

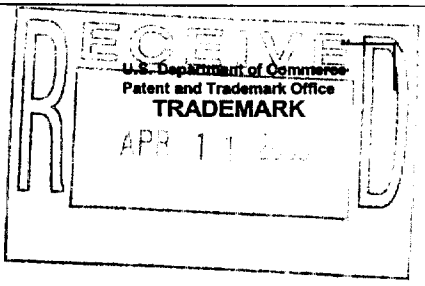
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05-02-2000

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027



101340351



RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type		Conveyance Type	
<input type="checkbox"/> New	<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # _____	<input checked="" type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Correction of PTO Error Reel # _____ Frame # _____	<input checked="" type="checkbox"/> Corrective Document Reel # _____ Frame # _____	<input type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment Effective Date Month Day Year _____
		<input type="checkbox"/> Merger	
		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other _____	

Conveying Party Mark if additional names of conveying parties attached

Name AMR Training Group Inc. Execution Date 1/20/99
Month Day Year

Formerly _____

Individual General Partnership Limited Partnership Corporation Association

Other _____

Citizenship/State of Incorporation/Organization Delaware

Receiving Party Mark if additional names of receiving parties attached

Name Allen Interactions Inc.

DBA/AKATA _____

Composed of _____

Address (line 1) 8000 West 78th Street

Address (line 2) Suite 450

Address (line 3) Minneapolis Minnesota 55439
City State/Country Zip Code

Individual General Partnership Limited Partnership Corporation Association

Other _____

Citizenship/State of Incorporation/Organization Minnesota

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002064 FRAME: 0245

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property)

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,979,206"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,816,703"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2,138,482"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Julie Finch
Name of Person Signing

Julie Finch
Signature

8-5-00
Date Signed

SALE AND PURCHASE AGREEMENT

Effective as of January 20, 1999, AMR Training Group, Inc., a Delaware corporation ("Seller"), and Allen Interactions Inc., a Minnesota corporation ("Purchaser") hereby agree that Seller shall sell and Purchaser shall buy the intellectual property described herein under the terms and conditions specified in this Sale and Purchase Agreement (the "Agreement").

RECITALS:

WHEREAS Seller owns a certain software program more particularly known as "WorldTutor[®] Development Tools" or "WorldTutor[®] Tools" and the associated "WorldTutor[®]" tradename and trademark (the "Trademark");

WHEREAS Purchaser wishes to purchase the Software (defined below) and Trademark;

WHEREAS Seller wishes to sell the Software and Trademark;

WHEREAS part of the consideration to be paid by Purchaser to Seller for the sale and purchase of the Software and Trademark is execution of the Value Added Reseller Distribution Agreement ("VAR Agreement") attached hereto as Exhibit A which is hereby incorporated in this Agreement for all purposes; and

WHEREAS Seller and Purchaser have set forth the terms and conditions for the sale and purchase of the Software and Trademark in this Agreement.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Definitions.

"Derivative Products" shall mean computer programs in machine readable object code or source code form developed or otherwise acquired by Purchaser which are a modification of, enhancement to, derived from or based upon the Software.

"Documentation" shall mean all manuals, user documentation, and other related materials pertaining to the Software which are in the possession of Seller.

"Software" shall mean the computer programs in machine readable object and source code, more particularly known as "WorldTutor[®] Development Tools" or "WorldTutor[®] Tools".

"Trademarked Product" shall mean a product, other than the Software or its Derivative Products, which is marketed by Purchaser under the Trademark.

2. Disclosures by the Parties

a. Disclosures by Seller

- (i) The Software is a tool which is used to create custom computer-based training software programs.

- (ii) The Software might require modifications before it could be used to create web-based training.
- (iii) The Software's compliance with year 2000 requirements is contingent upon the Authorware[®] version and the operating system being year 2000 compliant.
- (iv) The Software will operate in Authorware[®] 5.0, however the coding underlying the Software has not been converted to that version of Authorware[®].
- (v) Seller will retain at least one copy of the Software and its source code and the related Documentation after execution of this Agreement. Seller shall take reasonable efforts to prevent the unauthorized disclosure of the source code.

b. Disclosures by Purchaser.

- (i) Purchaser understands the purpose and functionality of the Software.

3. **Conveyance.** Subject to the terms and conditions of this Agreement, for the good and valuable consideration as specified below, the receipt and sufficiency of which are hereby acknowledged, Seller does hereby sell, assign, transfer, convey and deliver unto Purchaser and its properly authorized successors and assigns, all of Seller's rights, title and interest in and to the Software, Derivative Software and Trademark, save and except:

- a. Seller reserves for itself and its successors the right to possess and use the Software, the WorldTutor[®] source code and the Documentation for Seller's own internal use;
- b. Seller reserves a royalty-free, non-exclusive, unlimited right for all direct and indirect subsidiaries of its parent corporation, AMR Corporation, whether currently existing or later acquired, and their successors in interest to use the Software and Documentation throughout the world for the internal purposes of AMR Corporation; and
- c. Seller reserves to itself and all other direct and indirect subsidiaries of AMR Corporation the right to purchase any Derivative Product and any product bearing the "WorldTutor[®]" brand name at a price to be agreed upon by the parties, but which will be at least thirty-five percent (35%) below the then current market price of such product.

