

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM641371

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	COURT ORDER		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
CORTLAND CAPITAL MARKETS SERVICES LLC		07/01/2019	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	F+W MEDIA, INC.		
Street Address:	5720 FLATIRON PARKWAY		
City:	BOULDER		
State/Country:	COLORADO		
Postal Code:	80301		
Entity Type:	Corporation: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2821953	GOLDMINE	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Email:	DWTrademarks@dickinson-wright.com		
Correspondent Name:	Alison D. Frey		
Address Line 1:	1825 Eye St. N.W. , Suite 900		
Address Line 4:	Washington, D.C. 20006		
NAME OF SUBMITTER:	Charlsie D. Doerfler		
SIGNATURE:	/Charlsie D. Doerfler/		
DATE SIGNED:	04/22/2021		
Total Attachments: 69			
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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

F+W MEDIA, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 19-10479 (KG)

(Jointly Administered)

Ref. Docket No. 80

**ORDER (I) APPROVING ASSET PURCHASE AGREEMENT,
(II) AUTHORIZING THE SALE OF CERTAIN COMMUNITIES WITH THE
DEBTORS' COMMUNITIES BUSINESS LINE FREE AND CLEAR OF ALL
ENCUMBRANCES, (III) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND
(IV) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") pursuant to sections 105(a), 363, 365, 503, and 507 of title 11 of the United States Code (the "Bankruptcy Code"), and Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order (this "Sale Order") (a) authorizing and approving that certain Asset Purchase Agreement (the "APA," a copy of which is attached hereto as Exhibit 1), dated as of June 10, 2019, between Debtors F+W Subscription Services, LLC, F+W Trade Show & Events, LLC, F+W OH e-Commerce, LLC, F+W NH e-Commerce, LLC, and F+W Media, Inc. (collectively, the "Sellers") and Cruz Bay Publishing, Inc. ("Buyer"), (b) approving the sale of the Acquired

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: New Publishing Holdings, Inc. (4101); F+W Media, Inc. (5953); F+W Subscription Services, LLC (3663); F+W Trade Show & Events, LLC (0268); F+W OH e-Commerce, LLC (3762); Former Quilting Inc. (7854); The Writers Store, Inc. (6951); F & W Media International Limited (UK Registered No. 04003207); and F+W NH e-Commerce, LLC (9731). The headquarters for the above-captioned Debtors is 1140 Broadway, 14th Floor, New York, New York 10001.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the APA (as defined herein), or to the extent not defined therein, the Bidding Procedures Order (as defined herein).

Assets pursuant to the APA, (c) approving the assumption and assignment of certain executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code, (d) authorizing the Debtors to consummate transactions related to the APA, and (e) granting other related relief; and this Court having entered on April 15, 2019 that certain *Order (I) Approving (A) Bidding Procedures for the Sale of the Debtors' Assets Related to the Debtors' Communities Business Line; and (B) Form and Manner of Notices Related Thereto; and (II) Scheduling Dates to Conduct Auction and Hearing to Consider Final Approval of Sale, Including Treatment of Executory Contracts and Unexpired Leases* [D.I. 157] (the "**Bidding Procedures Order**"); and the Debtors having determined that the highest and otherwise best offer for the Acquired Assets was made by Buyer pursuant to the APA; and this Court having conducted a hearing on June 17, 2019 (the "**Sale Hearing**"), at which time all parties in interest were offered an opportunity to be heard with respect to the sale of the Acquired Assets to Buyer pursuant to the APA (the "**Sale**"), to consider the approval of the Sale pursuant to the terms and conditions of the APA, and this Court having considered (i) the Motion and any objections thereto, (ii) the Sale, (iii) the arguments of counsel made, and evidence adduced, related thereto, and (iv) the full record in these chapter 11 cases, including the record related to the hearing to consider the Bidding Procedures Order and the Sale Hearing held before the Court; all parties in interest having been heard, or having had the opportunity to be heard, regarding the approval of the APA and the Sale and other transactions contemplated by the APA; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; it is hereby **FOUND, CONCLUDED, AND DETERMINED THAT:**³

³ All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the Motion are hereby incorporated herein to the extent not inconsistent herewith.

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to these chapter 11 cases pursuant to Bankruptcy Rule 9014.

B. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. This Court has jurisdiction over the Motion and over the property of the Debtors, including the Acquired Assets to be sold, transferred, and conveyed pursuant to the APA, pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these chapter 11 cases and the Motion in this District and Court is proper under 28 U.S.C. §§ 1408 and 1409.

D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court finds that there is no just reason for delay in the implementation of this Sale Order, and directs entry of judgment as set forth herein.

E. The Acquired Assets constitute property of Sellers' bankruptcy estates and title thereto is vested in Sellers' bankruptcy estates within the meaning of section 541(a) of the Bankruptcy Code.

F. The statutory bases for the relief requested in the Motion and provided for herein are sections 105, 363, 365, 503, and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006.

G. On March 10, 2019 (the "Petition Date"), each of the Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have continued to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

H. This Court previously entered the Bidding Procedures Order: (i) establishing bidding and auction procedures; (ii) scheduling the Auction (if necessary) and the Sale Hearing to consider the sale of the Acquired Assets, to the extent set forth in the Bidding Procedures Order; (iii) establishing procedures for noticing and determining cure amounts related to Sellers' executory contracts and unexpired leases; (iv) approving the form and manner of notice of all procedures, protections, schedules, and agreements; and (v) granting certain related relief.

I. As evidenced by the affidavits of service and publication previously filed with the Court [D.I. 111, 174, 186, 196, 224, 225, 226, 268, 270, 271, 277, 286 & 301], and based on the representations of counsel at the Sale Hearing, due, proper, timely, adequate, and sufficient notice of the Motion, the Sale Hearing, the Auction, the Sale, and the assumption and assignment of the executory contracts and unexpired leases to be assumed and assigned to Buyer at Closing pursuant to this Sale Order and the APA (collectively, the "Assigned Contracts") has been provided in accordance with sections 102(1), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 9007, and 9014 and in compliance with the Bidding Procedures Order, to each party entitled to such notice, including, as applicable: (i) all entities known to have expressed an interest in a transaction with respect to some or all of the Debtors' assets during the past six (6) months; (ii) all entities known to have asserted any interest in or upon any of the Acquired Assets; (iii) all federal, state, and local regulatory or taxing authorities or

recording offices which have a reasonably known interest in the relief requested by the Motion; (iv) known counterparties to any unexpired leases or executory contracts that could potentially be assumed and assigned to the Successful Bidder; (v) the Office of the United States Trustee for the District of Delaware; (vi) the Committee; (vii) the Debtors' pre- and post-petition lenders; (viii) the Securities & Exchange Commission; (ix) the Office of the United States Attorney General for the District of Delaware; (x) the Internal Revenue Service; (xii) the U.S. Department of Justice; (xi) the offices of the attorneys general for the states in which the Debtors operate; and (xii) all parties entitled to notice pursuant to Local Rule 2002-1(b). With respect to entities whose identities are not reasonably ascertained by the Debtors, publication of the Sale Notice once in the national edition of *The New York Times* on April 22, 2019, as evidenced by the affidavit of service filed by the Debtors at D.I. 196 in these chapter 11 cases, was, and is deemed, sufficient, and reasonably calculated under the circumstances to reach such entities. The notices described above were good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Auction, the Sale, and the Sale Hearing is, or shall be, required.

J. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion and provided for herein.

K. The Sale Notice provided all interested parties with timely and proper notice of the Sale, the Sale Hearing, and the Auction.

L. The disclosures made by the Debtors in the Motion, the Sale Notice, and related documents filed with the Court concerning the APA, the Auction, the Sale and the Sale Hearing were good, complete, and adequate.

M. The Bidding Procedures set forth in the Bidding Procedures Order were non-collusive, proposed and executed in good faith as a result of arms'-length negotiations, and were substantively and procedurally fair to all parties.

N. The Debtors conducted the sale process in accordance with, and have otherwise complied in all respects with, the Bidding Procedures Order. The sale process set forth in the Bidding Procedures Order afforded a full, fair, and reasonable opportunity for any entity to make a higher or otherwise better offer to purchase the Acquired Assets.

O. The terms contained in the APA constitute the highest and best offer for the Acquired Assets and will provide a greater recovery for Sellers' estates for the Acquired Assets than would be provided by any other available alternative. Sellers' determination that the APA constitutes the highest and best offer for the Acquired Assets constitutes a valid and sound exercise of Sellers' business judgment.

P. The APA and the Sale contemplated thereby represent a fair and reasonable offer to purchase the Acquired Assets under the circumstances of these chapter 11 cases. No other entity or group of entities has presented a higher or otherwise better offer to Sellers to purchase the Acquired Assets for greater economic value to Sellers' bankruptcy estates than Buyer.

Q. Approval of the Motion and the APA and the consummation of the Sale contemplated thereby is in the best interests of the Debtors, their creditors and estates and other parties in interest in these chapter 11 cases.

R. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale of the Assets because, among other reasons, (i) the APA constitutes the highest and best offer for the Acquired Assets,

(ii) the APA and the closing thereon will present the best opportunity to realize the value of the Acquired Assets, and (iii) any other transaction would not have yielded as favorable an economic result.

S. Buyer is purchasing the Acquired Assets in good faith and is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code and is not an “insider” (as defined under section 101(31) of the Bankruptcy Code) of any Debtor, and, therefore, is entitled to the full protections of that provision, and otherwise has proceeded in good faith in all respects in connection with these chapter 11 cases in that: (i) Buyer recognized that the Debtors were free to deal with any other party interested in acquiring the Assets; (ii) Buyer was a Qualified Bidder under the bidding procedures and complied with the provisions in the Bidding Procedures Order; (iii) Buyer agreed to subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (iv) all payments to be made by Buyer and other agreements or arrangements entered into by Buyer in connection with the Sale have been disclosed; (v) Buyer has not violated section 363(n) of the Bankruptcy Code by any action or inaction; and (vi) the negotiation and execution of the APA, including the Sale contemplated thereby, were at arms’-length and in good faith.

T. The APA and the transactions contemplated thereby cannot be avoided under section 363(n) of the Bankruptcy Code. The Debtors and Buyer and Buyer’s agents, representatives and affiliates have not engaged in any conduct that would cause or permit the APA or the consummation of the transactions contemplated thereby to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

U. The consideration provided by Buyer pursuant to the APA: (i) is fair and adequate and constitutes reasonably equivalent value and fair consideration under the

Bankruptcy Code and under the laws of the United States, any state, territory, possession, and the District of Columbia (including the Uniform Fraudulent Transfer Act); (ii) is fair consideration under the Uniform Fraudulent Transfer Act; (iii) is reasonably equivalent value, fair consideration, and fair value under any other applicable laws of the United States, any state, territory, or possession thereof, and the District of Columbia; and (iv) will provide a greater recovery for the Debtors' creditors than would be provided by any other reasonably practicable available alternative.

V. By consummating the Sale, Buyer is not a mere continuation of Sellers or any other Debtor or any Debtor's bankruptcy estate, and there is no continuity, no common identity, and no continuity of enterprise between Buyer and any Debtor. Buyer is not holding itself out to the public as a continuation of any Debtor. Buyer is not a successor to any Debtor or any Debtor's estate by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or de facto merger of Buyer or any of the Debtors. Neither Buyer nor any of its agents, representatives or affiliates shall assume or in any way be responsible for any obligation or liability of any Debtor (or any affiliates thereof) and/or any Debtor's estate except as expressly provided in this Sale Order or the APA.

W. The Sale neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a liquidating plan of reorganization of the Debtors. The Sale does not constitute a *sub rosa* plan.

X. The Sellers, acting by and through their existing agents, representatives, and officers, have full corporate power and authority to execute and deliver the APA and all other documents contemplated thereby, and the Sellers require no further consents or approvals to consummate the Sale contemplated by the APA, except as otherwise set forth in the APA.

Y. The transfer of each of the Acquired Assets to Buyer will be as of the Closing Date a legal, valid, and effective transfer of such assets, and vests or will vest Buyer with all right, title, and interest of Sellers to the Acquired Assets free and clear of all Interests or Claims (as defined below) accruing, arising or relating thereto any time prior to the Closing Date, unless otherwise specifically assumed in, or permitted by, the APA.

Z. Sellers may sell the Acquired Assets free and clear of all Interests or Claims against Debtors, their bankruptcy estates, or any of the Acquired Assets (unless otherwise assumed in, or permitted by, the APA) because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests or Claims against Debtors, their bankruptcy estates, or any of the Acquired Assets who did not object, or who withdrew their objections, to the Sale or the Motion are deemed to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of such Interests or Claims who did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having their Interests or Claims, if any, in each instance against Debtors, their bankruptcy estates, or any of the Acquired Assets, attach to the cash proceeds of the Sale ultimately attributable to the Acquired Assets in which such creditor alleges an interest, in the same order of priority, with the same validity, force, and effect that such creditor had prior to the Sale, subject to any claims and defenses that Sellers or any other Debtor may possess with respect thereto.

AA. The DIP Lenders (as defined in the Motion), in their capacity as such, have consented to the sale of the Acquired Assets to Buyer pursuant to the APA free and clear of any Interests or Claims (as defined below) of the DIP Lenders against the Acquired Assets, provided that, unless otherwise ordered by this Court, all cash proceeds generated from the Sale

shall be paid to the DIP Lenders upon the closing of such Sale for permanent application against the obligations owing by the Debtors to the DIP Lenders in accordance with the terms and conditions of that certain *Final Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing and Use Cash Collateral; and (II) Modifying the Automatic Stay* [D.I. 172] (the “Final DIP Order”) and the DIP Agreement (as defined in the Final DIP Order), until such time as all such obligations have been paid in full.

