

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Pedia Pals, LLC	FORMERLY HNT Holdings Acquisition, LLC	02/28/2009	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Pedia Parents, Inc.		
Doing Business As:	DBA Pedia Pals		
Street Address:	2715 East 26th Street		
City:	Minneapolis		
State/Country:	MINNESOTA		
Postal Code:	55406		
Entity Type:	CORPORATION: MINNESOTA		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	1686236	ZOO PALS	
Registration Number:	1946401	PEDIA PALS	
Registration Number:	2624942	PEDIA PALS	
Registration Number:	2051939	PEDIA PALS	
CORRESPONDENCE DATA			
Fax Number:	(612)746-2561		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	612-746-2560		
Email:	nbrandenburg@skjold-barthel.com		
Correspondent Name:	Nathan M. Brandenburg		
Address Line 1:	Skjold-Barthel, PA, 222 S. 9th St.		
Address Line 2:	Suite 3220		
Address Line 4:	Minneapolis, MINNESOTA 55402		
NAME OF SUBMITTER:	Nathan M. Brandenburg		

OP \$1115.00 1686236

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REEL: 004153 FRAME: 0931

Signature:	/nathanmbrandenburg/
Date:	02/23/2010
<p>Total Attachments: 21</p> <p>source=Asset Purchase Agreement (F) - USPTO#page1.tif source=Asset Purchase Agreement (F) - USPTO#page2.tif source=Asset Purchase Agreement (F) - USPTO#page3.tif source=Asset Purchase Agreement (F) - USPTO#page4.tif source=Asset Purchase Agreement (F) - USPTO#page5.tif source=Asset Purchase Agreement (F) - USPTO#page6.tif source=Asset Purchase Agreement (F) - USPTO#page7.tif source=Asset Purchase Agreement (F) - USPTO#page8.tif source=Asset Purchase Agreement (F) - USPTO#page9.tif source=Asset Purchase Agreement (F) - USPTO#page10.tif source=Asset Purchase Agreement (F) - USPTO#page11.tif source=Asset Purchase Agreement (F) - USPTO#page12.tif source=Asset Purchase Agreement (F) - USPTO#page13.tif source=Asset Purchase Agreement (F) - USPTO#page14.tif source=Asset Purchase Agreement (F) - USPTO#page15.tif source=Asset Purchase Agreement (F) - USPTO#page16.tif source=Asset Purchase Agreement (F) - USPTO#page17.tif source=Asset Purchase Agreement (F) - USPTO#page18.tif source=Asset Purchase Agreement (F) - USPTO#page19.tif source=Asset Purchase Agreement (F) - USPTO#page20.tif source=Asset Purchase Agreement (F) - USPTO#page21.tif</p>	

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is made, entered into and effective as of February 28, 2009, by and between Pedia Pals, LLC ("Seller"), a Delaware limited liability company, and Pedia Parents, Inc. ("Buyer"), a Minnesota corporation. Seller or Buyer may be individually referred to herein as a "party," or collectively as the "parties."

RECITALS

WHEREAS, Buyer desires to purchase substantially all of Seller's business assets; and

WHEREAS, Seller desires to sell substantially all of its business assets to Buyer; and

WHEREAS, the parties desire to set forth this Agreement in writing.

AGREEMENTS

NOW THEREFORE, the parties, intending to be legally bound hereby, agree as follows.

ARTICLE I **PURCHASE OF ASSETS AND RIGHTS; LIABILITIES EXCLUDED AND ASSUMED**

1.1 Sale Assets. At the Closing, subject to the terms and conditions of this Agreement and except for the Excluded Assets, Seller shall assign, convey, transfer, and deliver to Buyer, and Buyer shall purchase, accept, and acquire from Seller, all assets owned by Seller related to the Business (such assets being hereinafter referred to collectively as the "Sale Assets"), including but not limited to the assets set forth in **Schedule A** of this Agreement.

1.2 Excluded Assets. Generally, Buyer will purchase only the Sale Assets specified in **Schedule A** of this Agreement. Notwithstanding anything contained herein to the contrary, it is understood that the assets listed in **Schedule C** shall not be Sale Assets and shall be specifically excluded from transfer to Buyer as well as all of the following:

1.2.1 All cash, cash equivalents, and marketable securities (investments in stocks, bonds and mutual funds) on hand or on deposit with any financial institution;

1.2.2 All Employee Benefit Plans together with all assets and liabilities associated with such plans;

1.2.3 Books of account, files and ledgers, corporate record books and tax records relating to discontinued operations, past employees, the Excluded Assets, or the Excluded Liabilities;

1.2.4 Bank accounts of Seller; and

1.2.5 Insurance and insurance policies of Seller.

1.3 Excluded Liabilities. Generally, Buyer will assume none of Seller's liabilities.

1.3.1 Buyer shall not assume, nor shall it agree to pay, perform, or discharge any liability of any kind or nature whatsoever of Seller, known or unknown, in existence at the Closing Date or arising thereafter, including, without limitation, any worker's compensation claims for injuries occurring prior to the Closing Date (collectively, the "Excluded Liabilities").

