

05-27-1998

TO THE
P.



OF

100719700

Cover Sheet

For Trademark Assignment

From U.S. News & World Report, Inc.

To BankBoston, N.A., as Agent

MRD
5-22-98

Please record the enclosed Patent and Trademark Security Agreement between U.S. News & World Report, Inc. and BankBoston, N.A., as Agent, dated as of April 9, 1998 (the "Assignment").

1. The name of the party conveying the interests is:

U.S. News & World Report, Inc. (the "Assignor")

2. The name and address of the party receiving the interests is:

BankBoston, N.A., as Agent (the "Assignee")
100 Federal Street
Boston, Massachusetts 02110

3. Assignor has assigned to Assignee the 15 trademarks and other property described in the Assignment.

4. The respective trademarks assigned pursuant to the Assignment, and with respect to which the Assignment is being recorded, are as follows:

TRADEMARK APPLICATION NO.(S)	TRADEMARK REGISTRATION NO.(S)
75-209805	1,902,175
75-392007	1,804,431
75-201861	1,852,267
75-176228	2,078,722
	323,649
	1,521,791
	600,005
	1,550,917
	847,644
	386,721
	426,816

RECEIVED
JUN 1 1998
ASSIGNMENT

44.00 BP
350.00 BP

00000254 1982175

05/22/1998 TTUN11

01 FC:401
02 FC:402

5. Correspondence relating to the Assignment or the recordation thereof should be sent to:

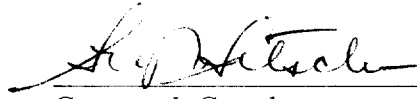
Gregory J. Getschman, Esq.
Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, MA 02110

6. The Assignment conveys the interests described above with respect to a total of fifteen (15) trademarks, and the total fee for recordation, which fee accompanies this cover sheet, is \$390.00.

7. The Assignment was executed as of April 9, 1998.

8. The Assignee is domiciled in the United States.

9. To the best of the undersigned's knowledge and belief, the information contained in this Cover Sheet is true and correct, and the copy of the Assignment accompanying this Cover Sheet and being recorded herewith is a true copy of the original Assignment.



Gregory J. Getschman

Total Page Count, Including
this Cover Sheet and the Assignment: 10

U.S. NEWS & WORLD REPORT, INC.

PATENT AND TRADEMARK SECURITY AGREEMENT

U.S. NEWS & WORLD REPORT, INC. (the "Guarantor"), a Delaware corporation acting as Managing General Partner of U.S. News & World Report, L.P., a Delaware limited partnership (the "Borrower") having its principal place of business and chief executive offices at 450 West 33rd Street, New York, New York 10001, hereby grants, assigns and conveys to BANKBOSTON, N.A., a national banking association with its head office at 100 Federal Street, Boston, Massachusetts 02110, in its capacity as agent (the "Agent") for the Banks (collectively, the "Banks") under (and as defined in) the Loan Agreement (as hereinafter defined) for the ratable benefit of the Agent and the Banks, to secure the Guarantor's obligations under a Guaranty of even date herewith (the "Guaranty"), guarantying the obligations of U.S. NEWS & WORLD REPORT, L.P. (the "Borrower") under a Revolving Credit Agreement among the Borrower, the Agent and the Banks (the Agent, together with its successors and assigns, being herein sometimes called the "Secured Party"), and the payment and performance of all other Obligations under (and as defined in) the Loan Agreement, a security interest in all patents and patent applications listed on Schedule A hereto, and all patents and all reissues and extensions thereof, which issue or have issued in any country or jurisdiction upon any patent applications which correspond with any of such applications or patents or any divisional, continuation or continuation-in-part thereof, including, without limitation, the right to sue for past, present and future infringements, and proceeds of the foregoing, including, but not limited to, proceeds of licensing (collectively, the "Patents"), and all trademarks and service marks and United States, state and foreign registrations thereof, and applications therefor that are listed on Schedule B hereto or that correspond with any marks therein listed, together with the goodwill of the business with which the foregoing trademarks and service marks are used and the right to sue for past, present and future infringements of rights in such trademarks and service marks and all renewals thereof, and all proceeds of the foregoing including, but not limited to, proceeds of licensing (collectively, the "Trademarks").

The Guarantor represents and warrants to and agrees with the Secured Party as follows:

1. The Guarantor is the sole owner in the United States and all other applicable jurisdictions of the entire right, title and interest in and to each of the Patents and Trademarks, free from any mortgage, pledge, lien, security interest, charge, adverse claim or other encumbrance (including, without limitation, licenses, shop rights (with regard to the Patents) and covenants not to sue) other than licenses granted in the ordinary course of business, except the security interest herein granted.