BB. The Tranche B-1 Term Lenders (as defined in the Final DIP Order), in their capacity as such, have consented to the sale of the Acquired Assets to Buyer pursuant to the APA free and clear of any Interests or Claims of the Tranche B-1 Term Lenders against the Acquired Assets, provided that any Interest or Claims of the Tranche B-1 Term Lenders attach to the cash proceeds of the Sale in the same order of priority, with the same validity, force, and effect that the Tranche B-1 Term Lenders had prior to the Sale, as set forth in the Pre-Petition Credit Agreement (as defined in the Final DIP Order).

CC. The Tranche B-2 Term Lenders (as defined in the Final DIP Order), in their capacity as such, have consented to the sale of the Acquired Assets to Buyer pursuant to the APA free and clear of any Interests or Claims of the Tranche B-2 Term Lenders against the Acquired Assets, provided that any Interest or Claims of the Tranche B-2 Term Lenders attach to the cash proceeds of the Sale in the same order of priority, with the same validity, force, and effect that the Tranche B-2 Term Lenders had prior to the Sale, as set forth in the Pre-Petition Credit Agreement (as defined in the Final DIP Order).

DD. If the Sale were not free and clear of all Interests or Claims (except as otherwise specifically assumed in, or permitted by, the APA), or if Buyer would, or in the future could, be liable for any of the Interests or Claims (except as otherwise specifically assumed in, or

permitted by, the APA), Buyer would not have entered into the APA and would not consummate the Sale, thus adversely affecting the Debtors and their bankruptcy estates and creditors.

EE. Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Assigned Contracts to Buyer pursuant to the terms of this Sale Order and the APA, in each case in connection with the consummation of the Sale, and the assumption and assignment of the Assigned Contracts is in the best interests of Sellers, the other Debtors, their bankruptcy estates and creditors, and other parties in interest. The Assigned Contracts being assigned to Buyer under the APA are an integral part of the APA and the Sale and, accordingly, such assumptions and assignments are reasonable and enhance the value of the Debtors' bankruptcy estates. Any non-Debtor counterparty to any Assigned Contract that has not actually filed with this Court an objection to such assumption as of the date hereof is deemed to have consented to such assumption and assignment.

FF. Debtors and Buyer have, to the extent necessary, satisfied the requirements of section 365 of the Bankruptcy Code, including sections 365(b)(1)(A), 365(b)(1)(B), and 365(f) of the Bankruptcy Code, in connection with the sale and assumption and assignment of the Assigned Contracts to the extent provided under this Sale Order and the APA and have: (i) cured or agreed to cure any default existing prior to the date hereof under any of the Assigned Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code; and (ii) provided or agreed to provide compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assigned Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, and Buyer has provided adequate assurance of future performance with respect to the Assigned Contracts, within the meaning of sections 365(b)(1)

and 365(f)(2) of the Bankruptcy Code. The Assigned Contracts are assignable notwithstanding any provisions contained therein to the contrary.

GG. The APA and Sale must be approved and the Closing must occur promptly to preserve the value of the Acquired Assets and the Debtors' bankruptcy estates.

HH. Given all of the circumstances of these chapter 11 cases and the adequacy and fair value of the consideration provided by Buyer under the APA, the Sale constitutes a reasonable and sound exercise of Debtors' business judgment, is in the best interests of Sellers and the other Debtors, their bankruptcy estates, their creditors, and other parties in interest in these chapter 11 cases, and should be approved.

II. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(f) of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the Sale.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The relief requested in the Motion is granted as set forth herein.
2. Any and all objections and responses to the Motion that have not been withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. Notice of the Motion, the Auction, the Sale Hearing, and the Sale was fair and equitable under the circumstances, and complied in all respects with section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006.

Approval of the Sale of the Acquired Assets

4. The APA, including all other ancillary documents described therein, and all of the terms and conditions thereof, and the Sale contemplated thereby, are hereby approved in all respects.

5. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors, acting by and through their existing agents, representatives, and officers, are authorized and empowered, and, subject to the terms of the APA and this Sale Order, directed to take any and all actions necessary or appropriate to: (a) consummate and close the Sale pursuant to and in accordance with the terms and conditions of this Sale Order and the APA; (b) transfer and assign all right, title, and interest to all property, licenses, and rights to be conveyed in accordance with the terms and conditions of this Sale Order and the APA; (c) execute and deliver, perform under, consummate, and implement this Sale Order and the APA and all additional instruments and documents that may be reasonably necessary or desirable to implement this Sale Order, the APA, and the Sale, including, without limitation, one or more Transition Services Agreements as described in the APA in such form as Sellers and Buyer may reasonably determine, and any other ancillary documents, in each case as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by this Sale Order, the APA, and any such other ancillary documents, and (d) to take any and all actions reasonably requested by Buyer relating to the foregoing which are consistent with the APA and this Sale Order.

6. This Sale Order shall be binding in all respects upon the Debtors, their bankruptcy estates, all creditors, all holders of equity interests in the Debtors, all holders of any Interests or Claims (as defined herein) (whether known or unknown) against any Debtor, all holders of Interests or Claims against or on all or any portion of the Acquired Assets, all counterparties to any executory contract or unexpired lease of the Debtors, Buyer and all agents,

representatives, affiliates, and permitted successors and assigns of Buyer, and any trustees, examiners, or other fiduciary under any section of the Bankruptcy Code, if any, subsequently appointed in any of the Debtors' chapter 11 cases or upon a conversion to chapter 7 under the Bankruptcy Code of the Debtors' cases. The terms and provisions of the APA and this Sale Order shall inure to the benefit of the Debtors, their bankruptcy estates, and their creditors, Buyer and all agents, representatives, affiliates, and permitted successors and assigns of Buyer, and any other affected third parties, including all persons asserting any Interests or Claims in the Acquired Assets to be sold to Buyer pursuant to the APA, notwithstanding any subsequent appointment of any trustee(s), party, entity, or other fiduciary under any section of any chapter of the Bankruptcy Code, as to which trustee(s), party, entity, or other fiduciary such terms and provisions likewise shall be binding.

Sale and Transfer of Acquired Assets

7. Pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date and pursuant to and except as otherwise set forth in the APA, the Acquired Assets shall be transferred to Buyer free and clear of all encumbrances, claims, interests, and liens, including the Excluded Liabilities (as defined in the APA), mortgages, restrictions, hypothecations, charges, indentures, loan agreements, instruments, collective bargaining agreements, leases, licenses, options, deeds of trust, security interests, other interests, conditional sale or other title retention agreements, pledges, and other liens (including mechanics', materialman's, and other consensual and non-consensual liens and statutory liens), judgments, demands, encumbrances, rights of first refusal, offsets (to the extent not taken prepetition), contracts, rights of recovery, claims for reimbursement, contribution, indemnity, exoneration, products liability, alter-ego, environmental, or tax, decrees of any court or foreign or domestic governmental entity, or charges of any kind or nature, if any, including any

restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, debts arising in any way in connection with any agreements, acts, or failures to act, including any pension liabilities, retiree medical benefit liabilities, liabilities related to the Employee Retirement Income Security Act of 1974, liabilities related to the Internal Revenue Code, or any other liability relating to Debtors' current and former employees, including any withdrawal liabilities or liabilities under any collective bargaining agreement or labor practice agreement, of the Debtors or any of the Debtors' predecessors or affiliates, claims, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of these chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under doctrines of successor liability (other than Assumed Liabilities and Permitted Encumbrances, in each case, if any) (all of the foregoing as set forth in this Paragraph 7, collectively in this Order, the "Interests or Claims"), with all such Interests or Claims to attach to the cash proceeds of the Sale in the order of their priority, with the same validity, force, and effect that they now have as against the Acquired Assets, subject to any claims and defenses the Debtors and their bankruptcy estates may possess with respect thereto.

8. On the Closing Date, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of all of the Acquired Assets and a bill of sale transferring good and marketable title in such Acquired Assets to Buyer pursuant to the terms and allocations set forth in this Sale Order and the APA. For the avoidance of doubt, the Excluded Assets set forth in the APA are not

included in the Acquired Assets, and the Excluded Liabilities set forth in the APA are not Assumed Liabilities.

9. Subject to the terms and conditions of this Sale Order, the transfer of Acquired Assets to Buyer pursuant to the APA and the consummation of the Sale and any related actions contemplated thereby do not require any consents other than as specifically provided for in this Sale Order and the APA, constitute a legal, valid, and effective transfer of the Acquired Assets, and shall vest Buyer with all of the right, title, and interest of Sellers in and to the Acquired Assets as set forth in this Sale Order and the APA, as applicable, free and clear of all Interests or Claims of any kind or nature whatsoever (except as otherwise specifically assumed in, or permitted by, the APA).

10. At the Closing, unless otherwise ordered by the Court, after the payment or reservation for any administrative expense claims arising under section 503(b)(9) of the Bankruptcy Code and/or any post-petition administrative claims insofar as such claims are allowed, currently due and owing, undisputed, and comports with the Approved Budget (as defined in the Final DIP Order) are paid in full, the remainder of the cash proceeds generated from the Sale shall be paid to the DIP Lenders for permanent application against the obligations owing by the Debtors to the DIP Lenders in accordance with the terms and conditions of Final DIP Order and the DIP Agreement until such time as all such obligations have been paid in full.

11. At the Closing, any Interest or Claims of the Tranche B-1 Term Lenders shall attach to the cash proceeds of the Sale in the same order of priority, with the same validity, force, and effect that the Tranche B-1 Term Lenders had prior to the Sale.

12. At the Closing, any Interest or Claims of the Tranche B-2 Term Lenders shall attach to the cash proceeds of the Sale in the same order of priority, with the same validity, force, and effect that the Tranche B-2 Term Lenders had prior to the Sale.

13. Buyer, to the extent provided by this Sale Order or the APA, shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval of Debtors constituting Acquired Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to Buyer as of the Closing Date as provided by this Sale Order and the APA. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any grant, permit, or license relating to the operation of the Acquired Assets sold, transferred, assigned, or conveyed to Buyer on account of the filing or pendency of these chapter 11 cases or the consummation of the Sale. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the Sale.

14. All entities that are presently, or on the Closing may be, in possession of some or all of the Acquired Assets to be sold, transferred, or conveyed (wherever located) to Buyer pursuant to this Sale Order and the APA are hereby directed to surrender possession of the Acquired Assets to Buyer on the Closing Date.

15. Upon consummation of the Sale, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Interests or Claims against or in the Acquired Assets shall not have delivered to Sellers prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Interests or Claims

that the person or entity has with respect to the Acquired Assets (unless otherwise assumed in, or permitted by, the APA), or otherwise, then (a) the Debtors are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Acquired Assets and (b) Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Interests or Claims in the Acquired Assets of any kind or nature (except as otherwise specifically assumed in, or permitted by, the APA); provided that, notwithstanding anything in this Sale Order or the APA to the contrary, the provisions of this Sale Order shall be self-executing, and neither Sellers nor Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate, and implement the provisions of this Sale Order. For the avoidance of doubt, upon consummation of the Sale, Buyer is authorized to file termination statements, lien terminations, or other amendments in any required jurisdiction to remove and record, notice filings or financing statements recorded to attach, perfect, or otherwise notice any lien or encumbrance that is extinguished or otherwise released pursuant to this Sale Order under section 363 of the Bankruptcy Code and the related provisions of the Bankruptcy Code.

16. Except to the extent specifically included in Assumed Liabilities or Permitted Encumbrances, or to enforce the APA, all entities, including all lenders, debt security holders, equity security holders, governmental, tax, and regulatory authorities, parties to executory contracts and unexpired leases, customers, employees and former employees, dealers and sale representatives, and trade or other creditors holding or claiming to hold Interests or Claims of any kind or nature whatsoever against or in the Debtors and their bankruptcy estates or

the Acquired Assets arising under or out of, in connection with, or in any way relating to, the Acquired Assets or the transfer of the Acquired Assets to Buyer, hereby are forever barred, estopped, and permanently enjoined from asserting any Interests or Claims of any kind or nature whatsoever against Buyer and its permitted successors, designees, and assigns, or property, or the Acquired Assets conveyed in accordance with the APA. For the avoidance of doubt, Transfer Taxes (as defined in the APA) are Permitted Encumbrances.

17. As of and after the Closing: (a) each of the Debtors' creditors and each holder of any Interests or Claims, is hereby authorized and directed to execute such documents and take all other actions as may be necessary to release its Interests or Claims in the Acquired Assets (if any) as such Interests or Claims may have been recorded or may otherwise exist; and (b) any Asset that may be subject to a statutory or mechanic's lien shall be turned over and such liens shall attach to the proceeds of the Sale in the same priority they currently enjoy with respect to the Acquired Assets.

18. Buyer is not a mere continuation of Sellers or any other Debtor or any Debtor's bankruptcy estate, and there is no continuity, no common identity, and no continuity of enterprise between Buyer and any Debtor. Buyer is not holding, and shall not be deemed to be holding itself out to the public as a continuation of any Debtor. Buyer shall not be determined to be a successor to any Debtor or any Debtor's estate by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or de facto merger of Buyer or any of the Debtors and neither Buyer nor any of its agents, representatives or affiliates shall at any time be deemed to have assumed, or in any way be responsible for any obligation or liability of any Debtor (or any affiliates thereof) and/or any Debtor's estate except as expressly provided in this Sale Order or the APA.

