

Wendy,

Enclosed are four share certificates, two for Tony, and two for Mat. They represent the transfer of 1,250,000 of my Knowledge 2000 shares to each of them. Because you have legal custody of them, you are in a position to set things up for them.

The one million share block is intended to be set aside for them in a trust until they are 35, and the 250,000 share block is intended to finance a retirement trust. I would recommend that you consult a financial advisor who can set up the appropriate financial structures for these goals.

The rationale for delaying their access until they are 35 is two-fold.

Firstly, young men in their 20s and 30s can be irrational in managing money during those years.

Secondly, they are less likely to be motivated to carve out a future for themselves because having a lot of money in those years can lead to the death of ambition.

Remember what sadly happened to George's children.

Finally, it also makes sense to not disclose these trusts to them until they are 35, so that they develop a mindset of self reliance. To understand where I am coming from with all of this, lookup the article in FORTUNE Magazine by Richard I. Kirkland (September 29, 1986).

In the Knowledge 2000 records, you are recorded as the trustee of all of these shares. Thus, all communications will come to you. Because of my deeper understanding of the company, I have retained the voting rights of all shares, but even those will eventually pass to you.

Sincerely,

*J. Walker*