

12-01-1998



100910270

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

MRO 11-27-98

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # _____ Frame # _____

Conveyance Type

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment
Effective Date
Month Day Year _____
- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Name SUCCESS FOR ALL FOUNDATION, INC.

Execution Date
Month Day Year
11181998

Formerly _____

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization MARYLAND

Receiving Party

Mark if additional names of receiving parties attached

Name WACHOVIA BANK, N.A.

DBA/AKATA _____

Composed of _____

Address (line 1) P. O. Drawer 3099

Address (line 2) 100 N. Main St., Attn: SE Corp. Banking

Address (line 3) Winston-Salem

NC

27150

- Individual
- General Partnership
- Limited Partnership

- Corporation
- Association

Other BANK

Citizenship/State of Incorporation/Organization _____

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

12/01/1998 DNGUYEN 00000039 75389164

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 OP
25.00 OP

E

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 1820 FRAME: 0598

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75389164"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75377776"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Beth J. Atkinson
Name of Person Signing


Signature

11-25-98
Date Signed

Patent, Trademark and Copyright Security Agreement

This Patent, Trademark and Copyright Security Agreement ("Security Agreement"), entered into as of November 18, 1998, by and between WACHOVIA BANK, N.A. (the "Bank") and SUCCESS FOR ALL FOUNDATION, INC., a Maryland nonprofit corporation with a place of business at 3505 North Charles Street, Baltimore, Maryland 21218-2408 (the "Grantor"), in connection with the Credit Agreement (as hereinafter defined).

WHEREAS, the Bank and the Grantor have entered into a Credit Agreement, dated of even date herewith (the "Credit Agreement"), whereby the Bank has agreed to loan money to the Grantor, and the Grantor has agreed to grant a security interest in certain of its business assets to the Bank to secure that loan; and

WHEREAS, the Grantor represents that it is now possesses the sole and complete ownership rights to the business assets to be secured by this Security Agreement and that it has not granted a security interest or otherwise pledged, mortgaged, transferred, assigned or licensed any part of its rights in said business assets to any party other than the Bank.

NOW THEREFORE, in consideration of the premises set forth in this Security Agreement, the Credit Agreement and for other good and valuable consideration, receipt of which is hereby acknowledged, the Bank and the Grantor agree as follows:

Section 1.01. Grant of Security Interest. In order to secure the complete and timely satisfaction of all of the duties and obligations owing from the Grantor to the Bank as set forth in the Credit Agreement, the Grantor hereby pledges, mortgages and grants a first-priority security interest to the Bank in and to the following:

(1) All patents, patent applications and patentable inventions of the Grantor, including but not limited to those set forth in Exhibit 1, and (a) the inventions and improvements described and claimed therein; (b) any continuation, division, renewal, extension, substitute or reissue thereof or any legal equivalent in a foreign full term or terms for which the same may be granted; (c) all rights to income, royalties, profits, awards, damages or other rights relating to said patents, applications or inventions including the right to sue for past, present or future infringement; and (d) any other rights and benefits relating to said patents, applications, or inventions (collectively, "Patents").

(2) All trademarks, trademark registrations and trademark applications and the goodwill underlying those trademarks of the Grantor, including but not limited to those set forth in Exhibit 2 and (a) any similar marks or amendments, modifications and renewals thereof and the goodwill represented by those trademarks thereon and any legal equivalent in a foreign country for the full term or terms for which the same may be granted; (b) all rights to income, royalties, profits,

damages, or other rights relating to said trademarks including the right to sue for past, present or future infringement; and (c) any other rights and benefits relating to said trademarks including any rights as a licensor or licensee of said trademark (collectively, "Trademarks").

All copyrights, copyright registrations and copyright applications (including, without limitation for computer programs), including but not limited to those set forth in Exhibit 3, and all tangible property embodying such copyrights (collectively, "Copyrights").

Section 2.01. No Liens, etc. The Grantor agrees that it will not, without the prior written consent of the Bank, assign or transfer, pledge, mortgage, license or allow a security interest or lien to be taken by anyone other than the Bank in said Patents, Trademarks and Copyrights (collectively, the "Collateral") or take any other acts which are contrary to or inconsistent with the rights granted to the Bank in this Security Agreement and will not cease the use of any Trademark or Copyright or take any action or fail to take any action which will result in the cancellation or expiration of any of the Collateral registrations covered by this Security Agreement without the prior written agreement of the Bank.

