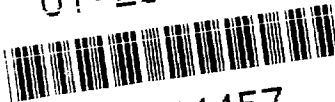


01-23-2003



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PATENTS ONLY

US PTO-1594
OMB No. 0651-0027 (exp. 6/30/2005)
Tab settings

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

HERB COMPANION PRESS, LLC

1-16-03

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: 12/30/2002

2. Name and address of receiving party(ies)

Name: OGDEN PUBLICATIONS, INC.

Internal

Address:

Street Address: 1503 SW 42nd

City: Topeka State: KS Zip: 66609-1265

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Kansas
- 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 registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 1800723
and 2464870

Additional number(s) attached Yes No

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

Name: Davin L. Seamon, Esquire

Internal Address: Steptoe & Johnson PLLC

Bank One Center

Sixth Floor

Street Address: 3rd & Main Streets

P.O. Box 2190

City: Clarksburg State: WV Zip: 26301

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41).....\$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

194295

DO NOT USE THIS SPACE

9. Signature.

Davin L. Seamon - Counsel for Assignee
Name of Person Signing

Davin L. Seamon
Signature

December 30, 2002
Date

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

20

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

01/22/2003 LNUELLER 00000108 194295 1800723

01 FC:8521 40.00 CH
02 FC:8522 25.00 CH

OFFICE OF PUBLICATION RECORDS
2003 JAN 16 PM 2:54
FINANCE SECTION

TRADEMARK
REEL: 002654 FRAME: 0231

THIS ASSET PURCHASE AGREEMENT, executed the 28th day of December, 2002, by and among HERB COMPANION PRESS, LLC ("HCP"), a Colorado limited liability company, and REAL HEALTH MEDIA, LLC ("RHM"), a Colorado limited liability Colorado company, each having its principal business address at 243 East Fourth Street, Loveland, Colorado 80537, hereinafter referred to collectively as "Seller," parties of the first part; LOGAN V. CHAMBERLAIN, whose address is 5409 Taylor Lane, Fort Collins, Colorado 80528, hereinafter referred to as "Chamberlain," party of the second part; and OGDEN PUBLICATIONS, INC., a Kansas corporation, having its business address at 1503 SW 42nd Street, Topeka, Kansas 66609-1265, hereinafter referred to as "Purchaser," party of the third part.

RECITALS

A. Seller has heretofore carried on the business of publishing and distributing and/or developing certain magazines known as *Herb Companion*, *Herbs for Health and Wellness Seekers*, as well as books, websites and other published materials (singularly, the "Magazine", and, collectively, the "Magazines"), and now desires to sell such business, together with the assets used in the conduct thereof, to Purchaser.

B. Purchaser desires to purchase from Seller the business of publishing and distributing the Magazines, together with the assets used in the conduct thereof, upon the terms and conditions hereinafter set forth.

C. Chamberlain is the owner of 100% of the membership interest in each of HCP and RHM and is executing this Agreement in order to evidence his separate agreement to enter into the Consultant Agreement and to be bound by the terms of the non-competition provision set forth herein, and to guarantee the payment of any and all amounts which may come due from Seller to Purchaser as a result of the breach of any representation, warranty or covenant of Seller contained herein.

AGREEMENT

1. Assets to be Sold.

A. Seller agrees to sell and Purchaser agrees to buy the

following assets (the "Assets") of the Seller:

All furniture, fixtures and equipment, provided, however,
that Seller may retain six desks, six credenzas,
and six client chairs

All business records, except for accounts receivable,
accounts payable and employee files (copies of
which shall be provided to Purchaser at its request)

All circulation lists

All websites and domain names

All telephone numbers

All mailing lists

All prepaid items other than prepaid
income taxes

All advertising records

All goodwill and other intangibles and

trademarks,
Magazines and /or
all of Seller's right, title and interest in and to the
trade names, and copyrights relating to the
the content thereof, and related goodwill

All inventory (including all past copies of the Magazines)

All books

All right, title and interest in and to the trademark and/or
trade name "Real Health Media", and related goodwill

all as used or useful in connection with or relating to the publication and distribution of
the Magazines, and excluding therefrom all cash, money market accounts, marketable
securities, insurance, certificates of deposit, funds due from members to the Seller, and
all accounts receivable.