Contracts to be Assumed and Assigned

19. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, and subject to and conditioned upon the occurrence of the Closing Date, Sellers' assumption and assignment to Buyer, and Buyer's assumption, on the terms set forth in this Sale Order and the APA of the Assigned Contracts, is hereby approved in its entirety, and the requirements of section 365 of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

20. Sellers are hereby authorized in accordance with sections 105(a), 363, and 365 of the Bankruptcy Code to assume and assign to Buyer, effective upon the Closing Date, the Assigned Contracts free and clear of all Interests or Claims of any kind or nature whatsoever (except as otherwise specifically assumed in, or specifically permitted by, the APA) and execute and deliver to Buyer such documents or other instruments as may be necessary to assign and transfer the Assigned Contracts to Buyer.

21. Upon the Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, Buyer shall be fully and irrevocably vested in all right, title, and interest of the Debtors' in respect of each Assigned Contract. The Debtors shall cooperate with, and take all actions reasonably requested by, Buyer to effectuate the foregoing, as further provided in this Sale Order and the APA.

22. The Assigned Contracts shall be transferred to, and remain in full force and effect for the benefit of, Buyer in accordance with their respective terms, notwithstanding any provision in any such Assigned Contract that is assumed and assigned to Buyer pursuant to the APA (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer.

23. Pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code, at the Closing, Buyer shall pay to the respective counterparty the Cure Amounts relating to any Assigned Contract.

24. Except as otherwise agreed in writing between the Debtors and the non-Debtor parties to the Assigned Contracts or stated on the record of the Sale Hearing, the Cure Amounts for the Assigned Contracts are hereby fixed at the amounts set forth on Exhibit 2 attached to this Sale Order, and the non-Debtor parties to such Assigned Contracts are forever bound by such Cure Amounts and, upon payment of such Cure Amounts, are hereby enjoined from taking any action against the Debtors and their bankruptcy estates, Buyer and all agents, representatives, affiliates, and permitted successors and assigns of Buyer, or the Acquired Assets with respect to any claim for cure or Cure Amounts under any Assigned Contract.

25. The payment of the applicable Cure Amounts (if any) shall effect a complete cure of all defaults existing as of the date that such executory contracts or unexpired leases are assumed and fully compensate for any actual pecuniary loss to such non-Debtor party resulting from such default.

26. Buyer shall have assumed the Assigned Contracts, and pursuant to section 365(f) of the Bankruptcy Code, the assignment by Sellers of such Assigned Contracts shall not be a default thereunder. After the payment of the relevant Cure Amounts by the Buyer as set forth herein, neither the Debtors and their bankruptcy estates nor Buyer shall have any further liabilities of any kind to the non-Debtor counterparties to the Assigned Contracts, other than Buyer's obligations under the Assigned Contracts that accrue or become due and payable on or after the date that such Assigned Contracts are assumed.

27. Any provisions in any Assigned Contracts that prohibit or condition the assignment of such Assigned Contract or allow the party to such Assigned Contract to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon the assignment of such Assigned Contract constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by Sellers and assignment to Buyer of the Assigned Contracts have been satisfied.

28. Any party having the right to consent to the assumption or assignment of any Assigned Contract that failed to object to such assumption or assignment as of the date of the Sale Hearing is deemed to have consented to such assumption and assignment for all purposes as required by section 365(c) of the Bankruptcy Code.

29. As of the Closing and the assumption and assignment of the Assigned Contracts in accordance with this Sale Order, Buyer shall be deemed to be substituted for Sellers as a party to the applicable Assigned Contracts and the Debtors and their estates shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Assigned Contracts.

30. Buyer has provided adequate assurance of future performance under the relevant Assigned Contracts within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

31. There shall be no assignment fees, increases, rent-acceleration, or any other fees charged to Buyer or the Debtors and their estates as a result of the assumption and assignment of the Assigned Contracts.

32. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, all counterparties to the Assigned Contracts are forever barred and permanently enjoined from raising or asserting against the Debtors and their estates or Buyer any assignment fee, default, breach, claim, pecuniary loss, or condition to assignment, arising under or related to the Assigned Contracts, existing as of the date that such Assigned Contracts are assumed or arising by reason of the Closing.

33. Neither Buyer nor any successor of Buyer shall be responsible for or have any Interests or Claims or obligations arising out of any of the contracts, agreements, or understandings that are not Assigned Contracts after the Closing Date (except as specifically provided by the APA).

Additional Provisions

34. Debtors and Buyer hereby waive, and shall be deemed to waive, any requirement of compliance with, and any claims related to non-compliance with, the provisions of any bulk sales, bulk transfer, or similar law of any jurisdiction that may be applicable.

35. Following the Closing, no holder of an Interest or Claim in or against the Debtors and their bankruptcy estates or the Acquired Assets shall interfere with Buyer's title to or use and enjoyment of the Acquired Assets based on or related to such Interest or Claim or any actions that the Debtors and their bankruptcy estates may take in these chapter 11 cases or any successor cases.

36. The Debtors, including their respective officers, employees, and agents, are hereby authorized to execute such documents and do such acts as are necessary or desirable to carry out the transactions contemplated by the terms and conditions of the APA and this Sale Order. The Debtors shall be, and they hereby are, authorized to take all such actions as may be

necessary to effectuate the terms of this Sale Order and the relief granted pursuant to this Sale Order.

37. The Sale is undertaken by Buyer without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorizations and approvals provided herein to consummate the Sale shall not affect the validity of the Sale (including the assumption and assignment of the Assigned Contracts by Buyer, if any, and the sale free and clear of all Interests or Claims (unless otherwise specifically assumed in, or permitted by, the APA)), unless such authorization and consummation of such Sale are duly stayed pending such appeal. Buyer is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy Code.

38. As a good-faith purchaser of the Acquired Assets, Buyer has not colluded with any of the other bidders, potential bidders, or any other parties interested in the Acquired Assets, and therefore the sale of the Acquired Assets may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

39. The failure specifically to include any particular provisions of the APA including any of the documents, agreements, or instruments executed in connection therewith in this Sale Order shall not diminish or impair the efficacy of such provision, document, agreement, or instrument, it being the intent of this Court that the APA and each document, agreement or instrument be authorized and approved in its entirety.

40. All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

41. To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Motion in these chapter 11 cases, the terms of this Sale Order shall govern.

42. To the extent there are any inconsistencies between the terms of this Sale Order and the APA (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall govern.

43. The APA and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court.

44. **Cigna Protective Objection**. Notwithstanding anything in this Sale Order, any notice related thereto, or the APA to the contrary, and for the avoidance of doubt, the Cigna Employee Benefits Agreements, as identified in the Protective Objection of Cigna [D.I. 267] ("**Cigna Objection**") shall not be deemed "Assigned Contracts" for purposes of this Sale Order, and shall not be assumed and assigned pursuant to this Sale Order as part of the Sale. This resolves the Cigna Objection.

45. **Excluded Contracts and Leases**. Notwithstanding anything to the contrary in this Sale Order, the following contracts and leases shall not be considered Assigned Contracts: (1) that certain real property lease with 8469 Blue Ash Road, LLC for certain real property located at 8469 Blue Ash Road, Cincinnati, Ohio 45236; and (2) Creating a Production Company by Rona Edwards and Monika Skerbelis.

46. **National Frame Building Association**. The National Frame Building Association ("**NFBA**") has asserted that the Debtors are holding at least \$213,756.66 (subject to the parties' reconciliation) in trust for the NFBA pursuant to a contractual agreement between the

Debtors and the NFBA, which inured to the benefit of both parties. Nothing in this Order will affect the NFBA assertion that \$213,756.66 (subject to the parties reconciliation) held by the Debtors is not the Debtors' funds, but the funds of NFBA being held in trust by the Debtors for the NFBA. The Debtors, the DIP Lenders, the Tranche B-1 Term Lenders, and Tranche B-2 Term Lenders retain their rights to review and contest the NFBA's assertion that the Debtors are holding the NFBA's funds.

47. The provisions of this Sale Order are nonseverable and mutually dependent.

48. Notwithstanding the provisions of Bankruptcy Rules 6004(h), 6006(d) or 7062 or any applicable provisions of the Local Rules, this Sale Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in Bankruptcy Rules 6004(h) and 6006(d) is hereby expressly waived and shall not apply.

49. This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the APA, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party or which has been assigned by the Debtors to Buyer, to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, and to protect Buyer or any of the Assumed Contracts or Acquired Assets against any of the Interests or Claims, as provided herein, including to enjoin permanently the commencement or continuation of any action seeking to impose successor liability.



KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE

01:24457673.1

Dated: July 1st, 2019
Wilmington, Delaware

TRADEMARK
REEL: 007267 FRAME: 0590

EXHIBIT 1

Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

among

**F+W SUBSCRIPTION SERVICES, LLC
F+W TRADE SHOW & EVENTS, LLC
F+W OH E-COMMERCE, LLC
F+W NH E-COMMERCE, LLC**

and

F+W MEDIA, INC.

(as Sellers) and

CRUZ BAY PUBLISHING, INC.

(as Buyer)

dated as of

June 28, 2019

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- Exhibit C – Intellectual Property Assignment Agreements
 - C-1: Trademark Assignment Agreement
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 - C-3: Domain Name Assignment Agreement

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”), dated June 28, 2019 (the “**Effective Date**”) entered into among F+W MEDIA, INC. (“**F+W Media**”), F+W SUBSCRIPTION SERVICES, LLC, F+W TRADE SHOW & EVENTS, LLC, F+W OH E-COMMERCE, LLC, FORMER QUILTING, INC., and F+W NH E-COMMERCE, LLC, (collectively, the “**Sellers**”), and CRUZ BAY PUBLISHING, INC. a Delaware corporation (“**Buyer**”).

RECITALS

WHEREAS, Sellers are engaged in the business of publishing and distributing print periodicals (the “**Business**”);

WHEREAS, on March 10, 2019 (the “**Petition Date**”), Sellers commenced administratively consolidated cases (collectively, the “**Bankruptcy Cases**”) under the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) and will continue in the possession of their respective assets and in the management of their respective businesses under Sections 1107 and 1108 of the Bankruptcy Code; and

WHEREAS, Sellers, subject to the receipt of any higher or better offer received by Sellers for the Acquired Assets (as hereinafter defined), desire to sell the Acquired Assets to Buyer pursuant to the terms and conditions of this Agreement and Buyer desires to so purchase and acquire the Acquired Assets from Sellers in accordance with Sections 105, 363 and 365 of the Bankruptcy Code.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I DEFINITIONS

The following terms have the meaning throughout this Agreement as are specified or referred to in this Article I:

“**Accounts Receivable**” means, with respect to the Acquired Communities, all accounts receivable and other rights to payment of the Sellers and the full benefit of all security for such accounts receivable or rights to payment, including all accounts receivable in respect of goods shipped or products sold or services rendered to customers by Sellers, any other miscellaneous accounts receivable of Sellers, and any claim, remedy or other right of Sellers related to any of the foregoing.

“**Action**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity.

“**Acquired Assets**” has the meaning set forth in Section 2.01.

“**Acquired Communities**” means the subset of the Business identified by the Sellers as the Collectibles Community, the Woodworking Community, the Horticultural Community, the Family Tree Community, and the Writing Community.

“**Affiliate**” of a Person means any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

“**Agreement**” has the meaning set forth in the opening paragraph of this Agreement.

“**Alternative Transaction**” means a transaction or series of related transactions (which could include a Chapter 11 Plan) involving: (i) debt or equity financing, refinancing, conversion, or exchange of debt or equity securities of any of the Sellers, (ii) sale, lease, exclusive license, transfer, liquidation, or disposition of the Business or all or substantial and material portion of the Acquired Assets or any group of assets that includes all or a substantial and material portion of the Acquired Assets, including any public offering, joint venture, recapitalization, merger, business combination, or reorganization of or involving any Seller or all or a material part of the Acquired Assets, or (iii) a plan of reorganization or liquidation with respect to the Business or all or a substantial and material portion of the Acquired Assets, from a Person other than Buyer or any Affiliate of Buyer (or a group or joint venture that includes Buyer or any Affiliate of Buyer), other than (x) the sale of goods or services of the Business conducted in the Ordinary Course, or (y) any debtor-in-possession financing to fund the administration of the Bankruptcy Case.

“**Assigned Contracts**” means all written Contracts and other agreements listed in Section 2.01(e) of the Disclosure Schedules.

“**Assignment and Assumption Agreement**” means the assignment and assumption agreement in the form of Exhibit A hereto effecting the assignment to and assumption by Buyer of the Assigned Contracts and the Assumed Liabilities.

“**Assumed Liabilities**” has the meaning set forth in Section 2.03.

“**Auction**” means an auction conducted by Sellers in accordance with the Bid Procedures.

“**Avoidance Actions**” means any and all claims and causes of action of any Seller, arising under the Bankruptcy Code or similar state law claims, including under chapter 5 of the Bankruptcy Code.

“**Bankruptcy Cases**” has the meaning set forth in the Recitals.

“**Bankruptcy Code**” means Chapter 11 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq., as amended.

“**Bankruptcy Court**” has the meaning set forth in the Recitals.

“**Benefit Plans**” means any pension, benefit, retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, performance award, phantom equity, stock or stock-based, change in control, retention, severance, vacation, paid time off, welfare, fringe-benefit, and other similar agreement, plan, policy, program or arrangement (and any amendments thereto), in each case whether or not reduced to writing and whether funded or unfunded, including each “employee benefit plan” within the meaning of Section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA, that is or has been maintained, sponsored, contributed to, or required to be contributed to by the applicable Seller for the benefit of any current or former employee, officer, director, retiree, or independent contractor of Sellers or any spouse or dependent of such individual.

“**Bid Procedures**” means the bidding procedures approved by the Bankruptcy Court for purposes of seeking bids for the purchase of Sellers’ assets at the Auction.

“**Bid Procedures Motion**” means a motion filed by Sellers with the Bankruptcy Court to seek approval of the Bid Procedures.

