

ASSUMPTION, ASSIGNMENT AND SALE AGREEMENT

This Assumption, Assignment and Sale Agreement (the "Agreement") is executed and delivered as of September 10, 2012 (the "Effective Date") by and between KC & COF, Inc., a California corporation having a primary place of business at 1150 65th Street, Emeryville, CA 94608, which was known as Key Curriculum Press, Inc. until on or about August 2012 ("KC & COF") and IAT Interactive, LLC, a New York limited liability company ("IAT") having a primary place of business located at 333 North Bedford Road, Suite 110, Mount Kisco, New York 10549 (collectively the "Parties").

RECITAL

A. KC & COF wishes to assign to IAT and IAT wishes to accept such assignment of that certain Interactive Mathematics Program/Key Curriculum Press Publishing Agreement between Interactive Mathematics Program, Inc. and KC & COF dated July 1, 1993 (the "Contract") on the terms and conditions and for the consideration set forth below.

B. As part of the transfer of the Contract, the parties further wish to sell, transfer and assign to IAT all of KC & COF's right, title and interest in certain Inventory (as defined below) and the Trademarks (as defined below), inclusive of all goodwill associated therewith.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and set forth below, the Parties hereto agree as follows:

1. Assignment and Assumption of Contract; Sale of Inventory; Assignment of Trademarks.

(a) As of the Effective Date, KC & COF hereby grants, transfers, assigns and delegates to IAT all of its right, title, interest in and to the Contract and all future obligations accruing on or after the Effective Date related thereto, and IAT accepts such assignment and delegation, assumes the Contract, and agrees to pay and perform all obligations under the Contract which accrue from and after the Effective Date.

(b) Furthermore, KC & COF hereby sells to IAT all its right, title, and interest in the books listed on Schedule 1(b) hereof, including but not limited to electronic files and permissions and/or authorizations to reprint, publish and sell additional copies of said books (the "Inventory"). Promptly after execution of this Agreement, KC & COF shall provide IAT with (i) copies of the electronic files for all books listed on Schedule 1(b), and copies of all permissions and/or authorization for all text and artwork for the books listed on Schedule 1(b) of this Agreement, it being the understanding of the parties that IAT will be printing, publishing, and selling additional copies of the books listed in Schedule 1(b) after the Acquired Inventory for each book title and/or SKU has been sold and/or used for sampling or piloting.

(c) Furthermore, KC & COF hereby transfers and assigns to IAT all its right, title, and interest in and to KC & COF's "INTERACTIVE MATHEMATICS PROGRAM" and "IMP" registered and unregistered trademarks and all goodwill associated with each of these

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TRADEMARK

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trademarks (the "Trademarks"), and KC & COF shall execute the assignment documents annexed hereto as Schedule 1(c) in order to effectuate the transfer of ownership of registered trademarks issued to KC & COF pursuant to this Agreement.

(d) Upon either party's request, the other party shall enter into any other instruments reasonably necessary to evidence and effectuate the transactions contemplated herein.

2. Payment; Inspection.

(a) The Parties agree that in exchange for the assignment of the Contract and the sale and transfer of the Inventory and the Trademarks, IAT will pay to KC & COF the lesser of (i) 50% of the Net Sales of the Acquired Inventory, as defined in Section 3, that is received by IAT from the Effective Date through September 15, 2015 or (ii) \$550,000.00. Except for Prepayment Amounts retained by KC & COF under Section 3(b) below (but credited toward amounts owed under the preceding sentence), IAT shall remit payment hereunder to KC & COF on September 30 of each year through September 30, 2015 and deliver such payments by wire transfer. All payments shall be accompanied by an accounting statement setting forth the Net Sales during the previous year and the product sales upon which the foregoing were derived. Payments not received fifteen (15) days after they become due shall accrue interest at the rate of 0.75% per month. IAT covenants to first sell all Acquired Inventory of a particular book title or SKU for which IAT takes possession under Section 3, below, prior to selling additional copies of that same book title or SKU. IAT shall be permitted to use the Acquired Inventory for the purpose of providing sampling of the works, in manners commensurate with industry norms and reasonably consistent with IAT's past practices for works similar to the Acquired Inventory (as and if applicable), and IAT shall not be required to pay any commission to KC & COF for Acquired Inventory used for sampling and/or pilots.

