

From: Joseph P. Richardson <jrichardson@gblaw.com>

Date: Tue, Oct 31, 2017 at 3:04 PM

Subject: RE: Knowledge 2000 and Efficient Learning Systems (file # 7413-0)

To: wendy <wpheald@gmail.com>

Dear Wendy: As you know, all of the outstanding shares of Efficient Learning Systems, Inc. (ELS) were sold to John Wiley & Sons, Inc. by the shareholders in later 2012. The corporate books and records of ELS were maintained in the corporation's offices in Sedona prior to the sale, and I do not have copies of those records, other than drafts of various documents that reside on our computers. I did look through those drafts in preparing this email to you, and I believe that following statements are accurate, but they are based on drafts and on memory. I have no information about what happened to the Knowledge 2000, Inc. books and records. With that caveat, the following is what I know or recall about Knowledge 2000, Inc. and ELS.

1. Knowledge 2000, Inc. As far as I am aware, Jonathan Walker did not deliver to Knowledge 2000, Inc. or Ted Foley or anyone else a copy of the stock certificate for K2000 shares that accompanied your email. As of June or July 2012, the ownership of Knowledge 2000, Inc. as reported to me was that ELS owned 2,702,933 shares (54.42%), Jonathan Walker owned 2,350,000 shares (46.45%) and two other individuals owned an aggregate of 6,500 shares. The total shares outstanding was 5,059,433 shares. At a shareholders meeting on July 30, 2012, ELS voted the shares it held in favor of a proposal to dissolve Knowledge 2000, Inc., and Jonathan Walker voted his shares against the proposal. I recall, too, that Foley sent emails to Jonathan Walker at least twice prior to the shareholders meeting to ask whether he wanted to purchase ELS's shares for a nominal price (I think the offer was \$10.00 in total). He did not respond to the emails. According to the records of the Arizona Corporation Commission, the dissolution of Knowledge 2000, Inc. was completed on August 6, 2012.

As far as I know, no funds were available to be distributed to creditors or shareholders at the time of the dissolution. According to documents in our files, Knowledge 2000, Inc. had, as of December 31, 2010 (the date of the most recently compiled financial statements (in draft form) of K2000), total assets of \$55,149 (comprised of amounts owed to K2000 by its founder) and total liabilities of approximately \$370,000, including payroll tax liabilities.

Finally, I do not recall that Efficient Learning Systems ever offered an exchange of K2000 shares of shares of ELS. I remember that ELS offered to potential investors (including holders of K2000 shares) shares of ELS shares for some price per share (I do not recall that price, but let's say \$1.50 for discussion purposes). I recall the offer being that if a K2000 shareholder wanted to purchase ELS shares, he or she could pay the purchase price in cash and in K2000 shares, at a ratio of 2-to-1. So, a share of ELS stock could be purchased for \$1.50, and payment could be made by tendering \$1.00 of cash and assigning one share of K2000 stock to ELS. That is how I recall ELS becoming a holder of K2000 shares. That said, this transaction was probably 10 years ago, and I do not have even draft documents to refresh my memory on this issue. In any event, Jonathan Walker was not an investor in ELS (I doubt that ELS would have accepted him as an investor, given the history). So, I think the bottom line is that (1) Jonathan never placed his agreement with you concerning 50,000 shares of K2000 shares into the books and records of K2000, and he did not participate in the private offering of shares of ELS stock.

2. Efficient Learning Systems, Inc. I am fairly certain that the 23,500 shares of ELS stock represented by Certificate #0127 were a direct transfer from Ted Foley (or one of the Foley trusts, of which Ted was the trustee) to you, and not an original issuance of the shares directly to you from ELS. If it had been the latter, the normal course would have been for Ted to ask me to draft up resolutions for the corporate transaction, which I have neither

recollection of nor draft documents for. What I do not know is the reason(s) for this transaction between you and Ted Foley.

I can verify that under the Stock Purchase Agreement dated October 25, 2012 by and among John Wiley & Sons, Inc., Ted Foley as the representative of the selling shareholders, and the all of the shareholders of ELS, you are among the shareholders and are identified as owning 23,500 shares of ELS common stock.

I apologize for the length of this email. I had to try to piece together writings and memories from a number of years ago, and thought it would be best to record what I recalled, which is the main reason this got so long. I hope this is helpful to you.

Regards,

Joseph P. Richardson

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