“**Bidding Procedures Order**” means an Order of the Bankruptcy Court, in form and substance reasonably acceptable to Buyer that among other things, establishes a date by which qualified bids meeting the requirements approved in such Order must be submitted by bidders and establishes procedures for the Auction process.

“**Bill of Sale**” means a bill of sale in the form of Exhibit B hereto and duly executed by Sellers, transferring to Buyer the Tangible Personal Property.

“**Book Assets**” means all assets owned by any Seller in connection with the publishing of the “backlist” and “frontlist” of F+W books division.

“**Books and Records**” has the meaning set forth in Section 2.01(d).

“**Business**” has the meaning set forth in the Recitals.

“**Business Day**” means any day except Saturday, Sunday, or any other day on which commercial banks located in New York, New York are authorized or required by Law to be closed for business.

“**Buyer**” has the meaning set forth in the opening paragraph of this Agreement.

“**Buyer Closing Certificate**” has the meaning set forth in Section 7.03(e).

“**Closing**” and “**Closing Date**” have the respective meanings set forth in Section 3.01.

“**Closing Payment**” has the meaning set forth in Section 2.05(b).

“**Closing Cash Consideration**” means One Million Seven Hundred Twenty-Five Thousand dollars (\$1,725,000).

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Confidential Information**” has the meaning set forth in Section 6.01.

“**Contracts**” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures, and all other agreements, commitments and legally binding arrangements, whether written or oral, including as they relate to the Acquired Communities to which a Seller is bound, excluding those contracts related to the Book Assets.

“**Cure Claims**” has the meaning set forth in Section 2.05(d).

“**Default**” means (a) a violation, breach, or default, (b) the occurrence of an event that, with the passage of time, the giving of notice, or both, would constitute a violation, breach, or default, or (c) the occurrence of an event that, with or without the passage of time, the giving of notice, or both, would give rise to a right of damages, specific performance, termination, cancellation, renegotiation, or acceleration (including the acceleration of payment).

“**Deposit**” has the meaning set forth in Section 2.05(c).

“**Disclosure Schedules**” means the Disclosure Schedules delivered by Sellers concurrently with the execution and delivery of this Agreement.

“**Effective Date**” has the meaning set forth in the opening paragraph of this Agreement.

“**Encumbrance**” means any charge, claim (as defined in Section 101(5) of the Bankruptcy Code), pledge, condition, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, transfer restriction, or other similar encumbrance.

“**End Date**” has the meaning set forth in Section 9.01(g).

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“**Escrow**” has the meaning set forth in Section 2.05(b).

“**Escrow Holder**” has the meaning set forth in Section 2.05(b).

“**Excluded Assets**” has the meaning set forth in Section 2.02.

“**Excluded Liabilities**” has the meaning set forth in Section 2.04.

“**Final Order**” shall mean an order or judgment, the operation or effect of which is not stayed, and as to which order or judgment (or any revision, modification, or amendment

thereof), the time to appeal or seek review or rehearing has expired, and as to which no appeal or petition for review or motion for reargument has been taken or been made and is pending for argument.

“GAAP” means United States generally accepted accounting principles in effect from time to time.

“Governmental Authority” means any federal, state, local, or foreign government or political subdivision thereof, any agency or instrumentality of such government or political subdivision, any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority.

“Intellectual Property” means any and all worldwide rights in and to all intellectual property rights or assets (whether arising under statutory or common law, contract, or otherwise), which include all of the following items: (i) rights associated with works of authorship including copyrights, moral rights, design rights, rights in databases, copyright applications, copyright registrations, rights existing under any copyright laws and rights to prepare derivative works; (ii) inventions, discoveries, processes, designs, tools, molds, techniques, developments, and related improvements whether or not patentable; (iii) patents, patent applications, industrial design registrations and applications therefor, divisions, divisionals, continuations, continuations-in-part, reissues, substitutes, renewals, registrations, confirmations, re-examinations, extensions and any provisional applications, or any such patents or patent applications, and any foreign or international equivalent of any of the foregoing; (iv) Trademarks; (v) work specifications, tech specifications, databases, and artwork; (vi) technical, scientific, and other know-how and information (including promotional material), trade secrets, confidential information, methods, processes, practices, formulas, designs, design rights, patterns, assembly procedures, and specifications; (vii) drawings, prototypes, molds, models, tech packs, artwork, archival materials and advertising materials, copy, commercials, images, and artwork; (viii) work for hire; (ix) all content archives in any form related to the foregoing; (x) all tangible embodiments of, and all intangible rights in, the foregoing, (xi) all goodwill related to the foregoing; (xii) the right to sue for infringement and other remedies against infringement of any of the foregoing; and (xiii) rights to protection of interests in the foregoing under the laws of all jurisdictions.

“Intellectual Property Agreements” means all licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions, and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to any Intellectual Property Assets to which any Seller is a party, a beneficiary, or is otherwise bound.

“Intellectual Property Assets” has the meaning set forth in Section 2.01(a).

“**Intellectual Property Assignment Agreements**” means the agreements substantially in the form of Exhibit C-1 (Trademark Assignment Agreement); Exhibit C-2 (Copyright Assignment Agreement); and Exhibit C-3 (Domain Name Assignment Agreement), which shall transfer all right, title, and interest in the Intellectual Property Assets identified therein to Buyer.

“**Intellectual Property Registrations**” means, as to any Intellectual Property Assets, any issuance, registration, application, or other filing by, to, or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names, and copyrights, issued and reissued patents, and pending applications or registrations for any of the foregoing.

“**Knowledge of Sellers**” or any other similar knowledge qualification, means the actual knowledge of Jordan Bohrer, William Campbell, or Gregory Osberg.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law or rule of law of any Governmental Authority.

“**Liabilities**” means liabilities, obligations, or commitments of any nature whatsoever, asserted or unasserted, known or unknown, accrued or unaccrued, matured or unmatured, or otherwise.

“**Losses**” means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees and diminution in value; provided, however, that “Losses” will not include, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party, punitive damages, exemplary or special damages, lost profits, lost expectations, consequential damages that were not reasonably foreseeable as a result of the applicable claim giving rise to such damages (other than, for the avoidance of doubt, any loss or damage calculated based on a multiplier, or other enhancing measure, of actual damages), or any loss or damage that is calculated based on a multiple, or other enhancing measurement, of actual damages.

“**Material Adverse Change**” means any event, occurrence, state of facts or development, condition or change that, individually or in the aggregate, (i) has been or would be reasonably likely to be material and adverse to the assets, business, condition (financial or otherwise), or results of operations of the Business or (ii) has prevented, materially delayed, or materially impaired, or would be reasonably likely to prevent, materially delay, or materially impair, the ability of the Sellers to consummate the transactions contemplated by this Agreement or any other Transaction Document or to perform Sellers’ obligations under this Agreement or any other Transaction Document, provided that, the commencement of the Bankruptcy Cases and the financial condition of Sellers shall not constitute a Material Adverse Change.

“**Material Contract**” means any contract with respect to which Sellers have made aggregate payments of one hundred thousand dollars (\$100,000) or more.

“**Order**” means any judgment, order, writ, decree, injunction, or other determination whatsoever of any Governmental Authority or any other entity or body whose

finding, ruling, or holding is legally binding or is enforceable as a matter of right (in any case, whether preliminary or final).

“**Ordinary Course**” means the ordinary course of business consistent with the past practices of Sellers and their Subsidiaries in the operation of the Acquired Communities from and after the commencement of the Bankruptcy Cases.

“**Permits**” means material permits, concessions, grants, licenses, easements, variances, exemptions, consents, orders, franchises, authorizations, and approvals of any Governmental Authority used by Sellers for the lawful conduct of the Acquired Communities.

“**Permitted Encumbrances**” means (i) any Encumbrances that will be removed or released by operation of the Sale Order; and (ii) Encumbrances for Taxes and Tax assessments that are not yet due or payable.

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

“**Petition Date**” has the meaning set forth in the Recitals.

“**Pre-Closing Tax Period**” means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning on or before the Closing Date and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

“**Purchase Price**” has the meaning set forth in Section 2.05(a).

“**Representative**” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

“**Sale Order**” means an Order of the Bankruptcy Court in form and substance reasonably satisfactory to Buyer, pursuant to, *inter alia*, Sections 105, 363 and 365 of the Bankruptcy Code authorizing and approving the transactions contemplated by this Agreement; provided, that Buyer shall not be required to accept a Sale Order that does not: (i) provide for the sale, transfer, and assignment of all of the Sellers’ rights, title, and interest in the Acquired Assets to Buyer on the terms and conditions set forth herein, free and clear of all claims, Excluded Liabilities, and Encumbrances (including any successor liability) to the maximum extent permitted by law, other than Permitted Encumbrances and the Assumed Liabilities; (ii) provide for the assumption and assignment of the Assigned Contracts to Buyer; (iii) contain findings of fact and conclusions of law that the transactions contemplated by this Agreement are undertaken by Buyer and Sellers at arm's length, without collusion and that the Buyer has acted in “good faith” within the meaning and entitled to the protections of Section 363(m) of the Bankruptcy Code; (iv) finds that notice of the Sale Motion was good and sufficient; (v) provide that, other than the Assumed Liabilities and Permitted Encumbrances, Buyer shall not be responsible for any liability of Sellers; (vi) find the transfers of the Acquired Assets by Sellers to Buyer constitutes transfers for reasonably equivalent value and fair consideration under the

Bankruptcy Code and the laws of the State of Delaware; (vii) provide that the Sale Order is binding upon any trustee in the event of conversion of the Sellers' chapter 11 cases to cases under chapter 7, or in the event that a chapter 11 trustee is appointed or venue is transferred; (viii) hold that Buyer is not a successor to the Sellers or Sellers' estates by reason of any theory of law or equity with respect to any Claims or Encumbrances against the Sellers or the Acquired Assets and to the maximum extent permitted by applicable law permanently enjoining each and every holder of any claim for such liabilities from commencing, continuing or otherwise pursuing or enforcing any remedy, claim, cause of action, or Encumbrance against Buyer or the Acquired Assets related thereto; (ix) hold that, after the entry of the Sale Order, the terms of any reorganization or liquidation plan submitted to the Bankruptcy Court or any other court for confirmation or sanction, shall not conflict with, supersede, abrogate, nullify or restrict the terms of this Agreement, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement; (x) contain findings of fact and holdings typically included in such orders; (xi) provide that the Buyer shall have the unrestrained right to sell all Inventory containing trademarks or other Intellectual Property licensed by the Sellers from third parties and the Buyer shall not be liable for accrued pre-Closing royalties with respect to such licenses that remain unpaid as of the Closing Date; (xii) provide for the waiver of the automatic stay provisions of Bankruptcy Rules 6004 and 6006; and (xiii) provide that Buyer has not violated Section 363(n) of the Bankruptcy Code by any action or inaction.

“**Sale Motion**” means the motion, in form and substance reasonably acceptable to Buyer, filed by Sellers with the Bankruptcy Court seeking authority to sell the Acquired Assets that may be made as a part of the Bid Procedures Motion.

“**Sellers**” has the meaning set forth in the opening paragraph of this Agreement and “**Seller**” means one of the Sellers.

“**Sellers Closing Certificate**” has the meaning set forth in Section 7.02(e).

“**Sellers Representative**” has the meaning set forth in Section 11.02(a).

“**Subscription Obligations**” means, with respect to the Acquired Communities only, all ongoing subscription obligations and liabilities of the Sellers.

“**Subsidiary**” means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such entity, (ii) the total combined equity interests, or (iii) the capital or profit interests, in the case of a partnership; or (b) otherwise has the power to vote or to direct the voting of sufficient securities to elect a majority of the board of directors or similar governing body.

“**Successful Bidder**” has the meaning set forth in the Bidding Procedures Order.

“**Tangible Personal Property**” means all of the tangible property exclusively used in the operations of the Acquired Communities and owned by the Sellers, including the property listed on Schedule 2.01(b) of the Disclosure Schedules.

“**Tax**” or “**Taxes**” means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, value added, windfall profits, customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions, or penalties.

“**Tax Return**” means any return (including any information return), report, statement, declaration, estimate, schedule, notice, notification, form, election, certificate, or other document or information (including any amendments thereto) that is, has been, or may in the future be filed with or submitted to, or required to be filed with or submitted to, any Governmental Authority in connection with the determination, assessment, collection, or payment of any Tax or in connection with the administration, implementation, or enforcement of or compliance with any Law relating to any Tax.

“**Trademarks**” means all trademarks, service marks, trade dress, logos, distinguishing guises and indicia, trade names, corporate names, business names, domain names and social media accounts, and all associated goodwill, whether or not registered, including all common law rights, and registrations, applications for registration and renewals thereof, including all marks registered in the United States Patent and Trademark Office, the trademark offices of the states and territories of the United States of America, and the trademark offices of other nations throughout the world, all rights therein provided by multinational treaties, conventions or applicable Law, and all social media addresses and accounts.

“**Transaction Documents**” means this Agreement; the Bill of Sale (see Section 3.02(a)(1)), the Assignment and Assumption Agreement (see Section 3.02(a)(3)), the Intellectual Property Assignment Agreements (see Section 3.02(a)(4)), the Transition Services Agreement and the other agreements, instruments, and documents required to be delivered at the Closing.

“**Transition Services Agreement**” means an agreement for the provision of certain services by the Seller to the Buyer post-Closing in form and substance satisfactory to the Parties.

“**Transfer Taxes**” has the meaning set forth in Section 3.04.

“**WARN Act**” means the U.S. Worker Adjustment and Retraining Notification Act of 1988, as amended or any similar state or local (including, for the avoidance of doubt, the California Worker Adjustment and Retraining Notification Act, as amended).