2. Consideration to be Paid.

A. For and in consideration of the Assets and business to be sold and purchased hereunder, and in the manner hereinafter provided, Purchaser shall pay to Seller, in cash, the sum of One Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$1,750,000.00) (the "Purchase Price"). The Purchase Price will be reduced at closing by the amount of the deferred circulation liability as shown on the most recent deferred circulation liability report of the Magazines available at Closing (the "Preliminary Circulation Liability"). Within thirty (30) days after the Closing Date, the deferred circulation liability of the Magazines as of the Closing Date (the "Final Circulation Liability") shall be determined and any excess of the Final Circulation Liability over the Preliminary Circulation Liability shall be paid by Seller to Purchaser (or paid from the Escrow Fund, as hereinafter defined) or, alternatively, any excess of the Preliminary Circulation Liability over the Final Circulation Liability shall be paid by Purchaser to Seller, in either event within ten (10) days of such determination.

Additionally, there shall be withheld from the Purchase Price at Closing the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00), which sum (the "Escrow Fund") shall be paid to United National Bank of Wheeling, West Virginia, as Escrow Agent (the "Escrow Agent"). The Escrow Agent shall hold the Escrow Fund subject to, and on the terms and conditions set forth in, the Escrow Agreement, a copy of which is attached hereto as "Exhibit - Escrow Agreement" (the "Escrow Agreement").

3. Consultant Agreement.

At closing, Chamberlain shall enter into a consultant agreement (the "Consultant Agreement") which shall provide for the payment of \$50,000.00 (the "Consultant Payment") by Purchaser to Chamberlain, on the 2nd day of January 2003, and which shall require Chamberlain to provide Purchaser with consulting services during calendar years 2003 and 2004. The Consultant Agreement shall be in the form of Exhibit A attached hereto.

4. Non-Competition.

Chamberlain agrees with Purchaser that for a period of three (3) years from and after the date hereof, Chamberlain will not, whether individually or in partnership or in conjunction with or as an employee, officer, director, manager or agent of any other person, firm or corporation, either directly or indirectly, undertake or carry on or be engaged or have any financial or other interest in, or in any other manner advise or assist any person, firm or corporation engaged or interested in, any publishing business, or any other business involving the printing or publication of any magazine or other publication carrying advertising which contains content similar to the Magazines, or which relates to herbal medicines or other health-related themes, without the prior written consent of Purchaser, provided that the foregoing shall not restrict ownership by Chamberlain of 10% or less of any class of publicly-traded securities of an issuer.

In the event that the covenant not to compete set forth in this Section shall be determined by a court of competent jurisdiction to be unenforceable for any reason, then such covenant shall be interpreted to extend over such lesser maximum geographic area, period of time, range of activities and other restrictions as to which the same may be enforceable.

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Chamberlain agrees that a breach of the foregoing covenant may cause irreparable damage to Purchaser, the extent of which may be difficult to ascertain, and the award of damages may not constitute adequate relief therefor. Accordingly, Purchaser may institute an action to compel the specific performance of such covenant and such remedy shall be cumulative, not exclusive, and shall be in addition to any other remedies. Additionally, in the event that Chamberlain breaches the foregoing covenant, Chamberlain shall be deemed to have forfeited all right to the remaining payments provided for in paragraph 3 above.

5. Warranties, Representations and Covenants.

A. Seller warrants, represents and covenants to the Purchaser that:

(1) Seller has full power and authority to sell and transfer to the Purchaser the property sold hereunder.

(2) All documents delivered by Seller to Purchaser are binding instruments of the Seller.

(3) Seller has good and marketable title to all the assets sold hereunder free and clear of all liens and encumbrances as of the time of closing.

(4) No actions, suits or proceedings are pending, or, to the knowledge of Seller, threatened, against or which may affect the business of Seller or the assets sold hereby.

(5) The gross revenues of the Magazines were in excess of \$2,500,000.00 for the twelve (12) month period ended December 31, 2001, and were in excess of \$1,750,000.00 for the eleven (11) month period ended November 30, 2002.