1.3.2 Seller shall remain liable for, and shall discharge, when due, all of the Excluded Liabilities.

1.4 Assumed Liabilities. Buyer shall assume none of Seller's liabilities.

ARTICLE II **THE PURCHASE PRICE**

2.1 Purchase Price. The purchase price shall be Two Hundred Fifty Thousand and no/100 Dollars (\$250,000.00) (the "Purchase Price").

2.2 Allocation of Purchase Price. The purchase price shall be allocated as set forth in Schedule B.

2.3 Payment of Purchase Price. Payment of the Purchase Price shall occur via a lump sum payment from Buyer to Seller at Closing. Seller and Buyer acknowledge that Buyer has financed the Purchase Price via a loan from the Small Business Administration ("SBA") and that pursuant thereto, upon the consummation of this Agreement, the SBA will take the first secured position in the Sale Assets.

ARTICLE III **REPRESENTATIONS AND WARRANTIES CONCERNING SELLER**

With respect to the Sale Assets, Seller hereby represents and warrants to Buyer as follows, with full knowledge that such representations and warranties are a material consideration and inducement to the execution of this Agreement by Buyer and the consummation of the transactions contemplated hereunder.

3.1 Organization and Authorization.

3.1.1 Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware. Seller has all requisite power and authority, corporate or otherwise, to carry on and conduct its business as it is now being conducted and to own or lease its property and assets; neither the

property owned or operated by Seller nor the nature of the business conducted by Seller makes qualification therein necessary under Law in any other jurisdiction.

- 3.1.2 Seller represents and warrants that Seller has the full corporate power and authority to enter into this Agreement and all other agreements, documents, and certificates contemplated or required of Seller hereby (collectively, the “Seller Documents”) and to consummate the transactions contemplated under this Agreement and the Seller Documents. Seller represents and warrants that the execution and delivery of this Agreement and each Seller Document by Seller and the consummation by Seller of the transactions contemplated hereby and thereby have been duly approved by the members and governors of Seller, and no other corporate action on the part of Seller is necessary to approve and authorize the execution and delivery of this Agreement or the consummation of the transactions contemplated under this Agreement and the Seller Documents. This Agreement and each Seller Document have been duly and validly executed and delivered by Seller and constitute the valid and binding agreements of Seller, enforceable against Seller in accordance with their respective terms.
- 3.1.3 The execution and delivery of this Agreement and each Seller Document by Seller and the consummation by Seller of the transactions contemplated by this Agreement and the Seller Documents will not:
- 3.1.3.1 Violate or conflict with any provision of the Articles of Organization, Operating Agreement or Member Control Agreement of Seller;
 - 3.1.3.2 Breach, violate or constitute an event of default (or an event that with the lapse of time, or the giving of notice, or both, would constitute an event of default) under or give rise to any right of termination, cancellation, modification or acceleration under any note, bond, indenture, mortgage, security agreement, lease, license, franchise or any other agreement, instrument or obligation to which Seller is a party or by which Seller or any of its property or assets is bound;
 - 3.1.3.3 Result in the creation of any lien, claim, encumbrance, right of first refusal or right of first negotiation, or other right of any third party of any kind whatsoever upon the property or assets of Seller or allow any such right that was previously created to become exercisable; and
 - 3.1.3.4 Violate or conflict with any Order or Law, where:
 - 3.1.3.4.1 “Order” means any award, decision, injunction, judgment, order, ruling, decree, subpoena or verdict entered, issued or made or rendered by any Governmental Authority or arbitrator, and shall include any consent order or decree;

3.1.3.4.2 “Law” means any law, ordinance, principle of common law, regulation, statute or treaty, whether federal, state, local, municipal, foreign, international or multinational;

3.1.3.4.3 “Governmental Authority” means any court, tribunal or panel, and any government, government agency, authority or regulatory body, whether federal, state, local, municipal, foreign, international or multinational (except for anything that would be a breach of the representations in the foregoing clauses, but would not, individually or in the aggregate, have a material adverse effect on the operations, the Sale Assets, financial condition or results of operations of the Business); or require, on the part of Seller, any filing or registration with, or permit, license, exemption, consent, authorization or approval of, or the giving of any notice to, any Governmental Authority, other than such filings, registrations, permits, licenses, consents, authorizations or approvals which, if not made or obtained, as the case may be, would not, in the aggregate, have a material adverse effect on the business, operations, properties, assets, financial condition, results of operations or prospects of the Business.

3.2 Reserved.

3.3 Taxes.

3.3.1 Seller has accurately prepared and timely filed with each applicable Tax Authority all Returns of every kind for Taxes required to be filed by it and has duly paid any such Taxes due to or claimed to be due from it, whether or not shown on any Return, by each such Tax Authority; no Tax Authority is now asserting or to Seller’s knowledge, threatening to assert against Seller any deficiency or claim for additional Taxes; and no state, local or foreign Tax Authority is currently claiming or investigating whether Seller is liable for Taxes in such taxing jurisdiction, except such jurisdiction where Seller has filed a Return for such Taxes.