ARTICLE II PURCHASE AND SALE

Section 2.01. Purchase and Sale of Assets. Subject to the terms and conditions set forth herein and pursuant to Sections 105, 363, and 365 of the Bankruptcy Code, at the Closing, but subject to Section 2.06, Sellers will sell, assign, transfer, convey, and deliver to Buyer (or any Person designated by Buyer), and Buyer will purchase from Sellers, free and clear

of any Encumbrances other than Permitted Encumbrances, all of Sellers' right, title, and interest in, to, and under the following (collectively, the "Acquired Assets"):

(a) All Intellectual Property that is owned by Sellers, or in which Sellers have any interest or right, that is used or held for use by Sellers in the Acquired Communities, wherever located (collectively, the "Intellectual Property Assets") including, but not limited to the following:

(1) the copyright registrations set forth in Section 2.01(a)(1) of the Disclosure Schedules (the "Transferred Copyrights");

(2) the Trademarks set forth in Section 2.01(a)(2) of the Disclosure Schedules (the "Transferred Trademarks"), and goodwill associated therewith, including the historical trademark files;

(3) the internet domain name registrations, web addresses, web pages, websites and related content, and social media accounts set forth in Section 2.01(a)(3) of the Disclosure Schedules (the "Transferred Domain Names");

(4) all rights of publicity and all similar rights, including all commercial merchandising rights, owned or controlled by Sellers and either (A) derived from, based upon, inherent in, or attaching to the Intellectual Property Assets or (B) used or held for use by Sellers in the conduct of the Acquired Communities, in each case, to the extent permitted to be assigned by Sellers under any Contract or applicable Law;

(5) all customer data and information derived from customer purchase files and other similar information related to customer purchases, including personal information (such as name, address, telephone number, e-mail address, website, and any other database information), and customer purchase history at a transaction level (including dollar amounts, dates, and items purchased, but excluding from the foregoing any credit card numbers or related customer payment source, social security numbers, or other information prohibited by Law) relating to customers of Sellers;

(6) all Sellers' email addresses under the Transferred Domain Names;

(7) the right to enforce and to represent to third parties that Buyer is the successor to all rights with respect to the Intellectual Property Assets; and

(8) all originals and copies of all files and assignment documentation pertaining to existence, validity, availability, registrability, infringement, enforcement, or ownership of any of the Intellectual Property Assets and documentation of the development, conception, or reduction to practice thereof, in each case, under any Seller's possession or control; provided that Sellers shall be entitled to retain copies of any of the foregoing for legal record-keeping purposes.

(b) the Tangible Personal Property;

(c) all of Seller's indemnities and all similar rights against third parties to the extent related to any Acquired Assets;

(d) as relating to the Acquired Assets, originals or copies of all books and records; books of account, ledgers, and general financial information; databases, files, ledgers, documentation, instruments, research, papers, data, sales or technical literature, or similar information; financial and accounting records; customer lists; customer purchasing histories; quality control records and procedures; customer complaints and inquiry files; research and development files, records, and data (including all correspondence with any Governmental Authority); technical, scientific, and other know-how and information (including promotional material); trade secrets; internal financial statements; marketing, advertising, and promotional materials and surveys; and materials, research, and files relating to the Acquired Assets and the Assumed Contracts (collectively, "**Books and Records**");

(e) the Assigned Contracts set forth in Section 2.01(e) of the Disclosure Schedules, including all rights and benefits thereunder;

(f) to the extent transferable, all Permits set forth in Section 2.01(f) of the Disclosure Schedules;

(g) all Accounts Receivable;

(h) the right to receive and retain mail and other communications related to the Acquired Assets;

(i) all goodwill and other intangible assets associated with the Acquired Assets (to the extent transferable), including customer and supplier lists; and

(j) except as set forth in Section 2.02(a)(4), claims, causes of action, and other legal rights and remedies against other Persons (including for royalties, fees or other income, past, present, or future infringement, misappropriation, or violation of, any of the Acquired Assets) to the extent arising from or relating to or in connection with the Acquired Assets or the Assumed Liabilities (regardless of whether or not asserted by any Seller), all of the proceeds from the foregoing that are accrued and unpaid as of the Closing, all rights of indemnity, warranty rights, guaranties received from vendors, suppliers, or manufacturers, rights of contribution, rights to refunds (except to the extent constituting Excluded Assets), rights of reimbursement, and other rights of recovery possessed by any Seller against other Persons and the prosecution files of Sellers related thereto, in each case, to the extent related to the Acquired Assets or the Assumed Liabilities (regardless of whether such rights are currently exercisable); provided, however, that the foregoing shall exclude any Avoidance Actions.

Section 2.02. Excluded Assets

(a) With the exception of the Acquired Assets, Buyer shall not acquire any of Seller's assets, properties, or rights of any kind and nature, whether real, personal, or mixed, tangible or intangible (collectively, the "**Excluded Assets**") and Excluded Assets shall specifically include:

- (1) all Book Assets;
- (2) any and all assets related to communities other than the Acquired Communities;
- (3) all cash, including the Purchase Price, cash equivalents, bank accounts, and securities of Sellers; provided, that, to the extent that any Acquired Assets are deposited into Sellers' bank accounts after the Closing Date, Sellers shall promptly pay to Buyer by wire transfer all collected funds constituting Acquired Assets;
- (4) all Contracts other than the Assigned Contracts;
- (5) all Avoidance Actions; and
- (6) the rights that accrue or will accrue to any Seller under the Transaction Documents.

(b) Buyer shall have the right, exercisable in Buyer's sole discretion at any time prior to Closing to designate any Assigned Contract set forth in Section 2.01(e) of the Disclosure Schedules as an Excluded Asset; provided, however, that (i) if Buyer exercises Buyer's right to designate any Assigned Contract as Excluded Assets, the Purchase Price shall not be reduced as a result of such designation; and (ii) for the avoidance of doubt, once an Assigned Contract is designated as an Excluded Asset pursuant to the foregoing, such Assigned Contract shall be no longer be deemed an Assigned Contract and shall be deemed an Excluded Asset for all purposes under this Agreement.

Section 2.03. Assumed Liabilities. Subject to the terms and conditions set forth herein, Buyer (or any Person designated by Buyer) shall assume and agree to pay, perform and discharge when due only the following Liabilities and obligations of Sellers arising out of or relating to the Acquired Assets on or after the Closing, which for the avoidance of doubt shall not include the Excluded Liabilities and any other Liabilities and obligations that relate to any failure to perform, improper performance, warranty, or other breach, default, or violation by any Seller (collectively, the "Assumed Liabilities");

- (a) all Liabilities and obligations arising under or relating to the Assigned Contracts, but solely to the extent such Liabilities and obligations are to be performed on or after the Closing;
- (b) the Cure Claims;
- (c) all Subscription Obligations; and
- (d) all other Liabilities and obligations arising out of or relating to Buyer's ownership or operation of the Acquired Assets on or after the Closing.

Section 2.04. Excluded Liabilities. Buyer will not assume and will not be responsible to pay, perform, or discharge any Liabilities of any Sellers or any of Sellers' respective Affiliates of any kind or nature whatsoever, including any intercompany obligations,

and except to the extent such Liabilities are Assumed Liabilities (the “Excluded Liabilities”). For the avoidance of doubt, the term “Excluded Liabilities” shall include:

- (a) all Liabilities and obligations arising under or relating to any Contract of any Seller that is not an Assigned Contract,
- (b) any and all Liabilities of Sellers under an Assigned Contract arising prior to the Closing, other than the Cure Amounts determined pursuant to a Final Order;
- (c) any indebtedness or obligation for borrowed money of any Seller;
- (d) all Liabilities arising from the Excluded Assets, including the Book Assets;
- (e) all Liabilities for any and all Taxes for which a Seller or any direct or indirect partners, stockholders, or members is or may be liable, regardless of the taxable period to which such Taxes relate, and any and all Taxes relating to or imposed or payable in connection with the Business or any of the Acquired Assets to the extent attributable to (or payable in respect of) any Pre-Closing Tax Periods, in each instance regardless of whether such Taxes are assessed or determined to be due or payable before or after the Closing;
- (f) all Liabilities assumed by the purchaser of the Book Assets;
- (g) all Liabilities assumed by the purchaser(s) of the communities other than the Acquired Communities;
- (h) all Liabilities under any Benefit Plans;
- (i) any and all Liability for: (i) costs and expenses incurred by Sellers or owed in connection with the administration of the Bankruptcy Cases (including the U.S. Trustee fees, the fees and expenses of attorneys, accountants, financial advisors, consultants, and other professionals retained by Seller, the fees and expenses of any official or unofficial creditors’ committee in the Bankruptcy Cases, the fees and expenses of the post-petition lenders or the pre-petition lenders incurred or owed in connection with the administration of the Bankruptcy Case); and (ii) all costs and expenses of Sellers incurred in connection with the negotiation, execution, and consummation of the transactions contemplated under this Agreement or the other Transaction Documents;
- (j) any Liabilities with respect to negative credit balances under any accounts receivable of the Sellers;
- (k) any and all Liabilities arising from or related to the operation or condition of the Acquired Assets or the Assumed Liabilities prior to the Closing or facts, actions, omissions, circumstances, or conditions existing, occurring, or accruing with respect to the Acquired Assets or the Assumed Liabilities prior to the Closing;
- (l) any and all Liabilities relating to any environmental, health, or safety matter (including any Liability or obligation under any applicable Laws concerning

environmental, health, or safety matters, whether known or unknown), arising out of or relating to the Sellers' conduct, action, or omission or its leasing, ownership, or operation of real property on or prior to the Closing Date, no matter when raised;

(m) any and all Liabilities relating to the Sellers' employees, including, without limitation, unpaid vacation, severance, or Liabilities arising under any WARN Act; and

(n) any Liabilities with respect to any Encumbrances that (i) do not constitute Permitted Encumbrances or (ii) will be removed pursuant to the Sale Order.

Section 2.05. Purchase Price and Deposit; Cure Amounts.

(a) The aggregate purchase price for the Acquired Assets is (i) the Closing Cash Consideration, plus (ii) the assumption of Assumed Liabilities (collectively, the "Purchase Price").

(b) At the Closing, Buyer shall (i) pay to the Sellers Representative an amount equal (x) the Closing Cash Consideration minus (y) the Deposit, by wire transfer of immediately available funds to an account designated in writing by the Sellers Representative to Buyer no later than two (2) Business Days prior to the Closing Date (collectively, the "Closing Payment"), and (ii) direct the Escrow Agent to disburse the Deposit to Sellers.

(c) Concurrently with Buyer's delivery of this Agreement, Buyer shall deliver into a segregated account (the "Escrow") maintained by an escrow holder mutually agreed to by Buyer and Sellers (the "Escrow Holder") and pursuant to an escrow agreement in form and substance satisfactory to Buyer and Sellers the sum of \$129,375 (the "Deposit") in immediately available funds. Upon receipt of the Deposit, the Escrow Holder shall immediately place the Deposit into a non-interest-bearing account. At the Closing, the Deposit shall be delivered to Sellers and credited toward payment of the Purchase Price. If this Agreement is terminated in accordance with Section 9.01, other than pursuant to Section 9.01(e), the Escrow Holder shall return the Deposit to Buyer within two (2) Business Days.

(d) With respect to each of the Assigned Contracts assigned to Buyer on or after the Closing Date pursuant to the Sale Order, Buyer shall satisfy on the Closing Date, all Liabilities thereunder (as distinct from curing all defaults or failures to comply with provisions thereunder that may not be cured by the mere payment of money) (i) accruing or arising at any time prior to or after the Petition Date, or (ii) arising from or relating to any act, event, or occurrence prior to the Petition Date that are required to be paid pursuant to § 365 of the Bankruptcy Code in order to assume and assign the Assigned Contracts to Buyer (collectively, "Cure Claims").

Section 2.06. Third Party Consents. If the assignment by a Seller to Buyer of such Seller's rights under any Contract or Permit constituting an Acquired Asset, or any other Acquired Asset, would be a violation of applicable Law or require the consent of, or prior notification to, another Person, this Agreement will not constitute an agreement to assign such Contract, Permit, or other Acquired Asset if an attempted assignment would constitute a breach thereof or be unlawful, and such Seller and Buyer shall use commercially reasonable efforts to

obtain any such required consent(s) to the extent that the Sale Order does not eliminate the requirement to obtain the prior consent of or notification to any one or more counterparties to a Contract as promptly as possible. Except to the extent that the Sale Order eliminates the requirement to obtain the prior consent of or notification to any one or more counterparties to a Contract, no Contract set forth on Section 2.01(e) of the Disclosure Schedules that requires the consent of, or prior notification to, another Person for the applicable Seller to assign such Contract to Buyer shall constitute an Assigned Contract pursuant to this Agreement until such consent shall be obtained or notification shall be made. If any such consent shall not be obtained or notification made or if any attempted assignment would be ineffective or would impair Buyer's rights under the Acquired Asset in question so that Buyer would not in effect acquire the benefit of all such rights: (i) for a period of up to three (3) months following the Closing Date, the applicable Seller, as permitted by Law, shall, to the extent such Seller is able, cooperate, as permitted by Law, with Buyer in any commercially reasonable arrangement designed to provide such benefits to Buyer, and (ii) Buyer shall reimburse such Seller for any out-of-pocket costs actually paid by such Seller to the other party to such Assigned Contract or in respect of such Permit.