4. **Consideration.** For and in consideration of the sale of the Software, Documentation, and Trademark described herein, Purchaser shall pay Seller as follows:

- a. Purchaser has paid Seller a down payment of one dollar in United States currency, the receipt of which is hereby acknowledged by Seller;
- b. For ten (10) years following execution of this Agreement, as consideration for this Agreement, Purchaser shall pay Seller the following royalties and other amounts

("VAR Amounts"):

- (i) Purchaser shall pay to Seller the following VAR and royalty percentages until Seller has received a total of one hundred fifty thousand dollars (\$150,000.00) from such payments:
- (A) VAR Amounts. Subject to the terms in the VAR Agreement, Purchaser shall pay Seller fifty percent (50%) of Purchaser's gross revenues on each future license for the Software or a Derivative Product sold by Seller;
 - (B) Royalty on Software. Purchaser shall pay Seller a royalty of twenty percent (20%) of Purchaser's gross revenues on each future sale or license sold by Purchaser of the Software or a Derivative Product; and
 - (C) Royalty on Trademarked Products. Purchaser shall pay Seller a royalty of five percent (5%) of Purchaser's gross revenues for any Trademarked Product sold by Purchaser.
 - (D) The parties intend that the VAR Amounts, Royalty on Software, and Royalty on Trademarked Products described above be mutually exclusive.
- (ii) After Seller has received a total of one hundred fifty thousand dollars (\$150,000) under this Agreement, the royalty and VAR percentages shall be adjusted as follows:
- (A) The VAR percentage specified above shall be reduced from fifty percent (50%) to thirty-five (35%);
 - (B) The Royalty on Software percentage specified above shall be reduced from twenty percent (20%) to five percent (5%); and
 - (C) The Royalty on Trademarked Products shall remain at five percent (5%).
- (iii) At the conclusion of the ten (10) year period, the royalty payments due under this Agreement shall cease. VAR Amounts shall continue for so long as the VAR Agreement remains in effect.

5. Payment of Consideration.

- a. Unless otherwise requested by Seller in writing, Royalty on Software and Royalty on Trademark will be assessed on a quarterly basis and paid by April 30, July 31, October 31, and January 31 of each year for the immediately preceding three month period. Each payment shall be accompanied by copies of each Royalty Report (defined in Section 6.a.) for the relevant monthly or quarterly period.

b. VAR Amounts shall be paid in accordance with the VAR Agreement.

6. Reports and Inspection of Records.

- a. For so long as royalty payments are due hereunder, Purchaser shall provide Seller with a report for royalties ("Royalty Report"). For so long as royalties are paid on a quarterly basis, the Royalty Report will be provided to Seller on a quarterly basis by the due date for such payment. If pursuant to Section 5.a., royalties are paid to Seller on a monthly basis, the Royalty Report shall be due on a monthly basis. The Royalty Report will identify the following information for each transaction by Purchaser relating to the Software, Derivative Products and/or Trademarked Products: the customer's name, the sales amount, and the related royalty amounts due the Seller thereunder.
- b. Purchaser will advise Seller in advance if that the royalties for any month will exceed five thousand dollars.
- c. Upon written request of Seller, Purchaser shall allow Seller to inspect all records of Purchaser for transactions in which Royalties are due under this Agreement. Except as otherwise agreed upon by the parties in writing, such inspection will be done during Purchaser's normal business hours at Purchaser's place of business.

7. Representations and Warranties.

a. Seller.

- (i) **SELLER REPRESENTS AND WARRANTS THAT IT OWNS THE SOFTWARE, DOCUMENTATION, AND TRADEMARK BEING CONVEYED TO PURCHASER HEREUNDER AND THAT THERE IS NO PENDING ACTION OF WHICH SELLER IS AWARE WHICH CHALLENGES SELLER'S RIGHTS, TITLE AND INTEREST IN AND TO SAID ITEMS.**
- (ii) **OTHER THAN THE WARRANTY OF TITLE SPECIFIED ABOVE, SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE RELATING TO THE SOFTWARE, DOCUMENTATION, OR TRADEMARK.**

b. Both Parties.

- (i) Each party represents and warrants that the execution, delivery, and performance of that party's respective obligations under this agreement have been duly authorized by all necessary corporate action.
- (ii) Each party represents and warrants that the person executing this document

on that party's behalf is duly authorized to do so.