(b) KC & COF shall have the right to audit, no more than once per calendar year, on reasonable notice and during regular business hours, the records of IAT to verify the amounts owed to KC & COF hereunder. The cost of such audit shall be borne by KC & COF, unless an underpayment of more than ten percent (10.00%) occurred within the audited accounting period, in which case IAT shall reimburse the reasonable costs of such audit. In any case where an underpayment has been determined to have occurred, IAT shall immediately remit to KC & COF the amount of the determined underpayment. Notwithstanding anything else stated herein, IAT shall not be obligated to reimburse KC & COF for the cost of said accounting unless (i) the audited accounting period is at least six (6) consecutive months, and (ii) the underpayment is greater than \$10,000.00.

(c) For purposes of this Agreement, "Net Sales" shall mean the gross revenue paid to IAT from sales of the Acquired Inventory less freight, sales tax, and verifiable returns.

3. Inventory Selection, Transition Services, and Transfer.

(a) By no later than September 17, 2012, IAT shall deliver to KC & COF a written list of the Inventory that IAT wishes to take possession and ownership of (the "Acquired Inventory List") by no later than October 19, 2012. All items on the Acquired Inventory List shall be deemed the "Acquired Inventory" and all other Inventory items not on the Acquired

Inventory List shall be destroyed by KC & COF. Inventory received by IAT which is not in saleable condition shall not be considered Acquired Inventory. Within ten (10) days of receipt of delivery of the Acquired Inventory, IAT shall inform KC & COF as to the amount of Acquired Inventory in saleable condition received by IAT. The Acquired Inventory shall be free and clear of all liens at the time of delivery to IAT.

(b) To facilitate the transfer of the Acquired Inventory from KC & COF to IAT, KC & COF has agreed to fulfill orders and process returns by customers for products in the Acquired Inventory, for the account and benefit of IAT, during the Transition Period, as defined below; provided, however, IAT shall pay KC & COF (1) 50% of all revenues received for the sale of any product in the Acquired Inventory (the "Prepayment Amount") and (2) all direct third-party delivery costs related in each case to fulfillment for such item. KC & COF shall deliver a summary of all fulfillments made during the Transition Period and remit all applicable revenues received for the sale of all products in the Acquired Inventory less the Prepayment Amounts less all applicable third-party delivery charges paid by the customer related to such fulfillments within forty-five (45) days after the conclusion of the Transition Period. The "Transition Period" means the period commencing on the Effective Date and ending on October 19, 2012.

(c) During and after the Transition Period, all risk of loss shall remain and be with IAT and KC & COF shall have no liability whatsoever for any damages or losses to the Acquired Inventory, other than damages or losses proximately caused by the willful and/or reckless actions of KC & COF or its agents; provided, however, in all cases, any such liability shall be capped at the replacement value of the Acquired Inventory. During the Transition Period, KC & COF shall have all rights necessary to continue to market the products in the Acquired Inventory in manners substantially similar to the methods and means it has implemented prior to the Effective Date and IAT grants KC & COF a limited license to use all related logos, names, descriptions and other pre-existing marketing collateral (e.g., web-files and production files) toward that end.

(d) By no later than the end of the Transition Period, IAT shall cause all Acquired Inventory to be removed from KC & COF's inventory at the Ingram distribution warehouse. IAT shall be solely responsible for all third-party shipping costs related to the removal and relocation of the Acquired Inventory.

(e) After the conclusion of the Transition Period, KC & COF shall cease providing all services related to the Acquired Inventory and any Inventory remaining within KC & COF's area at the Ingram distribution warehouse may be destroyed or disposed of by KC & COF in its sole and absolute discretion.

(f) After the Transition Period, IAT shall be solely responsible for processing any and all returns of, and remitting all refunds related to, all products derived under the Contracts (including the Acquired Inventory) (the "Products") which were sold on or after the Effective Date and KC & COF shall be solely responsible for processing any and all returns of Products sold prior to the Effective Date, and remitting refunds related thereto. The parties agree to cooperate in the exchange of necessary information to verify when a Product subject to a return request was purchased.

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(g) IAT shall take all steps reasonably necessary and incidental to disclaim any relationship with KC & COF and disclaim any rights in the name, "KEY CURRICULUM PRESS" or any related logos or insignias in order to mitigate any end-user customer confusion, including, without limitation, posting conspicuous reasonable disclaimer notices on (1) websites operated by IAT where the Products may be purchased and (2) on applicable customer invoices. All references to Key Curriculum Press and its trademarks, logos or related insignias must be deleted for any reprints of any Product and/or any electronic versions of the Products. Notwithstanding anything else stated herein, KC & COF hereby grants IAT a limited license to use all logos, names, trademarks and/or descriptions on and/or in the Acquired Inventory.