ARTICLE III CLOSING

Section 3.01. Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "**Closing**") will take place through the electronic exchange of documents and signatures, which process will be coordinated by Young Conaway Stargatt & Taylor, LLP, at 10:00 am prevailing Eastern Time, on the earlier of (i) the fourth (4th) Business Day following the satisfaction or waiver of each of the conditions set forth in Article VII (other than those conditions that can be satisfied only at the Closing, but subject to the satisfaction or waiver of such conditions at Closing) and (ii) at such other time, date or place as the Sellers Representative and Buyer may mutually agree upon in writing; provided, however, that such other time or date shall be on or before the End Date. The date on which the Closing is to occur is herein referred to as the "**Closing Date**," and the Closing shall be deemed to have occurred at 11:59 pm prevailing Eastern Time on the Closing Date.

Section 3.02. Closing Deliverables.

(a) At the Closing, Sellers will deliver or cause to be delivered to Buyer the following, each of which shall be duly executed by the applicable Seller (or an Affiliate thereof):

- (1) a copy of the Sale Order entered by the Bankruptcy Court;
- (2) the Bill of Sale;
- (3) the Assignment and Assumption Agreement;
- (4) the Intellectual Property Assignment Agreements;
- (5) the Transition Services Agreement;

(6) the Sellers Closing Certificate; and

(7) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Buyer, as may be reasonably required to give effect to this Agreement.

(b) At the Closing, Buyer will deliver to the Sellers Representative the following, each of which shall be duly executed by Buyer (if applicable):

- Sellers;
- (1) the Closing Payment;
 - (2) instructions to the Escrow Holder to deliver the Deposit to
 - (3) the Assignment and Assumption Agreement;
 - (4) the Intellectual Property Assignment Agreements
 - (5) the Transition Services Agreement; and
 - (6) the Buyer Closing Certificate.

Section 3.03. Prorations. Taxes (other than Taxes imposed or assessed on income and Transfer Taxes) shall be prorated between Sellers and Buyer as of the Closing Date.

Section 3.04. Transfer Taxes. Any transfer taxes that may be payable by reason of the sale of the Acquired Assets under this Agreement or the transactions contemplated herein ("**Transfer Taxes**") shall be borne and timely paid by Buyer. Each of Buyer and Sellers shall cooperate with each other and timely sign and deliver such certificates or forms as may be necessary or appropriate to file any Tax Returns required to be filed in connection with Transfer Taxes or to establish an exemption from (or otherwise reduce) such Transfer Taxes.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, Sellers, jointly and severally, represent and warrant to Buyer, as of the date hereof, the representations and warranties in the following Section 4.01 through 4.10:

Section 4.01. Organization and Qualification of Sellers. Each Seller is duly organized, validly existing, and in good standing under the Laws of the jurisdiction of such Seller's organization. Each Seller has full power and authority to own, operate, or lease the properties and assets now owned, operated, or leased by such Seller. Each Seller is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the ownership by it of the Acquired Assets or the operation of the Acquired Communities as currently conducted by such Seller makes such licensing or qualification necessary.

Section 4.02. Authority of Sellers. Subject to the entry of the Sale Order in the Bankruptcy Cases, (i) each Seller has full power and authority to enter into this Agreement and the other Transaction Documents to which such Seller is a party, to carry out, such Seller's obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby; (ii) the execution and delivery by each Seller of this Agreement and any other Transaction Document to which such Seller is a party, the performance by such Seller of such Seller's obligations hereunder and thereunder, and the consummation by such Seller of the transactions contemplated hereby and thereby have been duly authorized by any necessary action on the part of such Seller; (iii) this Agreement has been duly executed and delivered by each Seller, and (iv) (assuming due authorization, execution and delivery by Buyer) this Agreement constitutes a legal, valid, and binding obligation of each Seller enforceable against each Seller in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and other laws of general applicability relating to or effecting creditors' rights and to general principles of equity.

Section 4.03. No Conflicts: Consents. To the Knowledge of each Seller and subject to the entry of the Sale Order in the Bankruptcy Cases, the execution, delivery, and performance by such Seller of the other Transaction Documents to which such Seller is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of formation, certificate of incorporation, operating agreement, bylaws, or other organizational documents, as applicable, of such Seller; (b) conflict with or result in a violation or breach of any provision of any Law applicable to such Seller; (c) except as set forth in Section 4.03(c) of the Disclosure Schedules, require the consent, notice, or other action by any Person under, or conflict with, result in a violation or breach of, constitute a default or an event that would constitute a default under any Material Contract to which such Seller is a party; (d) result in the creation or imposition of any Encumbrance on the Acquired Assets; or (e) require the consent of, or filing with, any Governmental Authority except for such consents or filings, the failure to obtain or make that would not reasonably be expected to have a Material Adverse Change.

Section 4.04. Contracts

(a) Sellers have delivered or made available to Buyer a correct and complete copy of each written Material Contract, including all modifications, amendments and supplements thereto and waivers thereunder.

(b) To the Knowledge of Sellers, each Material Contract is valid and binding on the applicable Seller party thereto (or, where applicable, its Affiliate) in accordance with its terms and is in full force and effect. No party to a Material Contract or third party licensor has (i) terminated or provided notice to Sellers that such party intends to terminate such Material Contract or license or (ii) provided notice to a Seller of a Seller's default pursuant to the terms of such Material Contract. Subject to (x) the Bankruptcy Cases (including any breaches or defaults relating to the commencement thereof and any payables that would have been paid but for the commencement thereof), and (y) payment of the Cure Claims, there are no material defaults under the Material Contracts by the applicable Seller party thereto or, to the Knowledge of Sellers, any other Person nor, to the Knowledge of Sellers, any occurrences that, with the giving of notice, or lapse of time, or both would constitute a material default by the applicable

Seller party thereto, in each case, except as would not reasonably be expected to have a Material Adverse Change.

Section 4.05. Title to Acquired Assets. Sellers have good and valid title to, or a valid leasehold interest in, all of the Acquired Assets. All such Acquired Assets (including leasehold interests) are free and clear of Encumbrances except for Permitted Encumbrances.

Section 4.06. Intellectual Property.

(a) Section 4.06(a) of the Disclosure Schedules sets forth a complete and accurate list of as of the date hereof of all Intellectual Property Registrations in the name of Sellers for any material Intellectual Property owned by Sellers and used in the Acquired Communities.

(b) Subject to entry of the Sale Order and except as set forth in Section 4.06(b) of the Disclosure Schedules, Sellers have the full right, power and authority to sell, assign, transfer and convey all of their right, title and interest in and to the Intellectual Property Assets to Buyer.

(c) Except (i) for Permitted Encumbrances; and (ii) subject to the terms of the licenses identified in Section 4.06(c) of the Disclosure Schedules, Sellers own or possess all necessary legal and other rights to all Intellectual Property Assets, and at Closing will deliver all such Intellectual Property Assets free and clear of all Encumbrances.

(d) Section 4.06(d) of the Disclosure Schedules lists each of the Intellectual Property Agreements as of the date hereof.

Section 4.07. Legal Proceedings; Governmental Orders. There are no Actions pending or, to the Knowledge of Sellers, threatened in writing against or by any Seller (i) relating to or affecting the Acquired Assets or the Assumed Liabilities; or (ii) that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

Section 4.08. Customers. Sellers have delivered a listing (which, to the Knowledge of Sellers, is true and correct in all material respects), for each of the years ended December 31, 2017 and December 31, 2018, setting forth Sellers' good faith calculation, based on Sellers' Knowledge as of the date hereof, of: (a) all customers of the Acquired Communities for each such year, and (b) the total aggregate revenues of the Acquired Communities for each such year.

Section 4.09. Data Privacy. In connection with any one or more of Sellers' collection, storage, transfer (including transfer across national borders), and use of any personally identifiable information from any individuals, including any one or more customers, prospective customers, employees, and other third parties (collectively "**Personal Information**"), to the Knowledge of Sellers, each Seller is and, during the last one (1) year, has been in material compliance with all applicable Laws in all relevant jurisdictions. Each Seller has commercially reasonable physical, technical, organizational, and administrative security measures in place to protect all Personal Information collected by Sellers or on Sellers' behalf from and against unauthorized access, use, and disclosure in accordance with applicable Law.

Each Seller is and, during the last one (1) year, has been in compliance in all material respects with all Laws relating to data loss, theft and breach of security notification obligations.

Section 4.10. Brokers. Except to the extent payable solely by Sellers, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Sellers.

Section 4.11. Exclusivity of Representations and Warranties. None of the Sellers nor any other Person is making any representation or warranty of any kind or nature whatsoever, oral or written, express or implied, relating to any Seller (including, but not limited to, any relating to financial condition, results of operations, assets or liabilities of such Seller), except as expressly set forth in this Article IV and the Disclosure Schedules, and each of the Sellers hereby disclaims any such other representations or warranties.

Section 4.12. "AS IS" Sale. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS Article IV ABOVE, SELLERS MAKE NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER RELATING TO THE ACQUIRED ASSETS INCLUDING EXPENSES TO BE INCURRED IN CONNECTION WITH THE ACQUIRED ASSETS, THE PHYSICAL CONDITION OF ANY PERSONAL PROPERTY COMPRISING A PART OF THE ACQUIRED ASSETS OR THAT IS THE SUBJECT OF ANY OTHER LEASE OR OTHER CONTRACT TO BE ASSUMED BY BUYER AT THE CLOSING, THE ENVIRONMENTAL CONDITION OR OTHER MATTER RELATING TO THE PHYSICAL CONDITION OF ANY REAL PROPERTY OR IMPROVEMENTS THAT ARE THE SUBJECT OF ANY REAL PROPERTY LEASE TO BE ASSUMED BY BUYER AT THE CLOSING, THE ZONING OF ANY SUCH REAL PROPERTY OR IMPROVEMENTS, THE VALUE OF THE ACQUIRED ASSETS (OR ANY PORTION THEREOF), THE TRANSFERABILITY OF PROPERTY, THE TERMS, AMOUNT, VALIDITY OR ENFORCEABILITY OF ANY ASSUMED LIABILITIES, THE MERCHANTABILITY OR FITNESS OF THE PERSONAL PROPERTY OR ANY OTHER PORTION OF THE ACQUIRED ASSETS FOR ANY PARTICULAR PURPOSE, OR ANY OTHER MATTER OR THING RELATING TO THE ACQUIRED ASSETS OR ANY PORTION THEREOF. WITHOUT IN ANY WAY LIMITING THE FOREGOING, SELLERS HEREBY DISCLAIM ANY WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AS TO ANY PORTION OF THE ACQUIRED ASSETS. SUBJECT TO THE REPRESENTATIONS SET FORTH IN THIS ARTICLE IV, BUYER WILL ACCEPT THE ACQUIRED ASSETS AT THE CLOSING "AS IS," "WHERE IS," AND "WITH ALL FAULTS." FURTHERMORE BUYER HEREBY EXPRESSLY ACKNOWLEDGES THAT THE ASSIGNMENT AND ASSUMPTION OF THE ASSUMED CONTRACTS FORMING PART OF THE ACQUIRED ASSETS WILL BE CONSUMMATED IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT NOTWITHSTANDING ANY AND ALL OUTSTANDING DEFAULTS AND OTHER CLAIMS FOR FAILURES TO COMPLY WITH THE PROVISIONS OF SUCH CONTRACTS, CERTAIN OF WHICH DEFAULTS OR CLAIMS MAY NOT BE SUBJECT TO CURE OR WAIVER.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Sellers as follows:

Section 5.01. Organization of Buyer. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware.

Section 5.02. Authority of Buyer. Buyer has full limited liability company power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution and delivery by Sellers) this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or effecting creditors' rights and to general principles of equity.

Section 5.03. No Conflicts; Consents. The execution, delivery and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not conflict with or result in a violation or breach of, or default under, any provision of the certificate of formation, limited liability company agreement, or other organizational documents of Buyer or require the consent, notice or other Action by any Person under any Contract to which Buyer is a party.

Section 5.04. Financing. Buyer will have at Closing funds or financing in place necessary to pay and deliver to Sellers the Purchase Price and to perform and satisfy any Assumed Liabilities as such Assumed Liabilities come due. In no event shall the receipt or availability of any funds or financing by Buyer or any other financing or other transactions be a condition to Buyer's obligations hereunder.

Section 5.05. Brokers. Except to the extent payable solely by Buyer, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 5.06. Legal Proceedings. There are no Actions pending or threatened in writing against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 5.07. Independent Investigation. In making the decision to enter into this Agreement and the other Transaction Documents and to consummate the transactions

contemplated hereby and thereby, Buyer has conducted Buyer's own independent investigation, review and analysis of the Acquired Assets, Assumed Liabilities, and Acquired Communities, which investigation, review, and analysis was done by Buyer, Buyer's Affiliates and Buyer's Representatives. Buyer acknowledges that Buyer and Buyer's Representatives have been provided adequate access to the personnel, properties, premises and records of Sellers and the Acquired Communities for such purpose. In entering into this Agreement and the other Transaction Documents, Buyer acknowledges that Buyer, Buyer's Affiliates and Buyer's Representatives have relied solely upon the aforementioned investigation, review, and analysis and not on any factual representations or opinions of Sellers or Sellers' Representatives (except the specific representations and warranties of Sellers set forth in this Agreement). Buyer hereby acknowledges and agrees that (a) other than the representations and warranties made in this Agreement, none of Sellers, Sellers' Affiliates, or Sellers' Representatives makes or has made any representation or warranty, express or implied, at law or in equity, with respect to the Acquired Assets, Assumed Liabilities, or the Acquired Communities, including as to (i) merchantability or fitness for any particular use or purpose, (ii) the performance of the Acquired Assets and the Acquired Communities after the Closing or (iii) the probable success or profitability of the Acquired Assets or the Acquired Communities, and (b) none of Sellers, Sellers' Affiliates, or Sellers' Representatives will have or be subject to any Liability or indemnification obligation to Buyer or to any other Person resulting from the distribution to Buyer, Buyer's Affiliates, or Buyer's Representatives of, or Buyer's use of, any information relating to the Acquired Assets, Assumed Liabilities, or the Acquired Communities and any information, documents, or material made available to Buyer, whether orally or in writing, in management presentations, responses to questions submitted on behalf of Buyer, or in any other form in expectation of the transactions contemplated hereby.