(iii) Each party represents and warrants that this Agreement constitutes a legal, valid, and binding obligation of that party which is enforceable in accordance with its terms.

c. Purchaser represents and warrants that it has been reviewed the Software, including the source code, and all representations of Seller with regard to the Software, if any such representations were made, have been demonstrated to Purchaser's satisfaction.

8. Purchaser's Undertaking.

a. Purchaser undertakes to use all efforts consistent with Purchaser's normal marketing practices to seek customers for the Software and all Derivative Products. Without limitation to the foregoing, Purchaser specifically represents and warrants that it shall continue offering the Software and all Derivative Products developed or to be developed by Purchaser and using the Trademark for ten (10) years from the date of this Agreement. The foregoing obligation by Purchaser is subject to Macromedia's continued support of Authorware® 4.0 - compatible products.

b. For a period of ten (10) years from the date of this Agreement, Purchaser shall not sell, transfer, assign, or otherwise convey its ownership interest in the Software, any Derivative Products, or the Trademark without Seller's prior written approval. The parties intend that Purchaser license the Software and Derivative Products to customers.

9. Limitation on Recovery

a. **SELLER SHALL NOT BE LIABLE TO PURCHASER FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) RELATED TO THIS AGREEMENT OR RESULTING FROM PURCHASER'S USE OR INABILITY TO USE THE SOFTWARE, ARISING FROM ANY CAUSE OF ACTION WHATSOEVER, INCLUDING CONTRACT, WARRANTY, STRICT LIABILITY, OR NEGLIGENCE, EVEN IF SELLER HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

b. **UNDER NO CIRCUMSTANCES SHALL THE LIABILITY OF SELLER TO PURCHASER OR ANY THIRD PARTY IN CONNECTION WITH THE SOFTWARE EXCEED THE AMOUNTS PAID BY PURCHASER TO SELLER UNDER THIS AGREEMENT.**

10. Indemnification.

- a. For a period of five (5) years from the date of this Agreement, Seller shall indemnify and hold harmless Purchaser from and against any claims, including reasonable legal fees and expenses, based upon infringement of any United States copyright or patent by any modification to the Software made by Seller, except to the extent that the Seller's modification was created by Purchaser. Purchaser shall promptly notify Seller of any such claim promptly in writing. As a condition of exercising the indemnification privileges contained herein, Purchaser agrees that Seller shall have control of, and Purchaser shall to cooperate fully with Seller in connection with, such proceedings.
- b. Purchaser shall indemnify, defend, and hold Seller harmless from and against any claims, including reasonable legal fees and expenses, based upon infringement of any United States copyright or patent by any Derivative Product or Purchaser's use of the Trademark. Seller shall promptly notify Purchaser of any such claim promptly in writing. As a condition of exercising the indemnification privileges contained herein, Seller agrees that Purchaser shall have control of, and Seller shall to cooperate fully with Purchaser in connection with, such proceedings. At its own cost, Seller shall have the right to be represented by counsel of its choice in connection with such proceeding.

11. Transfers.

- a. For a period of ten (10) years from the date of this Agreement, Purchaser shall not transfer or assign the ownership interest it received pursuant to this Agreement to the Software, Derivative Products or Trademark, in whole or in part, to any third party without Seller's prior written permission.
- b. Seller shall have the right of first refusal if Purchaser wishes to transfer, assign, or sell the ownership interest in the Software, Derivative Products, or the Trademark acquired under this Agreement. Seller shall pay the lesser of fair market value or the third party offer, for the Software, Derivative Product(s), or Trademark that Purchaser wishes to transfer, assign or sell.
- c. Without limitation to the preceding provisions, for a period of ten (10) years from the date of this Agreement, any transfer, assignment, or sale of any interest acquired by Purchaser under this Agreement shall specifically incorporate each of the following provisions, fulfillment of which must be assumed by the transferee or subsequent purchaser:
 - (i) the provisions regarding payments to be made to the Seller;
 - (ii) the provisions regarding warranties of the Purchaser;
 - (iii) the limitations on the Seller's liability hereunder;
 - (iv) the default provisions and remedies in the event of default, as it relates to default by the Purchaser; and

(v) the audit rights of Seller.

d. Under no circumstances will any transfer or assignment of Purchaser's interest, in whole or in part, in the Software, any Derivative Products or Trademark, increase Seller's obligations or liability under this Agreement.