3.3.2 For purposes of this Agreement:

3.3.2.1 “Taxes” means all taxes, assessments, charges, duties, fees, levies or other governmental charges, including federal, state, city, county, parish, foreign or other income, franchise, capital stock, real property, personal property, intangible, withholding, FICA (or similar), unemployment compensation, disability, environmental (including taxes under Section 59A of the IRC), transfer, sales, use, excise, gross receipts, alternative or add on minimum, estimated and all other taxes of any kind for which Seller may have any liability imposed by any Governmental Authority (including interest, penalties, or additions associated therewith) whether disputed or not, and

including any transferee or secondary liability in respect of any tax (whether imposed by law, contractual agreement or otherwise) and any liability in respect of any tax as a result of being a member of any affiliated, consolidated, combined, unitary or similar group, and shall include all liabilities of a Seller under any unclaimed property Law applicable to Seller;

3.3.2.2 “Tax Authority” means any branch, office, department, agency, instrumentality, court, tribunal, officer, employee, designee, representative, or other person or entity that is acting for, on behalf, or as a part of, any foreign or domestic government (or any political subdivision thereof) that is engaged in or has any power, duty, responsibility or obligation relating to the legislation, promulgation, interpretation, enforcement, regulation, monitoring, supervision or collection of or any other activity relating to any Tax; and

3.3.2.3 “Returns” means all returns, declarations, reports, statements, claims for refunds, estimated returns or reports, and other documents required to be filed in respect of Taxes, including any amendments or supplements to any of the foregoing.

3.4 Tangible Personal Property.

3.4.1 Seller has good and valid title to all tangible personal property subject to this Agreement that it purports to own, free and clear of any liens, restrictions, claims, charges, security interests, easements or other encumbrances of any nature whatsoever.

3.4.2 All tangible personal property which is in Seller’s possession and control that is subject to this Agreement, other than inventory, is free from material defects, has been maintained in accordance with normal industry practice, and is in reasonably good operating condition and repair, subject to normal wear and tear.

3.5 Contracts and Commitments. Seller is not in default under any contract and has not received any notice of cancellation or termination in connection therewith from anyone. To Seller’s knowledge, no party to a contract has given written notice that such party is claiming that a contract to which it is a party is unenforceable.

3.6 Intellectual Property Rights.

3.6.1 Defined. (i) All trademarks, service marks, trademark registrations, trademark and service mark registration applications, copyrights, inventions, designs, trade styles, logos, patents, and patent applications owned by Seller pertaining to the Sale Assets (the “Intellectual Property Rights”), and the jurisdiction in or by which such Intellectual Property Rights have been registered, filed or issued; (ii) all trade names owned or used by Seller and the jurisdictions in which such trade

names have been registered or filed; and (iii) all contracts, agreements or understandings pursuant to which Seller has authorized any person to use or any person has the right to use, in any business or commercial activity, in any of the items listed in clauses (i) and (ii) above.

- 3.6.2 To the best of Seller's knowledge, Seller owns or has the exclusive right to use free of any material liens the Intellectual Property Rights of the Sale Assets, except where the failure to own or have such right to use would not, in the aggregate, have a material adverse effect on the business of Seller. The validity of the Intellectual Property Rights has not been questioned in any prior litigation and is not the subject of any claim or demand of any person relating to, or any proceedings which are pending to, or the knowledge of Seller, threatened, which challenge the rights of Seller in respect of the Intellectual Property Rights. Seller does not know of any valid basis for any such claim. To the best of Seller's knowledge, the use of the Intellectual Property Rights by Seller does not infringe on the rights of any person or entity. Seller has no knowledge of any party that is infringing or has infringed the Intellectual Property Rights.

3.7 Litigation. Seller warrants that there is no:

- 3.7.1 Litigation, claims, suits, actions, arbitrations, investigations or administrative or other proceedings pending or to the knowledge of Seller, threatened against Seller or involving any of its property or business in connection with the Sale Assets;
- 3.7.2 Unsatisfied judgments, orders, injunctions, decrees, stipulations or awards (whether rendered by a Court, administrative agency or by arbitration, pursuant to a grievance or other procedure) against Seller. No present or former director or officer of Seller has or will have any claim for indemnification from Buyer related to any act or omission prior to the Closing Date by such present or former director or officer.

3.8 Suppliers and Customers. To the knowledge of Seller, the consummation of the transactions contemplated hereunder will not have any adverse effect on the business relationship of Buyer with any such supplier or customer.

3.9 Required Governmental Licenses and Permits. Seller has all material licenses, permits or other authorizations of Governmental Authorities necessary for the production and sale of its products and all other material licenses, permits or other authorizations of Governmental Authorities necessary for the Sale Assets.

3.10 Other. No representation or warranty by Seller in this Agreement, the Schedules to this Agreement or the certificate furnished to Buyer, contains or will contain as of the date made any untrue statement of a material fact or omits a material fact necessary to make the statements herein or therein not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows, with full knowledge that such representations and warranties are a material consideration and inducement to the execution of this Agreement by Seller and the consummation of the transactions contemplated hereunder.