ARTICLE VI COVENANTS

Section 6.01. Confidentiality. From and after the Closing and subject to any disclosure requirements of Sellers arising in the Bankruptcy Cases, each Seller will hold, and will use commercially reasonable efforts to cause Sellers and Sellers' respective Representatives to hold, in confidence any and all information, whether written, oral, electronic or otherwise, relating to the Acquired Assets (collectively, "**Confidential Information**").

Section 6.02. Received Payments. From and after the Closing, if any Seller receives or collects any funds relating to any Acquired Asset, such Seller will remit (or cause to be remitted) such funds to Buyer within ten (10) Business Days after Buyer's receipt thereof. If Buyer or any of Buyer's Affiliates receives or collects any funds relating to any Excluded Assets, Buyer or Buyer's Affiliate will remit such funds to the Sellers Representative within ten (10) Business Days after Buyer's receipt thereof.

Section 6.03. Availability of Books and Records. To the extent that Sellers deliver Books and Records or copies of Books and Records to Buyer at the Closing Date, then from and after the Closing, Buyer shall provide to the Sellers Representative (after reasonable notice and during normal business hours and without charge to Sellers) access to (a) Buyer's personnel who have custody of Books and Records for periods prior to the Closing and (b) all Books and Records for periods prior to the Closing and shall preserve such Books and Records

or deliver copies of such Books and Records to Sellers Representative, subject to compliance with applicable Law. Such access to Books and Records shall include access to any such information in electronic form to the extent reasonably available. Sellers shall have the right to retain copies of Books and Records for periods prior to the Closing. With respect to any litigation and claims, Buyer shall, at Sellers' sole expense, render all reasonable assistance that any Seller may request in defending such litigation or claim and shall make available to Sellers, for and at reasonable times, Buyer's personnel most knowledgeable about the matter in question.

Section 6.04. Bulk Sales/Tax Clearance Waiver. The parties agree to waive compliance with the provisions of any so-called "bulk transfer law," "bulk sales law," or any similar Tax Law (including any tax clearance or certification of tax compliance Law) of any jurisdiction that may be applicable with respect to the sale of the Acquired Assets as contemplated by this Agreement; it being understood that any Liabilities arising out of the failure of Sellers to comply with the requirements and provisions of any so-called "bulk transfer law," "bulk sales law," or any similar Tax Law (including any tax clearance or certification of tax compliance Law) of any jurisdiction shall not constitute Assumed Liabilities and shall be treated as Excluded Liabilities.

Section 6.05. Cooperation on Tax Matters. Sellers and Buyer shall (and shall cause their respective Affiliates to) cooperate fully with each other and make available or cause to be made available to each other for consultation, inspection, and copying (at such other party's expense) in a timely fashion such personnel, Tax data, relevant Tax Returns or portions thereof, and filings, files, books, records, documents, financial, technical and operating data, computer records, and other information as may be reasonably requested, including (a) for the preparation by such other party of any Tax Returns or (b) in connection with any Tax audit or proceeding including one party (or an Affiliate thereof) to the extent such Tax audit or proceeding relates to or arises from the transactions contemplated by this Agreement.

Section 6.06. Retention of Tax Records. From the Closing Date to the earliest of (i) seven years from the Closing Date, (ii) the expiration of the relevant statute of limitations, and (iii) the date on which the Bankruptcy Cases are no longer pending, each of the Sellers and Buyer shall retain possession of all accounting, business, financial, and Tax records and information that (a) relate to the Acquired Assets and are in existence on the Closing Date and (b) come into existence after the Closing Date but relate to the Acquired Assets before the Closing Date, and each of the parties shall give the other parties notice and a reasonable opportunity to retain any such records in the event that the party in possession of such records shall make a determination to destroy or otherwise abandon any such records. From the Closing Date to the earliest of (x) seven years from the Closing Date, (y) the expiration of the relevant statute of limitations, and (z) the date on which the Bankruptcy Cases are no longer pending, Sellers shall retain possession of all accounting, business, financial, and Tax records and information that relate to the Excluded Liabilities and shall give Buyer notice and a reasonable opportunity to retain any such records in the event that Sellers shall make a determination to destroy or otherwise abandon any such records. In addition, from and after the Closing Date, each party shall provide to the other parties (after reasonable notice and during normal business hours and without charge) access to the books, records, documents, and other information relating to the Acquired Assets as the requesting party may reasonably deem necessary to

properly prepare for, file, prove, answer, prosecute, and defend any Tax Return, claim, filing, Tax audit, Tax protest, suit, proceeding, or answer. Such access shall include access to any computerized information systems that contain data regarding the Acquired Assets. The provisions contained in this Section 6.06 are intended to, and shall, supplement and not limit the generality of the provisions contained in Section 6.03.

Section 6.07. Further Assurances. Following the Closing, each of the parties hereto will, and will cause its Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

Section 6.08. Conduct of Business Prior to the Closing. Subject to limitations imposed upon Sellers as a result of the filing of the Bankruptcy Cases and in accordance with Sellers' operation as debtors-in-possession in the Bankruptcy Cases, from the Effective Date until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyer, which consent may not be unreasonably withheld or delayed, Sellers will use reasonable efforts to operate in the Ordinary Course. Sellers shall not license any Intellectual Property Assets after the Effective Date except with the written consent of Buyer. Without limiting the foregoing, and except as otherwise set forth in Section 6.08 of the Disclosure Schedules from the date hereof until the Closing Date, Sellers shall:

- (a) maintain the properties and assets included in the Acquired Assets in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear, if applicable;
 - (b) defend and protect the properties and assets included in the Acquired Assets from infringement or usurpation;
 - (c) not amend, modify or terminate any Assigned Contract or enter into any new Contract in respect of the Acquired Assets;
 - (d) perform all of their obligations under all Material Contracts;
 - (e) maintain the Books and Records in accordance with past practice;
- and
- (f) comply in all material respects with all Laws applicable to the ownership and use of the Acquired Assets.

Section 6.09. Access to Information.

(a) From the Effective Date until the Closing, Sellers will (i) afford Buyer and its Representatives during normal business hours reasonable access to and the right to inspect all of the properties, assets, premises, Books and Records, Contracts and other documents, and data related to the Acquired Assets; (ii) furnish Buyer and Buyer's Representatives with such financial, operating, and other data and information related to the

Acquired Assets as Buyer or any of Buyer's Representatives may reasonably request, including, without limitation, as soon as reasonably practicable after the end of each fiscal month or quarter, as the case may be, such monthly or quarterly financial reports, statements, and other information as the Sellers customarily prepare at the end of such fiscal periods; (iii) afford Buyer and Buyer's representatives reasonable access to all employees, contractors, and other Representatives of Sellers with knowledge about the operations of the Acquired Communities and the Acquired Assets; and (iv) instruct Sellers' employees and Representatives of Sellers to cooperate with Buyer in Buyer's investigation of the Acquired Assets. Any investigation pursuant to this Section 6.09 will be conducted in such manner as not to interfere unreasonably with the conduct of the Business or any other businesses of Sellers and shall not include any environmental sampling.

(b) So long as the Bankruptcy Cases are pending, following the Closing, Buyer shall provide Sellers and Sellers' counsel and other professionals employed in the Bankruptcy Cases with reasonable access to all documents relating to the Acquired Assets for the purpose of the continuing administration of the Bankruptcy Cases (including the pursuit of any avoidance, preference, or similar actions), which access shall include (i) the right of Sellers' professionals to copy, at Sellers' expense, such documents and records as Sellers or Sellers' counsel and other professionals may request in furtherance of the purposes described above, and (ii) Buyer's copying and delivering to Sellers or Sellers' counsel and other professionals such documents or records as Sellers or Sellers' counsel and other professionals may request, but only to the extent Sellers or Sellers' counsel and other professionals furnish Buyer with reasonably detailed written descriptions of the materials to be so copied and Sellers reimburse Buyer for the reasonable costs and expenses thereof.

Section 6.10. Notice of Certain Events. From the Effective Date until the Closing, Sellers will promptly notify Buyer in writing of:

(a) any fact, circumstance, event or Action the existence, occurrence or taking of which (i) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Change on the Acquired Assets, (ii) has resulted in, or could reasonably be expected to result in, any representation or warranty made by any Seller hereunder not being true and correct, or (iii) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions in Section 7.02 to be satisfied;

(b) any notice or other communication from any Governmental Authority in connection with the Acquired Assets, the Assumed Liabilities, or the transactions contemplated by this Agreement; and

(c) any Actions commenced or, to the Knowledge of Sellers, threatened against, relating to or involving or otherwise affecting the Acquired Assets or the Assumed Liabilities or that relates to the consummation of the transactions contemplated by this Agreement.

Section 6.11. Efforts to Consummate. From the Effective Date until the Closing, each party will use reasonable efforts to take such actions as are necessary to satisfy the closing conditions set forth in Article VII.

Section 6.12. Use of Email Addresses So long as the Bankruptcy Cases are pending, following the Closing Buyer shall permit Seller, at no cost, the use of the email addresses under the Transferred Domain Names for purposes of the administration of the Bankruptcy Cases.

Section 6.13. Name Change If requested by Buyer in writing following the Closing Date, Sellers shall, within thirty (3) days following such written request, use commercially reasonable efforts to take such corporate and other actions necessary to change Sellers' company names to ones that are not similar to, or confusing with, its current names, including any necessary filings required by the Laws of its jurisdiction of incorporation or formation.

Section 6.14. Outbound License Buyer acknowledges, agrees, and consents to the licenses to Penguin Random House, LLC as described on Section 4.06(c) of the Disclosure Schedules.

ARTICLE VII CONDITIONS TO CLOSING

Section 7.01. Conditions to Obligations of All Parties The respective obligations of each party to consummate the transactions contemplated by this Agreement are subject to the fulfillment or waiver by the parties, at or prior to the Closing, of each of the following conditions:

(a) No Governmental Authority having enacted, issued, promulgated, enforced, or entered any Governmental Order that is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining, or prohibiting consummation of such transactions that are not otherwise satisfied, resolved, or preempted by the Sale Order.

(b) The Bankruptcy Court shall have entered the Sale Order, and the Sale Order shall not have been stayed, vacated, reversed, or modified as of the Closing Date.

Section 7.02. Conditions to Obligations of Buyer The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment or Buyer's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Sellers contained in Section 4.01, Section 4.02 and Section 4.10, the representations and warranties of Sellers contained in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Change) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Change) on and as of the Closing Date with the same effect as though made at and as of such date (except for those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Sellers contained in Section 4.01, Section 4.02

and Section 4.10 shall be true and correct in all respects on and as of the Effective Date and on and as of the Closing Date with the same effect as though made at and as of such date (except for those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined as of that specified date in all respects).

(b) Sellers shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by Sellers prior to or on the Closing Date.

(c) From the Effective Date, there shall not have occurred any Material Adverse Change, nor shall any event or events have occurred since the Effective Date that, individually or in the aggregate, with or without the lapse of time, will result in a Material Adverse Change.

(d) The applicable Sellers shall have delivered to Buyer duly executed counterparts to the Transaction Documents (other than this Agreement) and such other documents and deliveries set forth in Section 3.02(a).

(e) To the extent that the Sale Order does not otherwise release, or authorize the release of, any Encumbrances (other than Permitted Encumbrances) on the Acquired Assets, Buyer shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of the Sellers Representative that each of the conditions set forth only in Section 7.02(a) and Section 7.02(b) have been satisfied (the "Sellers Closing Certificate").

(f) The Bankruptcy Court shall have entered the Sale Order, and such Sale Order shall be in full force and effect.

(g) Sellers shall have executed, delivered, and filed or authorized Buyer to file such termination statements, lien releases, discharges, financing change statements or other documents, notices or other instruments as Buyer may reasonably deem necessary to release Encumbrances (other than Permitted Encumbrances) on the Acquired Assets.

(h) Subject to Buyer's provision of adequate assurance as may be required under Section 365 of the Bankruptcy Code and Buyer's payment of any required Cure Claims, the applicable Seller shall have assumed and, effective as of the Closing, assigned to the Buyer all Assigned Contracts.

Section 7.03. Conditions to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment or Sellers' waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Buyer contained in Section 5.01, Section 5.02 and Section 5.05, the representations and warranties of Buyer contained in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Change) or in all material respects (in the case of any representation or warranty not qualified by materiality or

Material Adverse Change) on and as of the Closing Date with the same effect as though made at and as of such date (except for those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects), except where the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to have a material adverse change. The representations and warranties of Buyer contained in Section 5.01, Section 5.02, and Section 5.05 shall be true and correct in all respects on and as of the Effective Date and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by Buyer prior to or on the Closing Date.

(c) Buyer shall have delivered to Sellers duly executed counterparts to the Transaction Documents (other than this Agreement) and such other documents and deliveries set forth in Section 3.02(b).

(d) The Bankruptcy Court shall have entered the Bidding Procedures Order.

(e) Sellers shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Buyer, that (i) each of the conditions set forth only in Section 7.03(a) and Section 7.03(b) have been satisfied, and (ii) Buyer is authorized to execute, deliver and perform this Agreement and the other Transaction Documents and consummate the transactions contemplated hereby and thereby (the "Buyer Closing Certificate").