12. Default.

a. During the ten (10) year period immediately following execution of this Agreement, occurrence of any of the following shall constitute an event of default ("Event of Default"):

- (i) Failure to make a required payment of the amounts specified in Section 4 within thirty (30) days after the required due date for such payment;
- (ii) Failure to fulfill any warranty obligation under this Agreement;
- (iii) Failure by Purchaser to market the Software or Derivative Products or to use the Trademark in connection with a product, if such failure results in Seller not receiving any Royalty payment for a period of one (1) year or more;
- (iv) Transfer or attempted transfer by Purchaser in violation of Section 10 of this Agreement; or
- (v) If either party terminates or suspends its business, becomes subject to any bankruptcy or insolvency proceeding under Federal or state law, becomes insolvent or subject to direct control by a trustee, receiver or similar authority, or has wound up or liquidated, voluntarily or otherwise.

b. Upon occurrence of an Event of Default, the non-defaulting party shall notify the defaulting party of the allegation that the party is in default and the basis for such claim of default. If the default remains uncured for a period of fifteen (15) days after the defaulting party's receipt of notice, the non-defaulting party may exercise any of the following options:

- (i) Suspend any payment due to the defaulting party without penalty until the defaulting party cures the default;
- (ii) Assess interest on any past due amount at the rate of one and a half percent (1.5%) per month or the maximum rate allowed by law, whichever is lower, until full payment is made; or
- (iii) If the Event of Default is based on Purchaser's failure to take action specifically set forth in this Agreement which affects Seller's entitlement to royalties, Seller shall provide Purchaser with written notice of default and allow Purchaser sixty (60) days in which to cure the Default. The following provisions will apply to any such default:

(A) To cure the Default, Purchaser may

- (I) sell licenses to the Software or a Derivative Product during the cure period and provide Seller with a business plan for such continued sales for a period of two (2) years, provided that if Seller's royalties within the six (6) month period immediately following the cure period are not at least five thousand dollars (\$5,000), the default shall be deemed to have not been corrected by the end of the cure period;
- (II) use the Trademark in connection with at least one (1) product that Seller and Purchaser reasonably agree has an expected marketable life of at least two (2) years;
- (III) pay Seller a lump sum payment of fifteen thousand dollars (\$15,000.00); and/or
- (IV) take such other steps as may be reasonably agreed to by Seller to ensure that Seller receives a total of at least one hundred fifty thousand dollars (\$150,000) in royalties and VAR Payments under this Agreement.
- (B) Purchaser shall notify Seller within thirty (30) days after receiving notice of Default of its intent regarding such Default.
- (C) If the Default is not corrected by the end of the cure period or if Purchaser experiences an Event of Default pursuant to Section 12(a)(v), ownership interest in the Software and Trademark conveyed hereunder shall revert automatically to Seller, without any action whatsoever on Seller's part. Following such reversion, Purchaser shall be entitled to market licenses for Derivative Products or to use the Trademark in connection with any product or service with which the Trademark is already associated, however, Seller shall be entitled to a ten percent (10%) Royalty on Purchaser's gross revenues from Derivative Products and a five percent (5%) Royalty on Purchaser's gross revenues from all products or services with which the Trademark is used.
13. **Trademark Ownership.** At any time during this Agreement when the Trademark's ownership changes, the party receiving ownership shall prepare, at its sole cost, all documents reasonably required assign the Trademark. The party relinquishing ownership shall work with the other party to resolve any objections to the documents or return the fully executed documents to the other party within sixty (60) days after receipt.
14. **Choice of Law.** This Agreement shall be governed and enforced in accordance with the substantive clauses of the State of Texas, United States of America without regard to its conflict of laws principles.
15. **Taxes.** Purchaser shall pay, and agrees to indemnify and hold Seller harmless from all taxes (other than those based on Seller's income), duties and fees levied by any authority in connection with the sale of the Software and Trademark.

16. Notice. Notice will be deemed given or received on the date thereof when sent by Telefax with confirmation of receipt, Federal Express, or postage prepaid, first class mail. All notices or demands to be given pursuant to this Agreement must be dated, in writing, and addressed as provided below, or as later provided in writing.

To Seller: AMR Training Group, Inc.
4501 Highway 360, MD 950
Fort Worth, Texas 76155
Attn: Coleen Davis, Contract Administrator
Facsimile: (817) 931-5273
Telephone: (817) 967-4292

To Purchaser: Allen Interactions Inc.
8000 West 78th Street, Suite 450
Minneapolis, MN 55439
Attn: Martin Lipshutz, President
Facsimile: (612) 947-5399
Telephone: (612) 947-5383

17. Survival of Memorandum of Understanding. The terms contained herein shall supercede the terms and conditions contained in the Memorandum of Understanding to the extent that there are inconsistencies; however, the Memorandum of Understanding shall survive execution of this Agreement with regard to all other matters.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their respective representatives thereunto duly authorized as of the day, month and year first above written.

Seller: AMR Training Group, Inc.
By: [Signature]
Name: David S. Levine
Title: President
Date: 2/17/99

Purchaser: Allen Interactions Inc.
By: [Signature]
Name: Martin K. Lipshutz
Title: President
Date: 2/10/99