4.1 Organization and Authorization.

- 4.1.1 Buyer is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of Minnesota, and has all requisite power and authority, corporate or otherwise, to carry on and conduct its business as it is now being conducted and to own or lease its properties and assets.
- 4.1.2 Buyer has the full corporate power and authority to enter into this Agreement and all other agreements, documents, and certificates contemplated or required of it under this Agreement (collectively, the “Buyer Documents”) and to consummate the transactions contemplated under this Agreement and the Buyer Documents. The execution and delivery by Buyer of this Agreement and each of the Buyer Documents and the consummation by Buyer of the transactions contemplated under this Agreement and the Buyer Documents have been duly approved by the shareholders and directors of Buyer, and no other corporate action on the part of Buyer is necessary to approve and authorize the execution and delivery of this Agreement and each of the Buyer Documents or to consummate the transactions contemplated under this Agreement and the Buyer Documents. This Agreement and each of the Buyer Documents have been duly and validly executed and delivered by Buyer and constitute the valid and binding agreements of Buyer, enforceable against Buyer in accordance with their respective terms.
- 4.1.3 The execution and delivery of this Agreement and each of the Buyer Documents by Buyer and the consummation by Buyer of the transactions contemplated hereby and thereby will not:
 - 4.1.3.1 Violate or conflict with any provision of the Articles of Incorporation, Bylaws or Shareholder Control Agreement of Buyer;
 - 4.1.3.2 Breach, violate or constitute an event of default (or an event which with the lapse of time or the giving of notice or both, would constitute an event of default under or give rise to any right of termination, cancellation, modification or acceleration under any note, bond, indenture, mortgage, security agreement, lease, license, franchise or other agreement, instrument or obligation to which either Buyer is a party or by which Buyer or any of its respective property or assets is bound;
 - 4.1.3.3 Result in the creation of any lien, claim, right of first refusal or right of first negotiation, encumbrance or other right of any third party of any kind

whatsoever upon the property or assets of Buyer or allow any such right that was previously created to become exercisable;

4.1.3.4 Violate or conflict with any Order or Law (except for anything that would be a breach of the representations in the foregoing clauses but would not, individually or in the aggregate, have a material adverse effect on the operations, property, assets, financial condition, results of operations or prospects of Buyer, taken as a whole or adversely affect their ability to carry out their respective obligations under this Agreement and any agreements entered into in connection herewith); or

4.1.3.5 Require, on the part of Buyer, any filing or registration with or permit, license, exemption, consent, authorization or approval of or the giving of any notice to, any Governmental Authority other than such filings, registrations, permits, licenses, consents, authorizations or approvals which, if not made or obtained, as the case may be, would not, in the aggregate, have a material adverse effect on the business, operations, property, assets, financial condition, or results, of operations or prospects of Buyer.

ARTICLE V **POST-CLOSING COVENANTS; MUTUAL COOPERATION**

5.1 Mutual Cooperation. At any time and from time to time after the Closing Date, any party hereto shall execute, acknowledge, and deliver any agreements or other documents and will take any other actions as may be reasonably requested by the other party relating to the transaction taken hereunder, and in connection with the preparation, review or audit of any tax returns or accounting records, completion of payroll or litigation (provided there is no conflict of interest). Such cooperation will include reasonable access to documents and personnel. The party requesting assistance hereunder shall reimburse the others for reasonable out-of-pocket expenses incurred in providing such assistance.

ARTICLE VI **INDEMNIFICATION**

6.1 Survival. All of the representations, warranties, and covenants of the parties contained in this Agreement shall survive the Closing (even if the damaged party knew or had reason to know of any misrepresentation or breach of warranty or covenant at the time of Closing). Seller acknowledges and agrees that Buyer may pursue any and all remedies which may be available to Buyer in the event of a breach of this Agreement or failure to perform any of the representations, warranties, and covenants contained herein, and that nothing contained herein shall constitute or be construed as a waiver or release of any rights or remedies to which Buyer may be entitled. Likewise, Buyer acknowledges and agrees that Seller may pursue any and all remedies which may be available to Seller in the event of a breach of this Agreement or failure to perform any of the representations, warranties, and covenants contained herein, and that nothing contained herein shall constitute or be construed as a waiver or release of any rights or remedies to which

Seller may be entitled.

6.2 General Indemnification for Benefit of Buyer. Seller shall defend, indemnify, and hold harmless Buyer from and against:

- 6.2.1 Any and all claims, liabilities, and obligations of every kind and description, contingent or otherwise arising from or related to the Sale Assets through the Closing Date including, but not limited to, any and all claims, liabilities and obligations arising from or required to be performed through the Closing Date under any violation or alleged violation of any rule or regulation of any federal, state, or local regulatory or administrative body, including rules regarding the employment of labor and equal employment opportunity;
- 6.2.2 All Excluded Liabilities of Seller not assumed by Buyer;
- 6.2.3 Any and all damage or deficiency resulting from any misrepresentations, breach of warranty, or non-fulfillment of any agreement on the part of Seller under this Agreement (unless Buyer has received written notice thereof from Seller and Buyer affirmatively waives such misrepresentation, breach, or non-fulfillment at or prior to the Closing);
- 6.2.4 Any and all damage or deficiency resulting from any misrepresentation in or omission from any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby; and
- 6.2.5 Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees, incurred by Buyer as a result of Seller's failure or refusal to compromise or defend any claim incident to, or otherwise comply with, any of the foregoing provisions.

