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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office



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To the Honorable Commissioner of Pat

101342569

attached original documents or copy thereof.

1. Name of conveying party(ies):  
Perseus Basic Books, L.L.C.

4-20-00

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

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



2. Name and address of receiving party(ies)

Name: Bank One, N.A., as agent

Internal Address: \_\_\_\_\_

Street Address: 1 Bank One Plaza

City: Chicago State: IL ZIP: 60670

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

If assignee is not domiciled in the United States, a domestic representative designator is attached:  Yes  No  
 (Designations must be a separate document from assignment)  
 Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:

Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

Execution Date: March 21, 2000

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

A. Trademark Application No.(s)  
75/651,063  
75/651,062  
73/426,749

B. Trademark Registration No.(s)

Additional numbers attached?  Yes  No

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

Name: Laura Konrath

Internal Address: Winston & Strawn  
33rd Floor

Street Address: 35 West Wacker Drive

City: Chicago State: IL ZIP: 60601

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 90.00

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:  
N/A

(Attach duplicate copy of this page if paying by deposit account)

05/04/2000 JJALLAH2 00000071 75651063  
 01 FC:481 40.00 OP  
 02 FL:482 50.00 OP

DO NOT USE THIS SPACE

9. 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.

Laura Konrath

*[Signature]*  
Signature

4/13/00  
Date

Total number of pages including cover sheet, attachments, and document:  

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK  
REEL: 002064 FRAME: 0698

## **INTELLECTUAL PROPERTY ASSIGNMENT**

This Intellectual Property Assignment (this "Assignment") is dated as of March 21, 2000 by and between Perseus Basic Books, L.L.C., a Delaware limited liability company (the "Assignor"), and Bank One, NA, as agent (the "Agent") for the Lenders referred to below.

### **RECITALS:**

WHEREAS, the Assignor, the Lenders and the Agent have entered into that certain Credit Agreement dated as of the date hereof (as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement");

WHEREAS, the Assignor will receive substantial and direct benefits from the extensions of credit contemplated by the Credit Agreement and is entering into this Assignment to induce the Agent and the Lenders to enter into the Credit Agreement and extend credit to the Assignor thereunder; and

WHEREAS, the execution and delivery of this Assignment is a condition precedent to the obligation of the Lenders to extend credit to the Assignor pursuant to the Credit Agreement;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration and as an inducement to the Agent and the Lenders to enter into the Credit Agreement and extend credit to the Assignor, the Assignor and the Agent, on behalf of the Lenders, hereby agree as follows:

### **1. DEFINITIONS AND EFFECT.**

1.1. Terms Defined in Credit Agreement. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

1.2. Definitions of Certain Terms Used Herein. As used in this Assignment the following terms shall have the following meanings:

"Agent" means Bank One, NA in its capacity as Agent for the Lenders hereunder and not in its individual capacity.

"Assignment" means this Intellectual Property Assignment, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Collateral" has the meaning ascribed to it by Section 2 hereof.

"Copyrights" has the meaning ascribed to it by Section 2(a) hereof.

"Default" means an event described in Section 5 hereof.

"Exhibit" refers to a specific exhibit to this Assignment, unless another document is specifically referenced.

"Lenders" means the financial institutions from time to time party to the Credit Agreement and their successor and assigns.

"Licenses" has the meaning ascribed to it by Section 2(c) hereof.

"Lien" means any lien (statutory or other), security interest, mortgage, pledge, hypothecation, claim, charge, encumbrance, title retention agreement, or lessor's interest, in or on the Collateral or any portion thereof.

"Obligations" shall have the meaning given thereto in the Credit Agreement.

"Patents" has the meaning ascribed to it by Section 2(d) hereof.

"Rate Management Transaction" means any transaction (including an agreement with respect thereto) now existing or hereafter entered into between the Assignor and any Lender or Affiliate thereof which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

"Rate Management Obligations" means any and all obligations of the Assignor, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (i) any and all Rate Management Transactions, and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Rate Management Transactions.

"Related Documents" means, collectively, all documents and things in the Assignor's possession related to the production and sale by the Assignor, or any Affiliate, Subsidiary, licensee or subcontractor thereof, of products or services sold by or under the authority of the Assignor in connection with the Patents, Trademarks, Copyrights or Licenses including, without limitation, all product and service specification documents and production and quality control manuals used in the manufacture of products or provision of services sold under or in connection with the Trademarks.