ARTICLE VIII NON-SURVIVAL

Section 8.01. Non-Survival. Subject to the limitations and other provisions of this Agreement, except in the case of actual fraud, the representations and warranties contained herein and in any certificate delivered pursuant hereto shall terminate and be of no further force or effect at Closing (and no party shall have liability thereunder at or after the Closing). All covenants and agreements of the parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein.

ARTICLE IX TERMINATION

Section 9.01. Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of the Sellers Representative and Buyer;

(b) by Buyer by written notice to the Sellers Representative if Buyer is not then in material breach of any provision of this Agreement and there has been a breach,

inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Sellers pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach, inaccuracy, or failure is either incapable of being cured or has not been cured by Sellers in all material respects within the earlier of (i) twenty (20) days of Sellers Representative's receipt of written notice of such breach from Buyer and (ii) the End Date;

(c) by Buyer by written notice to the Sellers Representative if the Bankruptcy Court shall fail to enter the Sale Order on or before the tenth (10th) day following Buyer's designation as the Successful Bidder for the Acquired Assets;

(d) by Buyer by written notice to the Sellers Representative if (i) the Bankruptcy Court enters an Order approving a standalone plan of reorganization for the Sellers involving the retention of a material part of the Acquired Assets, the dismissal of the Bankruptcy Cases or the conversion of the Bankruptcy Cases to cases under Chapter 7 of the Bankruptcy Code, (ii) the Bankruptcy Court enters an Order that otherwise precludes the consummation of the Transactions on the terms and conditions set forth in this Agreement, or (iii) any Seller or the Sellers Representative files any motion seeking approval of the foregoing;

(e) by the Sellers Representative by written notice to Buyer if Sellers are not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Buyer pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach, inaccuracy, or failure is either incapable of being cured or has not been cured in all material respects by Buyer within the earlier of (i) twenty (20) days of Buyer's receipt of written notice of such breach from Sellers and (ii) the End Date;

(f) by Buyer or the Sellers Representative in the event that (i) there is any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority issues a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order has become final and non-appealable;

(g) by the Sellers Representative or Buyer, upon notice to the other at any time following July 15, 2019 (the "End Date") if the Closing shall not have occurred on or before the End Date; provided, however, that the right to terminate this Agreement under this Section 9.01(g) shall not be available to any party (i) who is in material breach of this Agreement that would give rise to the failure of any of the conditions specified in Article VII or (ii) whose failure to fulfill any obligation (including failure to satisfy or be ready, willing and able to satisfy any condition set forth in Section 7.02, if such notice is given by the Sellers Representative, or Section 7.03, if such notice is given by Buyer) under this Agreement has been the cause of, or resulted in, the failure of the Closing to be consummated by the End Date;

(h) the Bankruptcy Court enters an Order that otherwise precludes the consummation of the transactions set forth herein on the terms and conditions set forth in this Agreement, subject to any limitations set forth in the Bidding Procedures Order.

Section 9.02. Effect of Termination

(a) In the event of the termination of this Agreement as provided in Section 9.01 hereof, this Agreement shall no longer remain in force and effect and thereafter there shall be no liability or obligation on the part of any party hereto, except that (i) subject to Section 9.02(b) and (c), no termination of this Agreement pursuant to Section 9.01 hereof shall relieve any party of any liability for a breach of any provision of this Agreement or any Transaction Document occurring on or before the effective time of such termination (including any breach that resulted in termination) or for any Losses incurred by the other parties as a result of such breach, and (ii) the provisions of Section 6.01, this Section 9.02, Article XI and any related definitions set forth in elsewhere in this Agreement shall survive any such termination of this Agreement, subject to any limitations set forth therein.

(b) Sellers agree to refund the Deposit to Buyer within five (5) business days following the termination of this Agreement pursuant to any subsection of Section 9.01 other than Section 9.01(e).

(c) Buyer understands and acknowledges that if this Agreement is terminated by the Sellers Representative pursuant to Section 9.01(e), Sellers will suffer material damages. The parties agree that such damages are difficult to quantify and thus Sellers' retention of the Deposit is a reasonable approximation of such damages. Accordingly, if this Agreement is terminated by the Sellers Representative pursuant to Section 9.01(e), Sellers shall be entitled to retain the Deposit as liquidated damages and not as a penalty. Sellers receipt and retention of the Deposit shall be the sole and exclusive remedy against Buyer, in the event that Sellers Representative terminates this Agreement pursuant to Section 9.01(e).

(d) The Parties acknowledge and agree that the agreements contained in this Section 9.02 are an integral part of this Agreement and the transactions contemplated hereby and are a material and necessary inducement to the Parties to enter into this Agreement and to consummate the transactions contemplated hereby.

**ARTICLE X
BANKRUPTCY COURT MATTERS AND RELATED COVENANTS AND
AGREEMENTS**

Section 10.01. Sale Order. Subject to Buyer being designated as the Successful Bidder, Sellers shall promptly use commercially reasonable efforts to obtain entry of the Sale Order approving this Agreement, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes of, among others, providing necessary assurances of performance by Buyer under this Agreement and demonstrating that Buyer is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code and that the Purchase Price was not controlled by an agreement in violation of Section 363(n) of the Bankruptcy Code.

Section 10.02. Buyer's Back-Up Commitment. If an Alternative Transaction is approved by the Bankruptcy Court with a Qualified Bidder other than Buyer and at the auction for the Acquired Assets, Buyer has submitted the second highest bid for the Acquired Assets,

then Buyer shall remain bound by this Agreement, on its existing terms and at the last purchase price bid by Buyer at the auction, unless and until the Alternative Transaction is consummated or, if earlier, until the End Date.

Section 10.03. Other Filings in the Bankruptcy Case. Sellers shall promptly provide Buyer with the proposed final drafts of any and all motions, applications, pleadings, schedules, statements, reports, and other papers (including exhibits and supporting documentation) filed by or on behalf of Sellers related to or that might have a material effect upon the Acquired Assets, the Assigned Contracts, this Agreement, or the consummation of the transactions contemplated hereby or any provision herein or therein, so as to provide Buyer and Buyer's counsel with a reasonable opportunity to review and comment on such motions, applications, pleadings, schedules, statements, reports, and other papers prior to filing with the Bankruptcy Court, and inasmuch as is consistent with the Sellers' fiduciary duties, consider such comments in good faith. Buyer may file a notice of appearance in the Bankruptcy Cases and Sellers acknowledge and agree that Buyer shall have standing to appear in connection with all proceedings regarding the sale of the Acquired Assets in the Bankruptcy Case.

Section 10.04. Bankruptcy Process. Unless Buyer is in material breach of this Agreement or this Agreement has been terminated, Sellers covenant and agree that if the Sale Order is entered, the terms of any plan submitted by Sellers to the Bankruptcy Court for confirmation or otherwise supported by Sellers shall not conflict with, supersede, abrogate, nullify, modify, or restrict the terms of this Agreement or the rights of Buyer hereunder, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement, including any transaction that is contemplated by or approved pursuant to the Sale Order.

ARTICLE XI MISCELLANEOUS

Section 11.01. Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the party incurring such costs and expenses, whether or not the Closing occurs.

Section 11.02. Sellers Representative.

(a) Each Seller irrevocably appoints F+W Media as the representative, agent and proxy for such Seller (the "**Sellers Representative**") for all purposes under this Agreement and the Transaction Documents, including the full power and authority to act on such Seller's behalf: (i) to consummate the transactions contemplated by the Transaction Documents; (ii) to negotiate disputes arising under, or relating to, the Transaction Documents; (iii) to receive and disburse to such Seller any funds received on behalf of Sellers under the Transaction Documents; (iv) to withhold any amounts received on behalf of Sellers pursuant to the Transaction Documents or otherwise to satisfy any and all obligations or liabilities incurred by Sellers or the Sellers Representative in the performance of its duties hereunder or thereunder; (v) to execute and deliver any amendment or waiver to this Agreement or the Transaction

Documents (in each case, without the prior approval of Sellers); and (vi) to take all other actions to be taken by or on behalf of Sellers in connection with the Transaction Documents. Sellers further agree that such agency and proxy are coupled with an interest, are therefore irrevocable without the consent of the Sellers Representative and shall survive the bankruptcy, dissolution or liquidation of any Seller. All decisions and actions by the Sellers Representative shall be binding upon all of the Sellers, and no Seller shall have the right to object, dissent, protest or otherwise contest the same. The Sellers Representative shall have no duties or obligations hereunder, including any fiduciary duties, except those set forth herein, and such duties and obligations shall be determined solely by the express provisions of this Agreement.

(b) Each Seller severally, for itself only and not jointly, agrees to indemnify and hold harmless the Sellers Representative and its Representatives against all expenses (including reasonable attorneys' fees), judgments, fines and amounts incurred by such Persons in connection with any action, suit or proceeding to which the Sellers Representative or such other Person is made a party by reason of the fact that it is or was acting as, or at the direction of, the Sellers Representative pursuant to the terms of this Agreement.

(c) Neither the Sellers Representative nor any of its Representatives shall incur any liability to any Seller by virtue of the failure or refusal of such Persons for any reason to consummate the transactions contemplated hereby or relating to the performance of their duties hereunder, except for actions or omissions constituting intentional and knowing fraud. The Sellers Representative and its Representatives shall have no liability in respect of any action, claim or proceeding brought against such Persons by any Seller, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise, if such Persons took or omitted taking any action in good faith.

(d) In the event that the Sellers Representative becomes unable or unwilling to continue in its capacity as the Sellers Representative, or if the Sellers Representative resigns as the Sellers Representative, a majority-in-number of the Sellers may, by written consent, appoint a new representative as the Sellers Representative. Notice and a copy of the written consent appointing such new representative and bearing the signatures of a majority-in-number of the Sellers must be delivered to Buyer and each Seller. Such appointment will be effective upon the later of the date indicated in the consent or the date such consent is received by Buyer.

(e) Buyer shall be entitled to rely upon any action or decision of, or instruction by, or any document or other paper delivered by, the Sellers Representative on behalf of the Sellers (without any obligation to inquire into the authority of the Sellers Representative or the genuineness or correctness of such document or other paper or any signature of the Sellers Representative), and Buyer shall not be liable to any Seller for any action taken or omitted to be taken by Buyer in such reliance or with respect to actions, decisions and determinations of the Sellers Representative.

Section 11.03. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder will be in writing and deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if

sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as may be specified in a notice given in accordance with this Section 11.03):

If to Sellers:	c/o F+W Media, Inc. 1140 Broadway New York, NY 10001 E-mail: greg.osberg@fwmedia.com Attention: Gregory J. Osberg
with copies (that will not constitute notice) to:	Young Conaway Stargatt & Taylor, LLP Rodney Square 1000 N. King Street Wilmington, Delaware 19801 E-mail: cgrear@ycst.com Attention: Craig D. Grear
If to Buyer:	Cruz Bay Publishing, Inc. 5720 Flatiron Parkway Boulder, CO 80301 Email: aclurman@aimmedia.com Attn: Andrew Clurman, President and CEO
with copies (that will not constitute notice) to:	Dickinson Wright PLLC 500 Woodward Ave., Suite 4000 Detroit, Michigan E-mail: rbolton@dickinsonwright.com abach@dickinsonwright.com Attention: Rick Bolton and Allison Bach

Section 11.04. Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” will be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This

Agreement will be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein will be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 11.05. Disclosure Schedules. Each representation, warranty and covenant set forth herein shall have independent significance. Any item or matter required to be disclosed on a particular section of the Disclosure Schedules pursuant to this Agreement shall be deemed to have been disclosed if information for such item or matter complying with such disclosure requirements is set forth on another section of the Disclosure Schedules, to the extent reasonably apparent that such information applies to such particular section of the Disclosure Schedules.

Section 11.06. Headings. The headings in this Agreement are for reference only and will not affect the interpretation of this Agreement.

Section 11.07. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 11.08. Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 11.09. Successors and Assigns. This Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party; provided, that notwithstanding the foregoing, the Buyer may assign Buyer's rights or obligations hereunder to one or more successors or assignees of the other businesses conducted by Buyer and Buyer's Affiliates.

Section 11.10. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 11.11. Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party will operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement will operate or be construed as a waiver thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 11.12. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement will be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY SHALL BE INSTITUTED IN THE BANKRUPTCY COURT AND, TO THE EXTENT THE BANKRUPTCY COURT DOES NOT HAVE OR DOES NOT ACCEPT JURISDICTION TO ADJUDICATE SUCH MATTER MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF DELAWARE IN EACH CASE LOCATED IN NEW CASTLE COUNTY, STATE OF DELAWARE. EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF EACH SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN WILL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION, OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER

PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.12(c).


Section 11.13. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement or any Transaction Document delivered by facsimile, e-mail or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement or any Transaction Document.

[SIGNATURE PAGE FOLLOWS]


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

SELLERS


F+W MEDIA, INC.

By: 
Name: Gregory J. Osberg
Title: Chief Executive Officer


F+W SUBSCRIPTION SERVICES, LLC

By: 
Name: Gregory J. Osberg
Title: Chief Executive Officer


F+W TRADE SHOW & EVENTS, LLC

By: 
Name: Gregory J. Osberg
Title: Chief Executive Officer

F+W OH E-COMMERCE, LLC

By: 
Name: Gregory J. Osberg
Title: Chief Executive Officer

F+W NH E-COMMERCE, LLC

By: 
Name: Gregory J. Osberg
Title: Chief Executive Officer

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

BUYER

CRUZ BAY PUBLISHING, INC.

By: 

Name: Andrew Churman

Title: President and CEO

[Signature Page to Asset Purchase Agreement]