6.3 General Indemnification for Benefit of Seller. Buyer shall defend, indemnify, and hold harmless Buyer from and against:

- 6.3.1 Any and all claims, liabilities, and obligations of every kind and description, contingent or otherwise arising from or related to the Sale Assets arising after the Closing Date including, but not limited to, any and all claims, liabilities and obligations arising from or required to be performed after the Closing Date under any violation or alleged violation of any rule or regulation of any federal, state, or local regulatory or administrative body, including rules regarding the employment of labor and equal employment opportunity;
- 6.3.2 Any and all damage or deficiency resulting from any misrepresentations, breach of warranty, or non-fulfillment of any agreement on the part of Buyer under this Agreement (unless Seller has received written notice thereof from Buyer and Seller affirmatively waives such misrepresentation, breach, or non-fulfillment at or prior to the Closing);

- 6.3.3 Any and all damage or deficiency resulting from any misrepresentation in or omission from any certificate or other instrument furnished to Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby; and
- 6.3.4 Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees, incurred by Seller as a result of Buyer's failure or refusal to compromise or defend any claim incident to, or otherwise comply with, any of the foregoing provisions.

6.4 Notice and Other Indemnification Procedures.

- 6.4.1 In order for the party from whom indemnity may be sought (the "Indemnitor") to be fully informed at all times concerning its possible obligations to give indemnity to the claimant thereof under the provisions of this Article (the "Indemnitee") and to permit the amounts thereof to be minimized, if the Indemnitee suffers or is threatened with or incurs any loss, damage, or expense for which it would be entitled to be indemnified, the Indemnitee shall promptly give notice to Indemnitor after obtaining knowledge of any claim. Notwithstanding the foregoing notice requirement, the right to indemnification hereunder shall not be affected by any failure of Indemnitee to give such notice or any delay by Indemnitee in giving such notice unless, and then only to the extent that, the rights and remedies of Indemnitor shall have been prejudiced as a result of the failure to give, or delay in giving, such notice.
- 6.4.2 The Indemnitee may defend against such claim or litigation in such manner as it deems appropriate and, unless Indemnitor shall deposit with Indemnitee a sum equivalent to the total amount demanded in such claim or litigation plus the Indemnitee's estimate of the cost of defending the same, the Indemnitee may settle such claim or litigation on such terms as it deems appropriate and Indemnitor shall, in accordance with the provisions hereof, promptly reimburse the Indemnitee for the amount of such settlement and for all losses and expenses incurred by Indemnitee in connection with the defense against, or settlement of, such claim or litigation. Indemnitor agrees to cooperate fully with the Indemnitee in the conduct of any defense against any claim.
- 6.4.3 Each party will cooperate with the other in resolving or attempting to resolve any claim and will permit the other party access to all books and records which might be useful for such purpose, during normal business hours and at the place where the same are normally kept, with full right to make copies thereof or extracts there from at the cost of the copying party.

6.5 Other Indemnification Provisions. The foregoing indemnification provisions are in addition to, and not in derogation of, any statutory or common law remedy any party may have for breach of representation, warranty, or covenant.

ARTICLE VII
THE CLOSING

7.1 Time, Date and Place of Closing. The payments and deliveries contemplated by this Agreement to be made at the Closing to be held at a location mutually determined by the parties on February 28, 2009. The date on which the last of such payments and deliveries occurs is hereinafter referred to as the “Closing Date,” and the events comprising such payments and deliveries are hereinafter collectively referred to as the “Closing.”

7.2 Events Comprising the Closing. The Closing shall not be deemed to have occurred unless and until the Purchase Price has been delivered to Seller and all other documents set forth herein shall have been paid and delivered, and none of these items shall have been deemed to be paid and delivered unless and until all of them have been paid and delivered.

7.3 Deliveries by Buyer at the Closing. Delivery by Buyer of the following at Closing shall be a condition to the obligations of Seller under this Agreement:

7.3.1 A certificate dated the Closing Date executed by the President of Buyer certifying that: (1) the representations and warranties of Buyer in this Agreement are true and correct in all material respects on the Closing Date as if made on and as of such date or if not, to what extent they are not; (2) Buyer has performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and (3) the applicable conditions precedent to the obligations of Buyer under this Agreement have been fulfilled or waived as set forth in **Schedule F**;

7.3.2 Copies of the resolutions of the Board of Directors and Shareholders authorizing the execution and delivery of this Agreement and the consummation of the transactions herein contemplated; and

7.3.3 A check in the amount of Two Hundred Fifty Thousand and no/100 Dollars (\$250,000.00) payable to Seller.

7.4 Deliveries by Seller at the Closing. Delivery by Seller of the following at the Closing shall be a condition to the obligations of Buyer under this Agreement:

7.4.1 A certificate dated the Closing Date executed by the Chief Manager of Seller certifying that: (1) the representations and warranties of Seller hereunder are true and correct in all material respects on the Closing Date as if made on and as of such date or if not, to what extent they are not; (2) Seller has performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and (3) the applicable conditions precedent to the obligations of Seller hereunder have been fulfilled or waived as set forth in **Schedule E**;

7.4.2 Copies of the resolutions of the Board of Governors and Members of Seller authorizing the execution and delivery of this Agreement and the consummation of the transactions herein contemplated; and

7.4.3 A Bill of Sale for the Sale Assets as set forth in **Schedule G**.

7.5 Conditions to Obligations of Buyer. The obligations of Buyer to make the deliveries and payments under this Agreement and to close this transaction are subject to the fulfillment prior to or at the Closing Date of each of the following conditions, anyone or more of which may be waived by Buyer:

7.5.1 The representations and warranties contained in this Agreement hereof shall be true in all material respects as of the date when made and as of the Closing Date as if made on such date;

7.5.2 Seller shall have performed and complied in all material respects with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing Date;

7.5.3 No Governmental Authority with competent jurisdiction over the subject matter hereof shall have instituted any action, suit, or proceeding or given notice of its intentions to do so, which in the reasonable opinion of Buyer and its counsel has a material and adverse effect on the transactions contemplated by this Agreement;

7.5.4 All agreements, certificates, opinions, and other documents delivered by Seller to Buyer hereunder shall be in form and substance reasonably satisfactory to Buyer;

7.5.5 Buyer shall have received copies of the resolutions of the Board of Directors and Shareholders of Seller authorizing the execution and delivery of this Agreement and the consummation of the transactions herein contemplated; and

7.5.6 Since the date of this Agreement and prior to the Closing, there shall have been no event, occurrence, or development of a set of circumstances or facts that has had or reasonably could be expected to have a material adverse effect on the condition, business, assets, liabilities or results of operations of Seller.

7.6 Conditions to Obligations of Seller. The obligations of Seller to make the deliveries under this Agreement and to close this transaction are subject to the fulfillment prior to or at the Closing Date of each of the following conditions, anyone or more of which may be waived by the Seller:

7.6.1 The representations and warranties of Buyer in this Agreement shall be true in all material respects as of the date when made and as of the Closing Date as if made on such date;

- 7.6.2 Buyer shall have performed and complied in all material respects all agreements and conditions required by this Agreement to be performed or complied with prior to or at the Closing Date;
- 7.6.3 No Governmental Authority with competent jurisdiction over the subject matter hereof shall have instituted any action, suit, or proceeding or given notice of its intentions to do so, which in the reasonable opinion of Seller and its legal counsel has a material and adverse effect on the transactions contemplated by this Agreement;
- 7.6.4 All governmental approvals legally required for the consummation of this transaction shall have been obtained;
- 7.6.5 All agreements, certificates, opinions and other documents delivered by Buyer to Seller hereunder shall be in form and substance reasonably satisfactory to Seller;
- 7.6.6 Seller shall have received copies of the resolutions of the Board of Directors and Shareholders of Buyer, authorizing the execution and delivery of this Agreement and the consummation of the transactions herein contemplated; and
- 7.6.7 Since the date of this Agreement and prior to the Closing, there shall have been no event, occurrence or development of a state of circumstances or facts which has had or reasonably could be expected to have a material adverse effect on the condition of the business, Sale Assets, liabilities, or results of operations of Seller.

ARTICLE VIII **TERMINATION**

- 8.1 Termination of Agreement.** Either of the parties may terminate this Agreement by mutual written consent at any time prior to the Closing Date.
- 8.2 Event of Termination.** In the event of the termination of this Agreement, all obligations of the parties hereunder shall terminate without liability of either party to the other.

ARTICLE IX **MISCELLANEOUS PROVISIONS**

- 9.1 Successor Sellers.** This Agreement shall be binding upon and inure to the benefit of Seller, its legal representatives, successors and assigns.
- 9.2 Successor Buyers.** This Agreement shall be binding upon and inure to the benefit of Buyer, its legal representatives, successors and assigns.
- 9.3 Mutual Disclaimers.** This Agreement does not render either party an agent of the other or either party liable for any debts, liabilities, or obligations of the other, either now existing or to

be incurred in the performance of this Agreement and neither party has any authority to obligate or represent the other.

9.4 Notices. Any notices permitted or required under this Agreement shall be deemed given upon the date of personal delivery or forty-eight (48) hours after deposit in the United States Mail, postage fully prepaid, return receipt requested, at or to the last known address of the intended recipient.

9.5 Law Governing; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without giving effect to the conflict of law provisions thereof. Any action arising under this Agreement shall be venued in the Fourth Judicial District, County of Hennepin, State of Minnesota, and each party submits to the personal jurisdiction of said Court.

9.6 Titles and Captions. All section titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context nor effect the interpretation of this Agreement.

9.7 Entire Agreement. This Agreement and the exhibits and schedules attached hereto contain the entire understanding between and among the parties and supersede any prior understandings and agreements among them respecting the subject matter of this Agreement.

9.8 Attorneys' Fees. In the event that any proceeding, suit or action is brought by any party under this Agreement to enforce any of its terms, it is agreed that the prevailing party shall be entitled to reasonable attorneys' fees to be fixed by the trial and appellate courts in any such proceeding or as incurred in the collection of any judgment.

9.9 Computation of Time. In computing any period of time pursuant to this Agreement, the day of the act, event or default from which the designated period of time begins to run shall be included, unless it is a Saturday, Sunday or a legal holiday, in which event the period shall begin to run on the next day that is not a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day thereafter which is not a Saturday, Sunday or legal holiday.

9.10 Pronouns and Plurals. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.

9.11 Presumption. This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

9.12 Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of the Agreement.

9.13 Parties in Interest. Nothing herein shall be construed to be to the benefit of any third party, nor is it intended that any provision shall be for the benefit of any third party.