"Section" means a numbered section of this Assignment, unless another document is specifically referenced.

"Secured Obligations" means, collectively, (i) all Obligations; (ii) all Rate Management Obligations entered into with one or more Lenders or their Affiliates; (iii) all renewals, extensions, modifications, restructurings and refundings of the Secured Obligations as defined in the foregoing clauses (i) and (ii); and (iv) any other obligations of the Assignor under this Assignment.

"Trademarks" has the meaning ascribed to it by Section 2(b) hereof.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

## 2. GRANT OF SECURITY INTEREST.

The Assignor hereby sells, assigns, transfers and sets over to the Agent, for the benefit of itself and the Lenders, and grants to the Agent, for the benefit of itself and the Lenders, a security interest in all of the Assignor's right, title and interest in and to all of its now owned or existing and hereafter acquired or arising property described as follows (collectively, the "Collateral") to secure the prompt and complete payment and performance of the Secured Obligations:

(a) all United States and foreign copyrights, including, without limitation, the copyrights and copyright registrations listed on Exhibit A hereto, and applications therefor and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable under and with respect to all United States and foreign copyrights including, without limitation, damages and payments for past and future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Copyrights");

(b) all United States and foreign trademarks, tradenames, service marks, trademark and service mark registrations and renewals, and trademark and service mark applications, including, without limitation, the trademarks, service marks, tradenames and trademark and service mark applications listed on Exhibit B hereto, and registrations and renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable under and with respect to all trademarks, tradenames and service marks including, without limitation, damages and payments for past and future infringements thereof against third parties (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

(c) all license agreements in which the Assignor is or becomes licensed (or grants or permits, whether now or in the future a license) to use a copyright, trademark, service mark, tradename, patent or the related know-how including, without limitation, the license agreements listed on Exhibit C hereto (the "Licenses");

(d) all United States and foreign patents and patent applications, whether in the United States or any foreign jurisdiction, and the inventions and improvements described and claimed therein and trade secrets and know-how related thereto, including, without limitation, the patents and patent applications listed on Exhibit D hereto, and the re-issues, divisions, renewals, extensions and continuations-in-part thereof and all income, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including, without limitation, damages and payments for past and future infringements thereof, the right to sue for past, present and future

infringements thereof and all rights corresponding thereto throughout the world (all of the foregoing being sometimes hereinafter individually and/or collectively referred to as the "Patents");

(e) the goodwill of the Assignor's business connected with the use of and symbolized by the Trademarks;

(f) the Related Documents; and

(g) all products and proceeds, including, without limitation, insurance proceeds, of any of the foregoing.

### **3. REPRESENTATIONS AND WARRANTIES.**

The Assignor represents and warrants to the Agent and the Lenders that:

3.1. Representations and Warranties in Credit Agreement. All of the representations and warranties set forth in Article V of the Credit Agreement are true and correct as of the date of this Assignment.

3.2. Title, Authorization, Validity and Enforceability. The Assignor has good and valid rights in and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted pursuant to the Credit Agreement, and has full power and authority to grant to the Agent the security interest in such Collateral pursuant hereto. The execution, delivery and performance by the Assignor of this Assignment have been duly authorized by proper corporate proceedings, and this Assignment constitutes a legal, valid and binding obligation of the Assignor and creates a security interest which is enforceable against the Assignor in all now owned and hereafter acquired Collateral.

3.3. Conflicting Laws and Contracts. Neither the execution and delivery by the Assignor of this Assignment, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof, will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Assignor or the Assignor's articles or certificate of incorporation or by-laws, or articles or certificate of formation or operating agreement, as applicable, the provisions of any indenture, instrument or agreement to which the Assignor is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement (other than any Lien of the Agent on behalf of the Lenders).

3.4. Principal Location. As of the date hereof, the Assignor's mailing address, and the location of its chief executive office and of the books and records relating to the Collateral are disclosed in Exhibit E hereto.

3.5. No Other Names. Except as set forth in Exhibit F hereto, at any time during the five years immediately preceding the date of this Assignment, the Assignor has not conducted business under any name except the names in which it has executed this Assignment or as otherwise disclosed pursuant to the Loan Documents.

