



UCC

LIEN NO. 94125818

WILDFLOWER MEDIA INC

UCC FINANCING STATEMENT
 FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)
B. E-MAIL CONTACT AT SUBMITTER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
CSC 1127 Broadway St NE Suite 310 Salem, OR 97301
INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME				
OR WildFlower Media Inc				
1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
696 Mistletoe Drive, Suite 101	Ashland	OR	97520	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME				
OR Simon & Schuster, LLC				
3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1230 Ave. of the Americas	NY	NY	10020	USA

4. COLLATERAL: This financing statement covers the following collateral:

All accounts receivable due from Simon & Schuster, LLC ("S&S"), all goods, inventory, and accounts, held by or in transit to S&S and all proceeds from and rights to all of the Collateral described on Exhibit A hereto.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA:

Please file in Oregon

EXHIBIT A

Simon & Schuster, LLC ("S&S") and the Debtor identified on the accompanying form UCC-1 ("Company"), are parties to a Sales & Distribution Services Agreement (as it has been and may be amended from time to time (the "Distribution Agreement").

The Distribution Agreement contains an absolute assignment of accounts to S&S, the grant of a back-up security interest in same, the grant of a security interest in all accounts, goods, inventory, reserves of cash held by S&S, and other Collateral, and the proceeds of all of the foregoing, and the right to offset/setoff funds held by S&S against amounts owed to Company, as described and defined below and in the Distribution Agreement.

Assignment

Accounts Receivable. S&S shall retain, hold and therefore own all legal and equitable interests in the accounts receivable (including all proceeds therefrom and rights thereto) generated from the sale of the Distributed Works¹ to customers (collectively, the "Accounts Receivable"), and only to the extent Company is deemed by a court of competent jurisdiction to hold any interest in the Accounts Receivable, Company hereby assigns to S&S such interest.

Security Interest & Right of Offset

Security Interest. To secure the indebtedness of Company to S&S as it shall exist from time to time, Company hereby grants to S&S a first priority security interest in all Accounts Receivable due from S&S (as a back-up security interest if a court of competent jurisdiction determines that S&S does not own the Accounts Receivable), RFR, unpaid Amount Due, Distributed Works, and all other materials and inventory shipped by Company to S&S, and all proceeds from and rights to all of the property described in this sentence (the "Collateral").

Right of Offset. Payment by S&S of any portion of the cash amounts due to Company (the "Amount Due," as definitively defined in the Distribution Agreement) prior to S&S's collection of the Accounts Receivable from which the Amount Due is or was derived constitutes an advance against the Amount Due and in addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, Company acknowledges and agrees that S&S is hereby authorized to offset, recoup and/or otherwise apply any and all Accounts Receivable collected against and on the account of any such prepayment of the Amount Due.

¹"Distributed Works" shall mean all books published by Company in all formats other than electronic books in the book trade, specialty markets and any and all channels of distribution now known or hereinafter devised in the World.