(6) The financial statements of Seller delivered to Purchaser as an inducement to enter into this Agreement, for the year ended December 31, 2001, and for the eleven (11) months ended November 30, 2002, are true and accurate and accurately reflect the financial condition of Seller and the operations of the Magazines as of the dates thereof and/or for the periods then ended.

(7) Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Colorado and is duly qualified to own and transfer the business and assets to be sold hereunder.

(8) The net paid circulation of *Herb Companion* was not less than Thirty Seven Thousand Five Hundred (37,500) copies and the net paid circulation of *Herbs for Health* was not less than Thirty Two Thousand Five Hundred (32,500) copies, as of the last issue of each Magazine distributed prior to the Closing Date.

(9) Execution of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by Seller and all requisite action has been taken to enable Seller legally to perform its obligations incurred hereunder.

(10) There has been no material change in the financial condition of Seller or in the operations or financial condition of the Magazines since the dates of the Financial Statements.

(11) Seller will indemnify and hold Purchaser and its officers, directors, and shareholders harmless at all times after the date hereof against and with respect to any and all liabilities and obligations and any and all claims against Seller, including, without limitation, all tax liabilities with respect to or arising out of the transactions entered into or any state of facts existing on the Closing Date.

B. Purchaser hereby represents, warrants and covenants that:

(1) Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Kansas and is duly qualified to acquire the assets to be purchased hereunder.

(2) Purchaser's Board of Directors has duly authorized the officer of the Purchaser executing this Agreement to act on its behalf and that all requisite action has been taken to enable Purchaser legally to perform its obligations incurred by it under the provisions of this Agreement.

(3) Purchaser will indemnify and hold Seller and its officers, directors, and shareholders harmless at all times after the Closing Date hereof against and with respect to any and all liabilities and obligations and any and all claims against Seller relating to the Magazines, including, without limitation, all tax liabilities, arising out of transactions entered into, or any state of facts arising, after the Closing Date.

C. Any claim based on the breach of any representation, warranty or covenant set forth above must be brought within two (2) years from and after the Closing Date.

D. Any claim made under this Section 5 shall be subject to the terms and conditions of the Escrow Agreement and shall further be subject to the agreement of the parties hereto that Purchaser shall not be entitled to make any claim against the Seller with respect to any breach of any such representation, warranty, or covenant except to the extent that the aggregate of all such claims hereunder exceed a total of \$10,000.00 (the "Claim Threshold"), which shall then entitle Purchaser to indemnification pursuant hereto for the amount of its claims in excess of the Claim Threshold, but in no event shall Seller's aggregate liability arising from this transaction

exceed \$350,000.00 (the "Claim Ceiling"), which amount shall include claims paid from the Escrow Fund and under Section 6 below, which claims under Section 6 are not subject to the Claim Threshold.

6. Indemnity With Respect To Advertising Revenues.

In the event that within one (1) year after the Closing Date, any advertising customer of the Magazines requests in writing, and in good faith, a credit or rate adjustment with respect to the purchase of advertising after the Closing Date, or informs Purchaser that it will no longer purchase advertising from the Magazines, in either such event because of claimed discrepancies prior to the Closing Date between the circulation of the Magazines as represented by Seller and the actual circulation of the Magazines, Purchaser shall be entitled to recover from the Seller and/or the Escrow Fund, upon demand, the amount of any such credit given, or the total amount of lost revenue over the ensuing twelve (12) months resulting from any such adjustment or cessation in advertising. This recovery shall not be subject to any of the terms and conditions of the Escrow Agreement. Purchaser shall also be entitled to demand and receive from the Seller or the Escrow Fund the dollar value of any bonus or free advertising to which Seller has committed the Magazines for advertising after the Closing Date. Any entitlement by Purchaser under this Section 6 shall be subject to Purchaser's good faith in making any demand for reimbursement hereunder. In no event shall Seller's liability under this Section 6 exceed the \$350,000.00 Claim Ceiling established in Section 5 above, which amount shall include amounts paid from the Escrow Fund and the aggregate of all liabilities of Seller under Section 5.

7. Chamberlain's Agreement and Guaranty.

Chamberlain has entered into this Asset Purchase Agreement to evidence his agreement (a) to execute and be bound by the terms of the Consultant Agreement, (b) to be bound by the terms of the non-competition provision set forth herein, and (c) to guarantee, and Chamberlain does hereby so guarantee, the payment of any and all amounts which may come due from Seller to Purchaser as a result of the violation or breach of any representation, warranty or covenant of Seller contained herein.