2. As of the date hereof, the Patents and Trademarks listed on Schedules A and B constitute all patents, patent applications, trademarks and service marks now owned or used by the Guarantor which the Guarantor has registered.

3. The Patents and Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part.

4. The execution, delivery and performance of this Agreement are within the power of the Guarantor and have been duly authorized by all necessary corporate action and do not contravene any law, rule, regulation or any judgment, decree or order of any tribunal or of any agreement to which the Guarantor is a party or by which any of its property is bound.

5. The Guarantor shall defend the Patents and Trademarks against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Secured Party. Until the Obligations shall have been satisfied in full, the Guarantor shall not pledge, mortgage or create or suffer to exist a security interest in, or enter into any license, sublicense or other agreement relating to the use of, the Patents and Trademarks, outside of the ordinary course of business without the Secured Party's prior consent.

6. The Guarantor shall promptly apply for and obtain all renewals or extensions of the Patents and Trademarks to the full extent permitted by law except to the extent, in the Guarantor's reasonable discretion, exercised in good faith, such renewal or extension is not reasonable, prudent or beneficial to the Guarantor or its operations. If, before all Obligations have been satisfied in full, the Guarantor shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application, patent for any reissue, or of any patent improvement, or if the Guarantor develops any new trademark or service mark which is to be registered, the Guarantor shall give the Secured Party prompt written notice of all such patents, trademarks, service marks, extensions and renewals, and the provisions of this Agreement shall apply thereto. The Guarantor authorizes the Secured Party to modify this Agreement by amending Schedule A and Schedule B to include any new patents, any divisions, continuations, renewals, extensions, continuations-in-part on any patent, and any new trademark or service mark, and any trademark renewal of the Guarantor applied for and obtained hereafter.

7. The Guarantor shall promptly notify the Secured Party of the institution of, and any adverse determination in, any proceeding in the United States Patent and Trademark Office or any other foreign or domestic governmental agency, court or body, regarding the Guarantor's claim of ownership in any of the Patents and Trademarks which could reasonably have a material adverse effect on the Guarantor. In the event of any material infringement of any of the Patents or Trademarks by a third party, the Guarantor shall promptly notify the Secured Party of such infringement and shall take all reasonably necessary actions to obtain the cessation of such infringement and recover all damages

resulting therefrom, including, after an Event of Default, such action as the Secured Party deems reasonably necessary. If the Guarantor shall fail to commence and diligently pursue such action within three (3) months after such notice is given to the Secured Party, the Secured Party may upon notice to the Guarantor, but shall not be required to, itself take such action in the name of the Guarantor, and the Guarantor hereby appoints the Secured Party the true and lawful attorney of the Guarantor, for it and in its name, place and stead, on behalf of the Guarantor, to commence judicial proceedings in any court or before any other tribunal to enjoin and recover damages for such infringement, any such damages due to the Guarantor, net of costs and attorneys' fees reasonably incurred, to be applied to the Obligations.

8. The Guarantor shall, at its sole expense, do, make, execute and deliver all such additional and further acts, things, deeds, assurances, and instruments, in each case in form and substance satisfactory to the Secured Party, relating to the creation, validity, or perfection of the security interests and assignments provided for in this Agreement under 35 U.S.C. Section 261, 15 U.S.C. Section 1051 et seq., the Uniform Commercial Code or other laws of the United States or the Commonwealth of Massachusetts or of any other countries or states as the Secured Party may from time to time reasonably request, and shall take all such other action as the Secured Party may reasonably require to more completely vest in and assure to the Secured Party and the Banks their respective rights hereunder or in any of the Patents or Trademarks, and the Guarantor hereby irrevocably authorizes the Secured Party or its designee, at the Guarantor's expense, to execute such documents, and file such financing statements with respect thereto with or without the Guarantor's signature, as the Secured Party may deem appropriate. In the event that any rerecording or refileing (or the filing of any statement of continuation or assignment of any financing statement) or any repledge or reassignment, or any other action, is required at any time to protect and preserve such security interest and assignments, the Guarantor shall, at its sole cost and expense, cause the same to be done or taken at such time and in such manner as may be reasonably necessary and as may be reasonably requested by the Secured Party.