4. As-Is Sale. The sale, transfer and assignment of the Contract, Inventory and Trademarks is on an "AS-IS, WHERE-IS, WITH ALL FAULTS BASIS" AND KC & COF MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, IN RESPECT OF ANY OF THE FOREGOING, INCLUDING WITHOUT LIMITATION, STATUTORY OR IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, NON-INFRINGEMENT, SATISFACTORY QUALITY AND ACCEPTANCE, FITNESS FOR A PARTICULAR PURPOSE OR ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. THE DISCLAIMERS AND EXCLUSIONS OF THIS SECTION 4 SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IAT shall inspect all Acquired Inventory promptly after IAT receives delivery of same and IAT shall promptly notify KC & COF if any of the Acquired Inventory is not in saleable condition.

5. Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute a single document.

6. Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, sent by facsimile transmission or sent by certified, registered or express mail, or by a nationally recognized air courier (such as UPS or Federal Express) postage prepaid, and shall be deemed given when so delivered personally, or sent by facsimile transmission with a copy sent by regular mail, or upon confirmed receipt if sent by a nationally recognized air courier, or if mailed, one (1) week after the date of mailing, as follows: if to KC & COF, to:

KC & COF Curriculum Press, Inc.
1150 65th Street
Emeryville, CA 94608
Attn: Mr. Milan Wielinga, CFO
Tel.: (510) 595-7000
Fax: (510) 595-7040

If to IAT, to:

IAT INTERACTIVE, LLC
333 North Bedford Road

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Suite 110
Mount Kisco, New York 10549
Tel.: (914) 273-2233 x501
Fax: _____
Attention: Thomas Laster;

With a copy to:

PENN & ASSOCIATES, LLP
767 Third Avenue
Suite 3600
New York, New York 10017-2023
Attention: Craig E. Penn
cpenn@cpemlaw.com
(212) 661-5700
(888) 506-3339 (fax)

Any party may, by notice given in accordance with this Section, to the other parties, designate another address or person for receipt of notices hereunder.

7. Arbitration.

This Agreement shall be governed by the laws of the State of New York without reference to conflict of law principles. Any disagreement, dispute, claim or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect (the "Rules"). The arbitration shall take place in the County of Westchester in the State of New York. The remedies available in arbitration shall be identical to those allowed at law. The decision or award of the arbitrator(s) shall be in writing and may be appealed pursuant to and in accordance with the appellate procedures of the American Arbitration Association. Any final arbitral award may be confirmed and entered as a judgment or order in any Court of competent jurisdiction. Each party shall bear its own costs, fees, and attorneys' fees with regard to said arbitration.

8. Miscellaneous.

(a) KC & COF warrants and represents that the execution, delivery and performance of this Agreement is within KC & COF's corporate authority, and that KC & COF has been duly authorized by all necessary corporate action of its Board of Directors and/or shareholders and that this Agreement does not contravene KC & COF's certificate of incorporation, bylaws and/or Shareholders' Agreement(s), and that the provisions of this Agreement are legal, valid and binding obligations of KC & COF and/or enforceable against KC & COF in accordance with its terms.

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(b) KC & COF warrants and represents that, to the best knowledge of KC & COF, the Contract is in full force and effect and KC & COF has not received and/or served any notice of termination of the Contract.

(c) KC & COF warrants and represents that it has not received any cease and desist letter or similar notice demanding that KC & COF stop using any trade name or trademark referred to in paragraph 1(c) of this Agreement and/or printed on any of the Acquired Inventory, and that it has not sold, assigned and/or transferred ownership of any trade name and/or trademark referred to in paragraph 1(c) of this Agreement. KC & COF warrants and represents that it has not received any cease and desist letter or similar notice alleging that KC & COF is in violation of any copyright for any of the books which comprise the Acquired Inventory.

(d) KC & COF warrants and represents that it is not in arrears in the payment of royalties and/or fees owed pursuant to the Contract and that KC & COF shall promptly pay all amounts due and owing pursuant to the Contract through and including the effective date of this Agreement.

(e) The defined term KC & COF in this Agreement refers interchangeably to Key Curriculum Press, Inc. and/or to KC & COF, Inc. and representations and warranties by KC & COF include but are not limited to representations and warranties, and/or notices to and/or from Key Curriculum Press, Inc. and/or KC & COF, Inc.