3.6. No Default. No Default or Unmatured Default exists.

3.7. No Financing Statements. Upon the making of the filings and recordings specified in clauses (a) and (b) of Section 3.8 below, the Agent will have a first priority perfected security interest in the Collateral. No financing statement or similar document describing all or any portion of the Collateral which has not lapsed or been terminated (or will be terminated in connection with the payoff of the Existing Credit Agreement) naming the Assignor as debtor or assignor has been filed in any jurisdiction or office, including, without limitation, the United States Patent and Trademark Office or the United States Copyright Office, except for those financing statements or similar documents permitted under Section 6.18 of the Credit Agreement.

3.8. Security Interest. This Assignment creates a valid security interest in and collateral assignment of the Collateral, enforceable against the Assignor and all third parties, securing payment of the Secured Obligations, which security interest will be perfected, with respect to rights in the United States, upon (a) the recording of this Assignment in the Office of the Commissioner of Patents and Trademarks and the United States Copyright Office, and (b) the filing of Uniform Commercial Code financing statements in the offices set forth on Exhibit E.

3.9. Registrations. Except as described on Exhibits A, B and D, the Assignor has duly and properly applied for registration of the Copyrights, Trademarks and Patents listed in Exhibits A, B and D hereto as indicated thereon, respectively, in the United States Patent and Trademark Office or the Copyright Office, as applicable.

3.10. Litigation. Except as set forth on Schedule 4 to the Credit Agreement, there has been no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of the Assignor's officers, threatened against or affecting the Assignor or its Subsidiaries challenging the Assignor's right, title and interest in the Collateral or alleging that the Assignor's use of any Collateral violates the rights of any Person which could reasonably be expected to have a Material Adverse Effect. The Assignor's use of the Collateral does not infringe upon the rights of any third party.

3.11. Complete Listing. The Copyrights, Trademarks, Licenses and Patents set forth on the Schedules hereto constitute, as of the date hereof, all Copyrights, Trademarks, Licenses and Patents of the Assignor and Assignor has good and marketable title to all such property, free and clear of all Liens other than those in favor of the Agent and the Lenders or permitted under Section 6.18 of the Credit Agreement.

#### 4. COVENANTS.

From the date of this Assignment, and thereafter until this Assignment is terminated:

4.1. Inspection. The Assignor will permit the Agent or any Lender, by its representatives and agents, upon reasonable prior notice, to examine and make copies of the records of the Assignor relating to the Collateral, and to discuss the Collateral and the related records of the Assignor with, and to be advised as to the same by, the Assignor's officers and

employees at such reasonable times during normal business hours and intervals as the Agent or such Lender may reasonably determine, and all at the Assignor's expense.

4.2. Taxes. The Assignor will pay when due all taxes, assessments and governmental charges and levies upon the Collateral, except those which are being contested in good faith by appropriate proceedings and with respect to which no Lien exists.

4.3. Records and Reports. The Assignor will maintain complete and accurate books and records with respect to the Collateral, and furnish to the Agent, with sufficient copies for each of the Lenders, such reports relating to the Collateral as the Agent may from time to time request.

4.4. Notice of Default. The Assignor will give prompt notice in writing to the Agent and the Lenders of the occurrence of any Default or Unmatured Default and of any other development financial or otherwise, which could reasonably be expected to have a Material Adverse Effect on the Collateral or the ability of the Assignor to pay the Secured Obligations.

4.5. Financing Statements and Other Actions. The Assignor will execute and deliver to the Agent all financing statements and other documents and take such other actions as may from time to time be requested by the Agent in order to maintain and/or perfect a first perfected security interest in the Collateral

4.6. Disposition of Collateral. Except for non-exclusive licensing agreements or as permitted under the Credit Agreement, the Assignor will not sell, lease or otherwise dispose of the Collateral.

4.7. Liens. The Assignor will not create, incur or suffer to exist any Lien on the Collateral except (i) the security interest created by this Assignment and (ii) the Liens permitted pursuant to Section 6.18 of the Credit Agreement.

4.8. Other Financing Statements. The Assignor will not sign or authorize the signing on its behalf of any financing statement naming it as debtor covering all or any portion of the Collateral, except financing statements naming the Agent, on behalf of the Lenders, as secured parties.

4.9. Preservation of Value. The Assignor agrees to make all commercially reasonable efforts to protect and preserve the value and integrity of all material Trademarks, Patents, Copyrights and Licenses and, to that end, shall make all commercially reasonable efforts maintain the quality of any and all of its products or services bearing the trademarks or service marks included in such Trademarks, Patents, Copyrights or Licenses consistent with the quality of such products and services of such marks as of the date of this Assignment.