Section 3.01. Grantors Obligation to Maintain and Enforce Rights. The Grantor further agrees that it has the obligation, at its own cost, unless otherwise consented to in writing by the Bank:

(1) To take all actions necessary to properly maintain and renew all Patents and registrations for Trademarks which are or may become subject to the Security Agreement for the full term or terms allowed by law including but not limited to the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to maintain and renew said Patents or registrations for Trademarks (including the filing of a declaration of incontestability under § 15 of the United States Trademark Act where possible) which may be necessary or appropriate under applicable law.

(2) To file new applications to register and protect under applicable law all patentable inventions or Trademarks or Copyrights acquired by the Grantor but for which applications have not previously been filed or to take all other actions necessary to cause Patents and registrations for Trademarks and Copyrights to be issued as a result of said applications.

(3) To protect the Collateral from infringement, unfair competition or dilution or damage by all appropriate actions including the commencement of legal action to prevent and recover damages for said infringement and to defend the Collateral from claims of infringement, unfair competition or damage including the defense of any legal actions making such claims.

Section 4.01. Reporting Requirement. The Grantor agrees to provide written semiannual reports to the Bank informing of: (a) the status of all Collateral subject to this Security Agreement including any new patents, patent applications, trademark registrations, trademark applications,

copyright registrations, copyright applications or related licenses; and (b) any actions taken by the Grantor pursuant to Section 3.01 of this Security Agreement.

Section 5.01. After Acquired Property. If the Grantor shall obtain rights to or become entitled to the benefit of any new patents, patentable applications, patentable inventions, trademarks, registered trademarks, trademark applications or licenses, registered copyrights, copyright applications or licenses before its obligations to the Bank as set forth in this Security Agreement have been satisfied in full, the provisions of this Security Agreement shall automatically apply thereto and the Grantor hereby authorizes the Bank to modify or update this Security Agreement accordingly.

Section 6.01. Events of Default. The failure by the Grantor to perform any of the terms or conditions of this Security Agreement or the terms and conditions of the Credit Agreement shall constitute a material default. Upon the occurrence of such a default and upon the receipt by the Grantor of appropriate written notice from the Bank, the Grantor hereby authorizes and grants a power of attorney to the Bank to take any action as may be deemed to be necessary with respect to the Collateral including but not limited to the assignment of such Collateral from the Grantor to the Bank. This right may be exercised in addition to any other rights and remedies which may be available under applicable law.

Section 7.01. Interpretation. This Security Agreement is subject to the terms and conditions of the Credit Agreement. Where any term in this Security Agreement may be inconsistent with any term in the Credit Agreement, the terms of the Credit Agreement shall control.

Section 8.01. No Waiver. The failure by the Bank to exercise any right under this Security Agreement shall not operate as a waiver thereof and shall not bar the Bank from continuing to exercise said rights in the future.

Section 9.01. Governing Law. The Security Agreement is to be governed by the laws of the State of North Carolina and is binding on the parties and their successors and assigns. The Grantor may not assign nor transfer any part of its obligations under this Security Agreement either expressly or by operation of law without the written consent of the Bank.

Section 10.01. Severability. The terms of this Security Agreement are severable. If any term shall be found to be invalid or unenforceable, it shall not affect the validity of the remaining terms.

Section 11.01. Further Actions. The Grantor agrees to execute any other documents and take any further action upon the request of the Bank as may be deemed necessary to effectuate the terms of this Security Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement as of the date above written.

GRANTOR:

SUCCESS FOR ALL FOUNDATION, INC.

By: Nancy G. Madden
Title: President

BANK:

WACHOVIA BANK, N.A.

By: Robert A. Bass
Title: Vice President

Exhibit 1

PATENTS, PATENT APPLICATIONS
AND PATENTABLE INVENTIONS

None

Exhibit 2

TRADEMARKS, TRADEMARK REGISTRATIONS
AND TRADEMARK APPLICATIONS
AND ASSOCIATED GOODWILL

1. Trademark Application, Serial No. 75/389164 - Mark: SFA
2. Trademark Application, Serial No. 75/377776 - Mark: Success for All

Exhibit 3

COPYRIGHTS, COPYRIGHT REGISTRATIONS AND
COPYRIGHT APPLICATIONS

- *1. Copyright Application: "Reading Roots Teacher's Manual" (4 volumes)
- *2. Copyright Application: "Tutoring Manual"
- *3. Copyright Application: "Family Support Manual"

* Copyright registration numbers not available but will be provided when available.

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