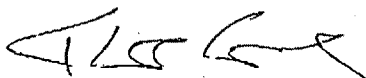
Signature Page to Follow

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IN WITNESS WHEREOF, the Parties have duly executed this Assumption, Assignment and Sale Agreement on the date first above written.

KC & COF, INC.

IAT Interactive, LLC



Karen Cowe, CEO

Thomas Laster, Managing Member

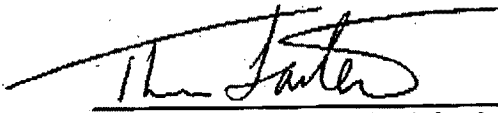
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IN WITNESS WHEREOF, the Parties have duly executed this Assumption, Assignment and Sale Agreement on the date first above written.

KC & COF, INC.

IAT Interactive, LLC

Karen Cowe, CEO



Thomas Laster, Managing Member

Schedule 1(b)

Inventory List

As of 9/10/12

Item ID	Description	QOH	
53146	IMP 1e: BAKERS CHOICE STUD WKBK	2308	
53145	IMP 1e: BAKERS CHOICE TG & STUD MSTRS	133	
53308	IMP 1E: IT'S ALL WRITE	572	
53658	IMP 1E: MORE PROBS OF WEEK YRS 1 & 2 TG	0	Print on Demand
53256	IMP 1E: TEACHING HANDBOOK FOR IMP	177	
53307	IMP 1e: Y1 CALC GUIDE FOR TI81 TI82 TI83	16	
53252	IMP 1e: Y1 GAME OF PIG TG	445	
53920	IMP 1e: Y1 GAME OF PIG UNIT BK	311	
53253	IMP 1e: Y1 OVERLAND TRAIL TG	403	
53638	IMP 1e: Y1 OVERLAND TRAIL UNIT BK	1167	
53251	IMP 1e: Y1 PATTERNS TG	491	
53637	IMP 1e: Y1 PATTERNS UNIT BK	5045	
53254	IMP 1e: Y1 PIT & PEND TG	709	
53919	IMP 1E: Y1 PIT & PEND UNIT BK	1180	
53255	IMP 1e: Y1 SHADOWS TG	337	
53463	IMP 1E: Y1 SHADOWS UNIT BK	1181	
53659	IMP 1e: Y1 STUD ED	1537	
53264	IMP 1e: Y2 ALICE TG	562	
40042	IMP 1e: Y2 ALICE UNIT BK	1380	
53260	IMP 1e: Y2 BEES TG	135	
53854	IMP 1e: Y2 BEES UNIT BK	860	
53351	IMP 1e: Y2 CALC GUIDE FOR TI81 TI82 TI83	118	

53261	IMP 1e: Y2 COOKIES TG	407	
53855	IMP 1e: Y2 COOKIES UNIT BK	932	
53259	IMP 1e: Y2 DIFFERENCE TG	905	
53464	IMP 1e: Y2 SOLVE IT UNIT BK	214	
53258	IMP 1e: Y2 SOLVE IT! TG	736	
53660	IMP 1e: Y2 STUD ED	3991	
53352	IMP 1e: Y3 CALC GUIDE FOR TI81 TI82 TI83	940	
53262	IMP 1e: Y3 FIREWORKS TG	403	
53465	IMP 1e: Y3 FIREWORKS UNIT BK	2109	
53295	IMP 1e: Y3 MEADOWS OR MALLS? TG	352	
53294	IMP 1e: Y3 ORCHARD HIDEOUT TG	231	
53856	IMP 1E: Y3 ORCHARD HIDEOUT UNIT BK	1875	
53297	IMP 1e: Y3 PENNANT FEVER TG	318	
53296	IMP 1e: Y3 SMALL WORLD TG	198	
53921	IMP 1e: Y3 SMALL WORLD UNIT BK	529	
53293	IMP 1e: Y3 STUD ED	2590	
53346	IMP 1e: Y4 AS CUBE TURNS TG	248	
53360	IMP 1e: Y4 CALC GUIDE FOR TI81 TI82 TI83	393	
53345	IMP 1e: Y4 HIGH DIVE TG	709	
53918	IMP 1E: Y4 HIGH DIVE UNIT BK	2342	
53347	IMP 1e: Y4 KNOW HOW TG	392	
53349	IMP 1e: Y4 POLLSTERS DILEMMA TG	132	
53344	IMP 1e: Y4 STUD ED	1030	
53348	IMP 1e: Y4 WORLD OF FUNCTIONS TG	30	
40043	IMP 1e: Y4 WORLD OF FUNCTIONS UNIT BK	2258	
40060- POD	IMP 2E Y1 GAME OF PIG PRINT TG	0	Print on Demand