4.10. Collateral Royalties; Term. The Assignor hereby agrees that any use by the Agent, on behalf of the Lenders, of any Patents, Copyrights, Trademarks and Licenses as described above shall be worldwide, to the extent possessed by the Assignor, and without any liability for royalties or other related charges from the Agent or any Lender to the Assignor. The term of the assignments and grants of security interests granted herein shall extend until the expiration of each of the respective Copyrights, Trademarks, Patents and Licenses assigned or

pledged hereunder, or until the Secured Obligations have been indefeasibly paid in full, no commitment by the Agent or any Lender exists that could give rise to any Secured Obligations and the Credit Agreement and this Assignment have been terminated, whichever first occurs.

4.11. Annual Report. The Assignor shall provide the Agent upon request, and in any event within fifteen (15) days after the end of each calendar quarter of each year, with a list of all new applications for United States and foreign copyrights, patents and trademarks, which new applications shall be subject to the terms and conditions of this Assignment. The Assignor hereby authorizes the Agent to modify this Assignment by amending the Exhibits hereto to include any such new Trademarks, Patents, Copyrights or Licenses and to re-record this Assignment from time to time as the Agent sees fit.

4.12. Duties of Assignor. The Assignor shall have the duty (a) to prosecute diligently any application to register the Patents, Trademarks and Copyrights pending as of the date hereof or thereafter until all Secured Obligations have been indefeasibly paid in full, (b) to make application on unpatented but patentable material inventions and on material Trademarks and Copyrights, as appropriate or as requested by the Agent, and (c) to preserve and maintain all rights in all applications to register material Patents, Trademarks and Copyrights. Any expenses incurred in connection with such applications shall be borne by the Assignor. The Assignor shall not abandon any filed application to register material Patents, Trademarks and Copyrights without the prior written consent of the Agent.

4.13. Delivery of Certificates. Upon the request of the Agent, the Assignor shall deliver to the Agent copies of all existing and future official Certificates of Registration for the Patents, Trademarks and Copyrights.

4.14. Notice of Proceedings. The Assignor shall promptly notify the Agent and the Lenders of the institution of, and any adverse determination in, any proceeding in the United States Patent and Trademark Office or any agency of any state or any court regarding the Assignor's right, title and interest in any material Patent, Trademark or Copyright or the Assignor's right to register any material Patent, Trademark or Copyright.

## **5. DEFAULT**

5.1. The occurrence of any one or more of the following events shall constitute a Default:

5.1.1. Any representation or warranty made by or on behalf of the Assignor to the Agent or the Lenders under or in connection with this Assignment shall be materially false as of the date on which made.

5.1.2. The breach by the Assignor of any of the terms or provisions of Section 4.4, 4.5, 4.6, 4.7, 4.8, 4.9 or 8.5 hereof.

5.1.3. The breach by the Assignor (other than a breach which constitutes a Default under Section 5.1.1 or 5.1.2) of any of the terms or provisions of this Assignment which is not remedied within ten (10) Business Days after the giving of written notice to the Borrower by the Agent.



5.1.4. Any Secured Obligation shall not be paid when due, whether at stated maturity, upon acceleration, or otherwise.

5.1.5. The occurrence of any "Default" under and as defined in the Credit Agreement.

5.2. Acceleration and Remedies. If any Default described in the Credit Agreement occurs with respect to the Assignor, the obligations of the Lenders to make Loans thereunder and the right of the Lenders to declare the Secured Obligations to be due and payable shall be determined in accordance with the Credit Agreement.

5.3. Assignor's Obligations Upon Default. Upon the request of the Agent after the occurrence of a Default, the Assignor will:

5.3.1. Assembly of Collateral. Assemble and make available to the Agent the Collateral and all records relating thereto at any place or places specified by the Agent.

5.3.2. Secured Party Access. Permit the Agent, by the Agent's representatives and agents, to enter and remain on any premises where all or any part of the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or such books and records and to remove all or any part of the Collateral or such books and records.

## **6. WAIVERS, AMENDMENTS AND REMEDIES.**

6.1. Remedies. In the event that any Default has occurred and is continuing, the Agent, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Assignor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, assign, give option or options to purchase, contract to sell or otherwise dispose of and deliver said Collateral, or any part thereof, in one or more portions at public or private sale or sales or dispositions, at any exchange, broker's board or at any of the Agent's offices or elsewhere upon such terms and conditions as the Agent may deem advisable and at such prices as the Agent may deem best, for any combination of cash or on credit or for future delivery without assumption of any credit risk, with the right to the Agent or any Lender upon any such sale or sales or dispositions, public or private, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption in the Assignor, which right or equity is hereby expressly waived and released.