The Secured Party is hereby irrevocably appointed by the Guarantor as its lawful attorney and agent, with full power of substitution to execute and deliver on behalf of and in the name of the Guarantor, such financing statements, assignments, pledges and other documents and agreements, and to take such other action as the Secured Party may deem necessary for the purpose of perfecting, protecting or effecting the security interests and assignments granted herein and effected hereby, and any mortgages or liens necessary or desirable to implement or effectuate the same, under any applicable law, and the Secured Party is hereby authorized to file on behalf of and in the name of the Guarantor at the Guarantor's sole expense, such financing statement, assignments, documents, and agreements in any appropriate governmental office.

9. If any Event of Default (as defined in the Loan Agreement) shall have occurred and be continuing, the Secured Party may without notice or demand declare this Agreement to be in default and the Secured Party shall thereafter have in any jurisdiction

in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code, including, without limitation, the right to dispose of the Patents and Trademarks at public or private sale in accordance with applicable law. The Secured Party shall give to the Guarantor at least ten (10) days' prior written notice (which the Guarantor agrees is "reasonable notification" within the meaning of Section 9-504(3) of the Uniform Commercial Code) of the time and place of any public sale of the Patents and Trademarks or of the time after which any private sale or any other intended disposition is to be made.

If any Event of Default shall have occurred and be continuing, the Guarantor hereby grants to the Secured Party the right and exclusive license to make, have made, use and sell the inventions and marks disclosed and claimed in the Patents and the Trademarks for the Secured Party's benefit and account, and for none other.

The Guarantor hereby waives any and all rights that it may have to judicial hearing in advance of the enforcement of any of the Secured Party's rights hereunder, including, without limitation, its rights following any Event of Default to take immediate possession of the Patents and Trademarks and exercise its rights with respect thereto.

The Secured Party shall not be required to marshal any present or future security for (including, but not limited to, this Agreement and the Patents and Trademarks subject to a security interest hereunder), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of the rights hereunder and in respect of such security and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Guarantor hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's or any Bank's rights under this Agreement or any other instrument evidencing any of the Obligations or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may the Guarantor hereby irrevocably waives the benefits of all such laws.

10. Except for notices specifically provided for herein, the Guarantor hereby expressly waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect both to the Obligations and any collateral therefor, the Guarantor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Secured Party or the Banks may deem advisable. Neither the Secured Party nor any Bank shall have any duty as to the protection of the Patents or Trademarks or any income thereon, nor as to the preservation or rights against prior parties, nor as to the preservation of any rights pertaining thereto, it being acknowledged by the Secured Party and the Banks that they will act in a commercially reasonable

manner. The Secured Party and the Banks may exercise their rights with respect to the Patents and Trademarks without resorting or regard to other collateral or sources of reimbursement for liability. The Secured Party and the Banks shall not be deemed to have waived any of their rights upon or under the Obligations or the Patents and Trademarks unless such waiver be in writing and signed by the Secured Party and the Banks in accordance with the terms of the Loan Agreement. No delay or omission on the part of the Secured Party or the Banks in exercising any right shall operate as a waiver of any right on any future occasion. All rights and remedies of the Secured Party and the Banks with respect to the Obligations or the Patents or Trademarks, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly or concurrently.

11. The Guarantor will pay any and all (i) reasonable charges and costs and all taxes incurred in implementing or subsequently amending this Agreement, including, without limitation, recording and filing fees, appraisal fees, stamp taxes, and fees and disbursements of the Secured Party's counsel incurred by the Secured Party, in connection with this Agreement, and (ii) fees and disbursements reasonably incurred by the Secured Party in the preparation, execution and delivery of any waiver or consent by the Secured Party relating to this Agreement, and in the enforcement of this Agreement and in the enforcement or foreclosure of any liens, security interests or other rights of the Secured Party under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party and/or the Banks in furtherance of the transactions contemplated hereby. In addition, after the occurrence of an Event of Default, the Guarantor will also pay all reasonable out-of-pocket costs and expenses of the Secured Party and/or the Banks in connection with the enforcement of this Agreement and with the enforcement or foreclosure of any liens, security interests or other rights of the Secured Party and/or the Banks under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party and/or the Banks in furtherance of the transactions contemplated hereby.

12. The Guarantor and the Secured Party may from time to time agree in writing to the release of certain of the Patents and Trademarks from the security interest created hereby.

13. The Guarantor shall hold the Secured Party and the Banks harmless from and indemnify them against any and all costs, damages, expenses, losses and liabilities (including liabilities for penalties) of whatever kind or nature sustained and reasonably incurred in connection with any claim, demand, suit or legal or arbitration proceeding relating to this Agreement, or the exercise of any rights or powers hereunder, including reasonable attorneys' fees and disbursements, which may be incurred by the Secured Party or the Banks in connection with any action or failure to act by the Secured Party or any Bank in connection with this Agreement, except to the extent such costs, damages and expenses arise solely as a result of the gross negligence or willful misconduct of the Agent or the Banks.