8. Closing Date, Etc.

Closing ("Closing") shall occur contemporaneous with the execution and exchange of multiple counterparts of this Agreement and the other closing documents by facsimile (with original "hard" copies to be subsequently executed and exchanged) on December 30th, 2002. Closing shall be deemed to be effective as of 12:01 a.m., Mountain Standard Time, on January 1, 2003 (the "Closing Date").

(1) At closing, Seller shall execute and deliver to Purchaser the following documents and instruments:

(a) An appropriate Bill of Sale transferring the assets to be purchased hereunder to the Purchaser.

(b) Such other documents as may reasonably be deemed appropriate and necessary to transfer to Purchaser the business of publishing and distributing the Magazines, including appropriate assignments of Seller's trade names, trademarks, copyrights and any other intellectual property rights relating to the Magazines.

(2) At such time, Chamberlain shall execute and deliver to Purchaser the Consultant Agreement in the form appended hereto as Exhibit A.

(3) By no later than 12:00 p.m. Eastern Standard Time, on December 30, 2002, Purchaser shall pay by federal funds wire transfer (as part of the Purchase Price) to the creditors of Seller holding debt secured by security interests in the assets of the Magazines, namely, Rodale Inc., and Wells Fargo Bank West (collectively, the "Creditors"), the amount required by each creditor to obtain release and termination of such creditor's security interest in the Assets (collectively, the "Creditor Payments"); provided, however, that Purchaser's counsel shall first have received the documents necessary to effectuate said releases and terminations, to hold pending receipt by the Creditors of the Creditor Payments.

(4) On January 2, 2003, Purchaser shall pay to Seller and Chamberlain, by federal funds wire transfer, the balance of the Purchase Price, adjusted as provided in Section 2A above, after deduction of the Creditor Payments and funding of the Escrow Fund, and the Consultant Payment, respectively. In addition, Purchaser shall deduct from such payment the attorney's fees incurred by Seller as a result of this transaction, the amount of which shall be provided to Purchaser's attorney, Evans King, by letter signed by Seller and Chamberlain on the morning of January 2, 2003. Said amount shall be federal funds wire transferred by Purchaser to The DuBoff Law Group, LLC (Bank of the West, Business Banking, 16200 SW Pacific Hwy, Tigard, OR 97224, telephone (503) 624-0955; fax (503) 624-0565; Routing: 121100782 158 000 786.

(5) Also on January 2, 2003, the Escrow Fund shall be funded, by Purchaser.

9. Transition Services.

At Purchaser's option, Seller shall provide transition services to Purchaser after the Closing Date for a period not to exceed thirty (30) days. These

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transition services shall include all services customarily performed in connection with Seller's operation of the Magazines prior to the Closing Date.

10. Final Issues.

Seller shall be entitled to receive all revenues relating to the February/March issue (January 15, 2003 approximate on sale date) of *Herbs for Health* and shall pay all expenses relating thereto. Ogden shall bill, and be entitled to receive, all revenues relating to the March/April issue (February 15, 2003 approximate on sale date) of *Herb Companion*, and of each issue of each of the Magazines thereafter published. Ogden shall reimburse Seller for the following direct expenses relating to the publication and distribution of the March/April issue of *Herb Companion*.

- outside printing costs, including, but not limited to, all postal expenses, shipping costs and distributor fees
- commissions for advertising sales
- outside fulfillment costs
- payments to correspondents,

upon the provision by Seller to Ogden of appropriate evidence thereof.

11. Confidentiality.

Each party hereto shall keep confidential and not disclose or divulge to any person the terms and conditions of this Agreement, except to its or his lenders, legal counsel and financial advisors, or unless (i) required to do so in a legal proceeding after having given the other party or parties hereto the opportunity to intervene in such legal proceeding, or (ii) in an action against the other party or parties hereto to enforce its or his rights hereunder.

12. Survival of Warranties and Representations.

All representations and warranties contained herein shall survive the execution of this Agreement and the closing hereunder, subject to, and to the extent set forth in, Section 5(C) above.