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40061- POD	IMP 2E Y1 OVERLAND TRAIL PRINT TG	0	Print on Demand
40059- POD	IMP 2E Y1 PATTERNS PRINT TG	0	Print on Demand
40062- POD	IMP 2E Y1 PIT & PENDULUM PRINT TG	0	Print on Demand
40063- POD	IMP 2E Y1 SHADOWS PRINT TG	0	Print on Demand
53996	IMP 2E: Y1 GAME OF PIG UNIT BK	3261	
53997	IMP 2E: Y1 OVERLAND TRAIL UNIT BK	3113	
53995	IMP 2E: Y1 PATTERNS UNIT BK	1758	
53998	IMP 2E: Y1 PIT & PEND UNIT BK	3547	
53999	IMP 2E: Y1 SHADOWS UNIT BK	3681	
53994	IMP 2E: Y1 STUD ED	2760	
40121- POD	IMP 2E: Y2 ALICE PRINT TG	0	Print on Demand
40035	IMP 2E: Y2 ALICE UNIT BK	1500	
40117- POD	IMP 2E: Y2 BEES PRINT TG	0	Print on Demand
40031	IMP 2E: Y2 BEES UNIT BK	3119	
40118- POD	IMP 2E: Y2 COOKIES PRINT TG	0	Print on Demand
40032	IMP 2E: Y2 COOKIES UNIT BK	3237	
40119- POD	IMP 2E: Y2 DIFFERENCE PRINT TG	0	Print on Demand
40033	IMP 2E: Y2 DIFFERENCE UNIT BK	3547	
40120- POD	IMP 2E: Y2 FIREWORKS PRINT TG	0	Print on Demand
40034	IMP 2E: Y2 FIREWORKS UNIT BK	3186	
40030	IMP 2E: Y2 STUD ED	1510	
40116- POD	IMP 2E: Y3 HIGH DIVE PRINT TG	0	Print on Demand

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40051	IMP 2E: Y3 HIGH DIVE UNIT BK	0	Print on Demand
40113- POD	IMP 2E: Y3 MEADOWS OR MALLS? PRINT TG	0	Print on Demand
40048	IMP 2E: Y3 MEADOWS UNIT BK	0	Print on Demand
40112- POD	IMP 2E: Y3 ORCHARD HIDEOUT PRINT TG	0	Print on Demand
40047	IMP 2E: Y3 ORCHARD HIDEOUT UNIT BK	0	Print on Demand
40115- POD	IMP 2E: Y3 PENNANT FEVER PRINT TG	0	Print on Demand
40050	IMP 2E: Y3 PENNANT FEVER UNIT BK	0	Print on Demand
40114- POD	IMP 2E: Y3 SMALL WORLD PRINT TG	0	Print on Demand
40049	IMP 2E: Y3 SMALL WORLD UNIT BK	0	Print on Demand
40046	IMP 2E: Y3 STUD ED	1388	
40153- POD	IMP 2E: Y4 AS THE CUBE TURNS TG	0	Print on Demand
40148	IMP 2E: Y4 AS THE CUBE TURNS UNIT BK	0	Print on Demand
40144	IMP 2E: Y4 DIVER RETURNS UNIT BK	0	Print on Demand
40152- POD	IMP 2E: Y4 HOW MUCH? HOW FAST? TG	0	Print on Demand
40147	IMP 2E: Y4 HOW MUCH? HOW FAST? UNIT BK	0	Print on Demand
40151- POD	IMP 2E: Y4 POLLSTER'S DILEMMA TG	0	Print on Demand
40146	IMP 2E: Y4 POLLSTER'S DILEMMA UNIT BK	0	Print on Demand
40143	IMP 2E: Y4 STUD ED	221	
40149- POD	IMP 2E: Y4 THE DIVER RETURNS TG	0	Print on Demand
40150- POD	IMP 2E: Y4 WORLD OF FUNCTIONS TG	0	Print on Demand
40145	IMP 2E: Y4 WORLD OF FUNCTIONS UNIT BK	0	Print on Demand

Schedule 1(e)

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