

02-25-1999

Form

FORM PTO-1594 (Rev. 6-93)

OMB No. 0651-0011 (exp. 4/94)



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U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies): KNOWLEDGE UNIVERSE, L.L.C.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, Other Limited Liability Company

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

- Nature of conveyance: Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: 8/5/98

2. Name and address of receiving party(ies) Name: KNOWLEDGE UNIVERSE, INC.

Internal Address:

Street Address: 844 Moraga Drive

City: Los Angeles State: CA ZIP: 90049

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

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

(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)

- 75/378,614, 75/378,613, 75/478,144

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Bernard R. Gans, Esq.

Internal Address: Jeffer, Mangels, Butler & Marmaro LLP

Street Address: 2121 Avenue of the Stars

Tenth Floor

City: Los Angeles State: CA ZIP: 90067

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 90.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

10-0440

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

02/24/1999 JSHADAZZ 00000186 100440 75378614

DO NOT USE THIS SPACE

01 FC:AA1 40.00 CH

02 FC:AA2 50.00 CH

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.

Bernard R. Gans, Esq. Name of Person Signing

Bernard R. Gans Signature

8/19/99 Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK REEL: 1860 FRAME: 0459

CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "Agreement") is made and entered into effective as of August 5, 1998 by and between KNOWLEDGE UNIVERSE, L.L.C., a Delaware limited liability company ("KU LLC"), and KNOWLEDGE UNIVERSE, INC., a Delaware corporation ("KU Inc.").

RECITAL

KU LLC desires to capitalize KU Inc. in a transaction intended to meet the requirements of Section 351 of the Internal Revenue Code of 1986, as amended, by transferring property (consisting of substantially all of the assets of KU LLC, other than its limited liability company interest in EDU, L.L.C. (the "Excluded Asset"), subject to all of KU LLC's liabilities, other than those relating to the Excluded Asset) to KU Inc. in exchange for KU Inc. issuing to KU LLC shares of Common Stock of KU Inc.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual agreements hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

CONTRIBUTION/ACCEPTANCE OF PROPERTY

1.1 KU LLC hereby contributes, conveys, transfers, assigns and delivers to KU Inc. all of KU LLC's right, title and interest in and to all of its properties and assets of every kind and nature (whether tangible, intangible, real, personal or mixed property, and wherever located) including, without limitation, all of its ownership interests in the entities listed on Exhibit A attached hereto but excluding the Excluded Asset (the "Contributed Property"), subject to all of the liabilities and obligations of KU LLC, other than those relating to the Excluded Asset (the "Assumed Obligations").

1.2 KU, Inc. hereby accepts all of the Contributed Property subject to all of the Assumed Obligations.

1.3 In full consideration for the contribution, conveyance, assignment and transfer of the Contributed Property to KU Inc., KU Inc. hereby issues and delivers to KU LLC (a) 1,000 shares of Class A Common Stock of KU Inc., and (b) 1,000 shares of Class B Common Stock of KU Inc.

ARTICLE 2

MISCELLANEOUS

2.1 Entire Agreement. This Agreement (including the schedules and exhibits attached hereto) constitutes the entire agreement and understanding of the parties relating to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, relating to the subject matter hereof.

2.2 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

2.3 Amendment; Waiver; Requirement of Writing. This Agreement cannot be amended, changed, modified, released or discharged, and no performance, term or condition can be waived in whole or in part, except by a writing signed by all of the parties hereto.

2.4 Notices. Except as otherwise expressly provided in this Agreement, all notices, demands, requests and other communications provided for hereunder shall be in writing and shall be deemed to have been given (a) when presented personally, (b) when transmitted by facsimile to the number, if any, specified below, (c) if sent by overnight courier service, on the business day following the date of delivery to such courier service, or such later day as demonstrated by a bona fide receipt therefor, or (d) if sent by the United States Postal Service, postage prepaid, registered or certified, return receipt requested, on the date received, addressed to the respective party, as the case may be, at the following address, or such other address as any party may from time to time designate by written notice to the others as herein required.

Transmission by facsimile at the numbers provided below shall constitute provision of notice under this Agreement only if receipt thereof is acknowledged by the recipient.

If to either of KU LLC or KU Inc.:

c/o Maron & Sandler
844 Moraga Drive
Los Angeles, CA 90049
Attention: Stanley E. Maron, Esq.
Telecopier: (310) 440-3690

2.5 Governing Law. This Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of California, without giving effect to principles thereof relating to conflicts of law.

2.6 Severability. Any provision of this Agreement 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 of this

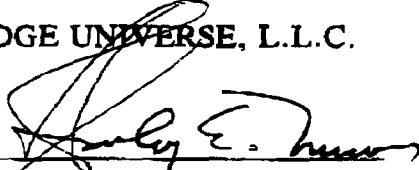
Agreement and without affecting the validity or enforceability of such or any other provision in any other jurisdiction.

2.7 Counterparts. This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart for each party hereto.

2.8 Further Assurances. The parties agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be necessary in order to consummate the transactions contemplated by this Agreement including, without limitation, amendments to any operating or other agreements relating to the Contributed Property substituting KU Inc. as a party thereto in place of KU LLC.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers thereunto duly authorized, as of the date first above written.

KNOWLEDGE UNIVERSE, L.L.C.

By: 
Name: Stanley E. Maron
Title: Secretary

KNOWLEDGE UNIVERSE, INC.

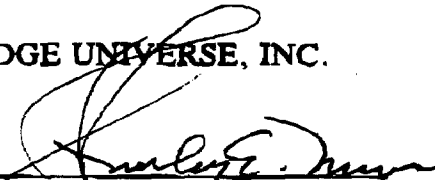
By: 
Name: Stanley E. Maron
Title: Secretary

EXHIBIT A**Contributed Property**

Preschool Education, Inc.
Nextera Enterprises, L.L.C.
Knowledge University Holdings, L.L.C.
Knowledge Kids, L.L.C.
Knowledge Universe Publishing Holdings, L.L.C.
Knowledge Universe Publishing, L.L.C.
Knowledge Universe Interactive Holdings, L.L.C.
Knowledge Universe Studios, L.L.C.
ET Services, L.L.C.
KU Learning, L.L.C.
Productivity Point International, Inc.
KU Conferences, Inc.
Knowledge Testing Enterprises, Inc.