

05-16-2003

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Foam PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab Settings

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Knowledge Learning Corporation

- Assignment, Association, General Partnership, Limited Partnership, Corporation-State (a Delaware Corp.), Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other Grant of Trademark Security Interest

Execution Date: May 9, 2003

2. Name and address of receiving party(ies)

Name: BNP Paribas, as Agent

Internal Address: Attn: Credit Administration

Street Address: One Front Street, 23rd Floor

City: San Francisco State: CA Zip: 94111-5325

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 76/167,705

B. Trademark No.(s) 1,659,140; 1,643,947; 1,643,440; 2,650,339; and 2,496,725

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Gina Durham, Esq.

Internal Address: c/o O'Melveny & Myers LLP

Street Address: 400 South Hope Street, Room 1919

City: Los Angeles State: CA Zip: 90071

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41).....\$ 285.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number

05/16/2003 DBYRME 0000092 76167705

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01 FC:0524 40.00 OP
02 FC:0524 125.00 OP
03 FC:0524 120.00 OP

9. Signature.

Gina Durham Name of Person Signing

Signature

May 14, 2003 Date

Total number of pages including cover sheet, attachments, and documents: 5

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

088,188-035

LA3:1041107.1

TRADEMARK REEL: 002652 FRAME: 0867

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, KNOWLEDGE LEARNING CORPORATION, formerly known as Children's Discovery Centers of America, Inc., a Delaware corporation ("**Company**" or "**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Company has entered into a Credit Agreement dated as of May 9, 2003 (said Credit Agreement, as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, being the "**Credit Agreement**") with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the "**Lenders**") and BNP Paribas, as Agent for the Lenders (in such capacity, "**Secured Party**") pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Company; and

WHEREAS, Company may from time to time enter, or may from time to time have entered, into one or more swap agreements (collectively, the "**Lender Hedge Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Hedge Agreements are entered into (in such capacity, collectively, "**Hedge Counterparties**"); and

WHEREAS, Holdings has executed and delivered that certain Holdings Guaranty dated as of May 9, 2003 (said Holdings Guaranty, as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, being the "**Holdings Guaranty**") in favor of Secured Party for the benefit of Lenders and any Hedge Counterparties, pursuant to which Holdings has guaranteed the prompt payment and performance when due of all obligations of Company under the Credit Agreement and the other Loan Documents and all obligations of Company under the Lender Hedge Agreements, including, without limitation, the obligation of Company to make payments thereunder in the event of early termination thereof; and

WHEREAS, pursuant to the terms of a Security Agreement dated as of May 9, 2003 (said Security Agreement, as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, being the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has created in favor of Secured Party a security interest in, and Secured Party became a secured creditor with respect to, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, to evidence further the security interest granted by Grantor to Secured Party pursuant to the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case if material to the business of such Grantor and whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically set forth on Schedule A annexed hereto, as the same may be amended pursuant hereto from time to time) (collectively, the **“Trademarks”**), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications set forth on Schedule A annexed hereto, as the same may be amended pursuant hereto from time to time), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries, and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith; and


(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term **“proceeds”** includes whatever is receivable or received when Trademark Collateral or proceeds are sold, licensed, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 9th day of May, 2003.

**KNOWLEDGE LEARNING CORPORATION,
f/k/a Children's Discovery Centers of America,
Inc.**

By: _____

Name: Adam Cohn
Title: Vice President

S-1

LA1:1006288

RECORDED: 05/15/2003

**TRADEMARK
REEL: 002652 FRAME: 0870**