14. This Agreement and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the United States, and, to the extent that the laws of the United States are not applicable, by the laws of the Commonwealth of Massachusetts (without regard to principles of conflicts of laws). This Agreement is intended to take effect as a sealed instrument.

15. All notices hereunder shall be in writing and shall be given as provided in the Guaranty.

16. When all Obligations have been paid, performed and discharged in full, and if at the time the Banks are not committed to extend any credit to the Borrower under the Loan Agreement or under any other Loan Document, this Agreement shall terminate, and the Secured Party shall, upon request, at the Guarantor's expense, execute all such documentation necessary to release its security interest hereunder.

17. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a written instrument expressly referring to this Agreement and to the provisions so modified or limited, and executed by all the parties hereto in accordance with the Loan Agreement.

18. This Agreement and all obligations of the Guarantor shall be binding upon the successors and assigns of the Guarantor, and shall, together with the rights and remedies of the Secured Party hereunder, inure to the benefit of the Secured Party, the Banks and their respective successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall be in no way affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Guarantor acknowledges receipt of a copy of this Agreement. Terms used herein without definition which are defined in the Uniform Commercial Code of Massachusetts have such defined meanings herein, unless the context otherwise indicates or requires.

IN WITNESS WHEREOF, the Guarantor has caused this Agreement to be executed by its duly authorized officer as of this 9th day of April, 1998.

U.S. NEWS & WORLD REPORT, INC.,

By: [Signature]

Title: VP, CFO + Treasurer

Accepted:

BANKBOSTON, N.A.,
as Agent

By: [Signature]

Title: DIRECTOR

STATE NEW YORK
~~COMMONWEALTH OF MASSACHUSETTS~~)
NEW YORK) ss.
COUNTY OF SUFFOLK)

Then personally appeared the above-named Thomas H. Peck who being duly sworn stated that he is the VP, CFO and Treas. of, and acknowledged the foregoing instrument to be the free act and deed of, U.S. NEWS & WORLD REPORT, INC. before me, this 9th day of April, 1998.

[Signature]
Notary Public

My commission expires: June 24, 1998

VICKIE GERMAIN KOBAK
Notary Public, State of New York
No. 02K05062330
Qualified in New York County
Commission Expires June 24, 1998

SCHEDULE A

TO

PATENT AND TRADEMARK SECURITY AGREEMENT

PATENTS

<u>PATENT</u>	<u>UNITED STATES PATENT NUMBER</u>	<u>REGISTRATION DATE</u>
Preprogrammed Autodialer and Related Process	4,941,172	7/10/90
Cycle Binding Line with Signature Replacement Indicator Means	5,346,196	9/13/94

Schedule B
To Patent and Security Agreement
Trademarks
Owned by U.S. News & World Report, Inc.

Trademark	Country	Registration Number or Serial Number	Registration Date
U.S. NEWS & WORLD REPORT	USA	1,902,175	6/27/95
U.S. NEWS & WORLD REPORT and Blue Box Design	USA	1,804,431	11/16/93
U.S. NEWS COLLEGE PLANNER	USA	1,852,267	9/6/94
USNEWS.COM	USA	2,078,722	7/15/97
WASHINGTON WHISPERS	USA	323,649	4/23/35
WORLD REPORT	USA	1,521,791	1/24/89
.EDU	USA	75-209805	
DIALCARD	USA	75-392007	
NEWS YOU CAN USE	USA	600,005	12/28/54
SPORTSMONEY	USA	75-201861	
U.S. NEWS	USA	1,550,917	8/8/89
U.S. NEWS & WORLD REPORT	USA	847,644	4/16/68
NEWSGRAMS	USA	75-176228	
PLUS AND MINUS	USA	386,721	4/22/41
WORLDGRAM	USA	426,816	1/14/47
U.S. NEWS & WORLD REPORT	EUROPEAN COMMUNITY	Application filed 12/23/96	
WORLDGRAM	BENELUX	371,291	
WORLDGRAM	CANADA	263,291	
MONDIOGRAMME	FRANCE	1,734,360	
WORLDGRAM	FRANCE	1,639,222	1/11/91
WORLDGRAM	GERMANY	1,020,414	7/17/81
WORLDGRAM	SWITZERLAND	312,730	1/23/81
WORLDGRAM	UNITED KINGDOM	B1,147,052	1/15/81

RECORDED: 05/22/1998

TRADEMARK
REEL: 1734 FRAME: 0708