all products and proceeds of any of the foregoing.

C. All of Debtor's present and future general intangibles (including but not limited to manufacturing and processing rights, designs, patent rights and applications therefor, trademarks and registration or applications therefor, tradenames, brand names, logos, inventions, copyrights and all applications and registration therefor, software and computer programs, license rights, royalties, trade secrets, methods, processes, know-how, formulas, drawings, specifications, descriptions, label designs, plans, blueprints, patterns and all memoranda, notes and records with respect to any research and development, and all products and proceeds of any of the foregoing.

D. All of Debtor's present and future machinery, equipment, furniture, fixtures, motor vehicles, tools, dies, jigs, molds and other articles of tangible personal property of every type together with all parts, substitutions, accretions, accessions, attachments, accessories, additions, components and replacements thereof, and all manuals of operation, maintenance or repair, and all products and proceeds of any of the foregoing.

E. All of Debtor's present and future general ledger sheets, files, records, books of account, invoices, bills, certificates or documents of ownership, bills of sale, business papers, correspondence, credit files, tapes, cards, computer runs and all other data and data storage systems whether in the possession of Debtor or any service bureau.

EXHIBIT "D"

ABENAKI PUBLISHER'S, INC.
THREE YEAR PROJECTION
UPDATED - JANUARY 26, 1999

	1999	2000	2001
Revenues:			
American Angler	\$1,431,000	\$1,586,000	\$1,743,000
Fly Tyer	\$866,000	\$957,000	\$1,047,000
Saltwater Flyfishing	\$594,000	\$712,000	\$809,000
Warmwater Flyfishing	\$391,000	\$497,000	\$590,000
Books	\$110,000	\$120,000	\$125,000
Total	\$3,392,000	\$3,872,000	\$4,314,000
Expenses:			
Circulation	\$1,400,000	\$1,400,000	\$1,400,000
Book Costs	\$80,000	\$60,000	\$62,500
Other Direct Costs	\$1,279,300	\$1,292,093	\$1,305,014
General & Administrative	\$1,431,418	\$1,452,889	\$1,474,683
Total	\$4,190,718	\$4,204,982	\$4,242,197
Excess of Revenues over Expenses	(\$798,718)	(\$332,982)	\$71,803
Capital Expenditures	(\$26,000)	(\$25,000)	(\$25,000)
Cash Flow For The Period	(\$824,718)	(\$357,982)	\$46,803
Cash At Beginning	\$185,000	\$10,282	\$2,300
Draws on Line of Credit	\$650,000	\$350,000	\$0
Cash At End of Period	\$10,282	\$2,300	\$49,103
	=====	=====	=====

EXHIBIT "E"

Borrower's Registered Trademarks

American Angler

Registration Number: 1,909,548

Registration Date: August 1, 1995

American Angler and Fly Tyer

Registration Number: 1,526,269

Registration Date: February 21, 1989

Fly Tyer

Registration Number: 1,146,117

Registration Date: January 20, 1981

Saltwater Flyfishing

Registration Number: 1,952,037

Registration Date: January 23, 1996

Warmwater Flyfishing

Registration Number: 2,076,612

Registration Date: July 1, 1997