9.14 Savings Clause. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

9.15 Counterparts. This Agreement may be signed in counterparts by the parties hereto with the same force and effect as if the above parties signed the same original agreement. Facsimile copies and photocopies of the parties' signatures to this Agreement shall be valid and enforceable to the same extent as original signatures, and the parties hereby waive any requirement that original signatures be produced as a condition of proving the validity of, or otherwise enforcing this Agreement.

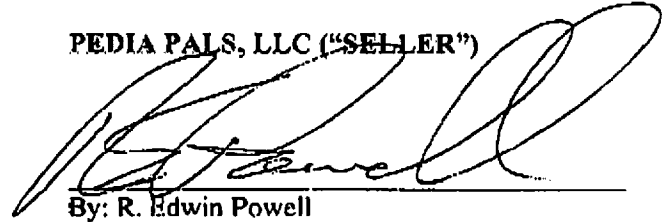
9.16 Attorney Disclosure. At the request of Buyer, Skjold ▪ Barthel, P.A. (the "Firm"), has drafted this Agreement and various related documents for Buyer. Seller and Buyer acknowledge that the Firm has represented and continues to represent Buyer. **THE FIRM DOES NOT REPRESENT SELLER IN ANY CAPACITY WHATSOEVER.** Seller and Buyer recognize that their interests under such documents may now or hereafter be adverse to, or in conflict with, the interests of one another. Seller and Buyer hereby consent to the representation by the Firm of Buyer in connection with the preparation and execution of such documents, and Seller and Buyer hereby agree that at no time will such representation be construed, claimed, or deemed to be a breach of any fiduciary relationship, a conflict of interest, or a violation of any other obligation of any party. Furthermore, all of the parties hereto represent and warrant that this Agreement is an important document and that Seller has made a conscious decision on whether or not to seek independent legal or accounting representation, or if not, said Seller waives the same.

[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first above written.

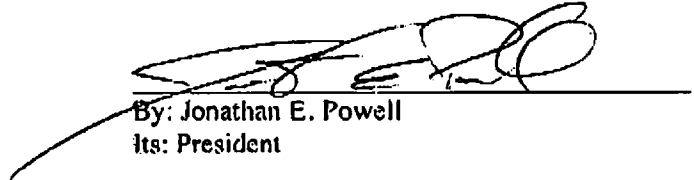
PEDIA PALS, LLC ("SELLER")



Dated: FEB 28, 2009.

By: R. Edwin Powell
Its: Chief Manager

PEDIA PARENTS, INC. ("BUYER")



Dated: FEB 28, 2009.

By: Jonathan E. Powell
Its: President

SCHEDULE A
SALE ASSETS

1. PRODUCTS.

- a. 3 dimensional Pediatric Exam Tables in the shape of the following animals:

Hippopotamus, US Patent # Des. 324,732
Dinosaur, US Patent # Des. 326,325
Elephant, US Patent # Des. 326,326
Lion, US Patent # Des. 324,269
Polar Bear

- i. Stirrups can be added.
ii. Stirrup covers in the shape of paws.
iii. All have two drawers, comfort curved pads, pull out extension, no slip child step built in, paper roll holder, pad lifts to varying heights.
iv. All products covered by and of the above listed US Patents.

2. EQUIPMENT.

- a. 3 – die casts for cutting no slipgrip tape:

8” die #17882
5” die #17880
4” die #17878

- b. Brochures, 2 drawer file cabinet, pictures, past brochures.
c. Skyline Header Pediatric Design, Inc.
d. Show Pictures – 3.
e. Zoopals Make Children Sign – 1.
f. 1 Computer.
g. Phone system – approximately 10 phones (bought as used).
h. Plotter (bought as used).
i. 1 Sanyo microwave.
j. 1 black storage unit.
k. 2, 4-drawer black file cabinets.
l. 1 Sharp television set and stand.
m. 1 CD player.
n. 1 coffee maker.
o. 1 Konica copier.
p. 1 Dictaphone transcriber.
q. 1 Panasonic Fax Machine.
r. 1 HP laser jet printer.
s. 1 mini-refrigerator.
t. 1 Macintosh scanner.

- u. 1 Panasonic VCR.
- v. 2 work plan desk tops.
- w. 2 book shelves.
- x. 2 hutches.
- y. 1 drafting table.
- z. 1, 4-in-1 printer/fax/scanner/copier.
- aa. 2 white folding tables.

3. INVENTORY.

- a. 1 – Show Hippo w/ stirrups (Not Paid).
- b. 17 pads.
- c. Stirrups – 18 pairs.
- d. Stirrup covers – 18 pairs (4 in show animal).
- e. Lift mechanisms – 10+.
- f. Space Covers (No Stirrup – 20+).
- g. Wood Knobs (drawers) – 44.
- h. Knobs – lift mechanism – 20 (+2 ship next week).
- i. Metal brackets – (Dino sz) – 40.
- j. Brass sleeves – 12.
- k. Spring Locks – 75.
- l. 25 feet roll grip tape (No-slipgrip) for step.
- m. Cut
 - 8” – 200
 - 5” – 120
 - 4” – 180
- n. Drawer sets/treatment trays – 14.
- o. 2 Show crates.
 - 1 – Dino
 - 1 – Hippo
- p. Boxes – 21.
- q. Dino Lids – 14.
- r. Help Lids – 0.
- s. Pallets – 15.
- t. Dino – 8.
- u. Help – 7.