13. Brokerage and Other Commissions.

Purchaser on the one hand and Seller on the other hand will indemnify and hold the other harmless against and in respect of any claim for brokerage and other commissions relative to this transaction which either of them may have incurred. Seller shall be solely responsible for the payment of any fees due to its broker, Publishers Network, Inc.

14. No Assumption of Liabilities by Purchaser.

Purchaser shall not assume or be responsible for any of Seller's debts, liabilities or contractual obligations whatsoever; provided, however, that Purchaser shall fulfill subscriptions to the Magazines outstanding as of the Closing Date with respect to the period of time after the Closing Date. Additionally, Purchaser shall not be obligated to hire any of Seller's current employees.

15. Uniform Commercial Code—Waiver of Compliance.

Purchaser waives compliance by Seller with the requirements of the Uniform Commercial Code of the States of Kansas and Colorado relating to bulk transfers, to the extent applicable to the transactions contemplated hereby.

16. Successors and Assigns.

This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

17. Multiple Counterparts.

This Agreement may be executed in multiple counterpart and by facsimile copy, each of which shall be considered an original, for all purposes.

WITNESS the due execution of this agreement in duplicate by Seller and Purchaser, all as of the day and year first hereinabove written.

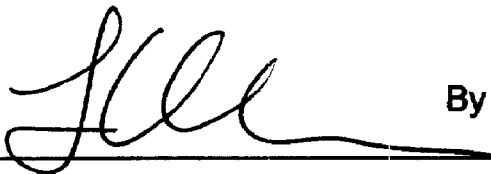
HERB COMPANION PRESS, LLC



By

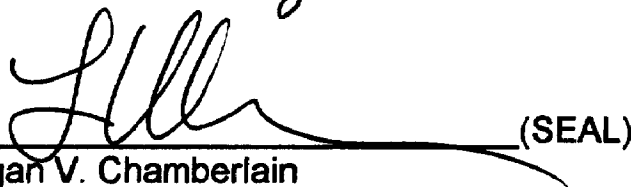
Its Manager

REAL HEALTH MEDIA, LLC



By

Its Manager

 (SEAL)
Logan V. Chamberlain

OGDEN PUBLICATIONS, INC.

By Shane R. Witten

Its Treasurer + CFO

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REEL: 002654 FRAME: 0245

STATE OF COLORADO,

COUNTY OF Weld., TO-WIT:

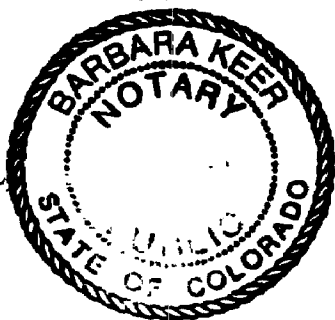
I, Barbara Keer, a notary public of said county, do certify that Logan V. Chamberlain, the Manager of Real Health Media, LLC, who signed the writing hereto annexed, bearing date as of the 28th day of December, 2002, has this day in my said county, before me, acknowledged the same to be the act and deed of said corporation.

Given under my hand this 28th day of Dec., 2002.

My commission expires: Jan 16, 2006
Barbara Keer.

Notary Public

(NOTARIAL SEAL)



STATE OF COLORADO,

COUNTY OF Weld, TO-WIT:

I, Barbara Keer, a notary public of said county, do certify

that, Logan V. Chamberlain, whose name is signed to the writing hereto annexed, bearing date as of the 28th day of December, 2002, has this day acknowledged the same before me in my said county.

Given under my hand this 28th day of Dec., 2002.

My commission expires: Jan 16, 2006

Barbara Keer

Notary Public



(NOTARIAL SEAL)

STATE OF COLORADO,

COUNTY OF Weld, TO-WIT:

I, Barbara Keer, a notary public of said county, do certify that Logan V. Chamberlain, the Manager of Herb Companion Press, LLC, who signed the writing hereto annexed, bearing date as of the 28th day of December, 2002, has this day in my said county, before me, acknowledged the same to be the act and deed of said corporation.

Given under my hand this 28th day of Dec., 2002.

My commission expires: Jan 16, 2006
Barbara Keer
Notary Public

(NOTARIAL SEAL)



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RECORDED: 01/16/2003

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