4. OTHER ASSETS.

- a. Dies for grip tape – 3
 - 8” width
 - 5” width
 - 4” width
- b. 1 mold for each a total of 5 – Hippo
Dino

Elephant
Lion
Polar Bear

- c. Any molds located at Roy Cromell Molding Co., 27546 State Highway 23, Paynesville, MN 56362.
- d. Patterns – Spectrum Mgf. For pads.
- e. Drawings – Spectrum Mgf.
- f. Diagrams – Spectrum Mgf. – foam manufacturing setup – drawings – copy to Pedia Pals.
- g. Original Hippo/Red from Childrens – 1 unit (old pad & drawers).
- h. Tools and tooling, including prototype tooling, including but not limited to non-owned production tooling for reflex hammer.
- j. Molds, including but not limited to all prototype molds.
- l. Drawings.
- n. All tangible items located on the premises owned/leased by John Hansel, Jr. relating to or pertaining to any business, productions, concepts or assets of Seller.
- q. The prototypes and artist renderings for the following Products:
 - Stethoscope ring attachment
 - Otoscope speculum
 - Otoscope disposable tip
 - Reflex hammer (giraffe)
 - Blood pressure bulb
 - Blood pressure cuff
 - Blood pressure kit (blood pressure bulb and cuff)
 - Nasal aspirator
 - Nasal syringe
 - Air & water syringe
 - Height growth chart
 - Stickers
 - Toothbrush
 - Dental floss dispenser
 - Dental hygiene pack (toothbrush and dental floss dispenser)
 - Dental reach mirror
 - Cold pack mask
 - Anesthetic mask
 - Ophthalmoscope attachment
 - Toothpaste cap
 - Coloring books
 - Phototherapy eye covers
 - Dental bib
 - Dental head rest disease barrier
 - Dental light handle disease barrier
 - Surgical mask
 - Pocket light attachment
 - Hand puppets
 - Medical bag

- r. Those artist renderings for the following Products:
 - Dental prophie angle
 - Reflex hammer (turtle)
 - Reflex hammer (hippo)
 - Saliva ejector
 - Arm & collar sling
 - X-ray barrier
 - Surgical shoe cover
 - Surgical caps
 - Eye chart
 - Tongue depressors
 - Bandages
 - Head mirror
 - Insuffaltor bulb
 - Occuluder
 - Dental impression tray (turtle, bear and monkey)
 - Tubing barrier
- s. All documents and other assets located in any safe deposit box of Seller.
- t. All data on the Seller’s computers.

5. INTELLECTUAL PROPERTY.

a. Registered Trademarks.

Mark	Registration Number
Zoo Pals®	1686236
Pedia Pals	1860821 (DEAD)
Pedia Pals	1952406 (Cancelled)
Pedia Pals	1946401
Pedia Pals	2051939
Pedia Pals	2624942

b. Advertising Slogans.

- i. “They Make Everything Easier By Putting Children At Ease”.
- ii. Family friendly health care.
- iii. Child friendly health care.

c. Copyrights.

Title	Registration Number
Elly	VA 504 264
Mouse Sculpture	VA 691 655
Elephant Nasal/Ear Syringe line art	VAU 308 630
Mouse line art	VAU 308 629
Giraffe line art	VAU 308 628

Benjamin bear bulb line art	VAU 308 627
Elly elephant (II) line art	VAU 308 626
Alligator toothbrush handle	VA 699 691
Alligator toothbrush handle (3D)	VA 691 656
Benjamin bear blood pressure cuff	VA 654 103
Racoon cold pack mask	VA 654 104
Elephant Otoscope Speculus	VA 691 654
Elephant nasal/ear syringe	VA 691 653
Benjamin bear blood pressure bulb	VA 692 397
Chimp anesthetic mask	VA 691 652
Turtle floss dispenser	VA 669 689
Charlie chimp dental mirror	VA 691 650
Manual mouse Ophthalmoscope attachment	VA 391 649
Elephoant stethoscope chest piece ring	VA 691 647
Elly elephant (II) sculpture	VA 691-648
Giraffe reflex hammer	VA 691 644
Elephant air and water syringe	VA 691 645
Elephant toothpaste cap	VA 691 646
Pedia Pals animals group illustration	VA 699 690
Turtle reflex hammer	VAU 308 625
Frog floss dispenser	VAU 308 624
Hippo reflex hammer	VAU 308 623
Turtle floss dispenser	VA 691 651

d. Patents.

Title	U.S. Patent Number
Hippopotamus	324732
Dinosaur	326325
Elephant	326326
Lion	324269

- e. All data bases.
- f. All invoices.
- g. All computer programs.
- h. All specifications for the production of all products, the specification sheets related thereto and all rights to produce, change, modify and the sell any and all products, including any patent and copyrights rights thereto.
- i. All operating and instruction manuals for any products and all rights therein.
- j. All rights in and to the production, change, and modification of any products.
- k. All production drawings related to any products.
- l. All literature related to any products.
- m. List of all vendors.
- n. Bill of material database.
- o. Any and all rights in production injection or casting mold designs and drawings.