6.2. Waivers and Amendments. No delay or omission of the Agent or any Lender to exercise any right or remedy granted under this Assignment shall impair such right or remedy or be construed to be a waiver of any Unmatured Default or Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude other or further exercise thereof or the exercise of any other right or remedy, and no waiver, amendment or other variation of the terms, conditions or provisions of this Assignment whatsoever shall be valid unless in writing signed by the Agent and the Required Lenders (if so required by the Credit Agreement), and then only to the extent specifically set forth in such writing; provided, however,

that any amendment purporting to release all or substantially all of the Collateral shall be valid only if signed by the Agent and all of the Lenders. All rights and remedies contained in this Assignment or by law afforded shall be cumulative and all shall be available to the Agent and the Lenders until the Secured Obligations have been indefeasibly paid in full.

7. **PROCEEDS.**

7.1. **Special Collateral Account.** The Agent may require all cash proceeds of the Collateral to be deposited in a special non-interest bearing cash collateral account with the Agent and held there as security for the Secured Obligations. The Assignor shall have no control whatsoever over said cash collateral account. If no Default or Unmatured Default has occurred or is continuing, the Agent shall from time to time deposit the collected balances in said cash collateral account into the Assignor's general operating account with the Agent. If any Default or Unmatured Default has occurred and is continuing, the Agent may (and shall, at the direction of the Required Lenders), from time to time, apply the collected balances in said cash collateral account to the payment of the Secured Obligations whether or not the Secured Obligations shall then be due.

7.2. **Application of Proceeds.** The proceeds of the Collateral shall be applied by the Agent to payment of the Secured Obligations in the following order unless a court of competent jurisdiction shall otherwise direct:

(a) FIRST, to payment of all costs and expenses of the Agent incurred in connection with the collection and enforcement of the Secured Obligations or of the security interest granted to the Agent pursuant to this Assignment;

(b) SECOND, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest and fees, pro rata among the Lenders and their Affiliates in accordance with the amount of such accrued and unpaid interest and fees owing to each of them;

(c) THIRD, to payment of the principal of the Secured Obligations and the net early termination payments and any other Rate Management Obligations then due and unpaid from the Borrower to any of the Lenders or their Affiliates, pro rata among the Lenders and their Affiliates in accordance with the amount of such principal and such net early termination payments and other Rate Management Obligations then due and unpaid owing to each of them;

(d) FOURTH, to payment of any Secured Obligations (other than those listed above) pro rata among those parties to whom such Secured Obligations are due in accordance with the amounts owing to each of them; and

(e) FIFTH, the balance, if any, after all of the Secured Obligations have been satisfied, shall be remitted to the Assignor or otherwise as required by law.

8. **GENERAL PROVISIONS.**

8.1. Notice of Disposition of Collateral. The Assignor hereby waives notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Assignor, addressed as set forth in Section 10 hereof, at least five (5) Business Days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made.

8.2. Agent Performance of Assignor Obligations. Without having any obligation to do so, upon either (a) notice to the Assignor or (b) the occurrence of an Unmatured Default or a Default, the Agent may perform or pay any obligation which the Assignor has agreed to perform or pay in this Assignment and the Assignor shall reimburse the Agent for any amounts paid by the Agent pursuant to this Section 8.2. The Assignor's obligation to reimburse the Agent pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.3. Authorization for Agent to Take Certain Action. The Assignor irrevocably authorizes the Agent at any time and from time to time, in the sole discretion of the Agent, upon either (a) notice to the Assignor or (b) the occurrence of an Unmatured Default or a Default: (i) to execute on behalf of the Assignor as debtor and to file financing statements and other documents with the United States Patent and Trademark Office or Copyright Office or otherwise which are necessary or desirable in the Agent's sole discretion to perfect and to maintain the perfection and priority of the Agent's security interest in the Collateral; (ii) to indorse and collect any cash proceeds of the Collateral; or (iii) to file a carbon, photographic or other reproduction of this Assignment or any financing statement with respect to the Collateral as a financing statement in such offices as the Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Agent's and the Lenders' security interest in the Collateral. At any time and from time to time after the Secured Obligations have been declared or become due and payable in accordance with the Credit Agreement, the Assignor authorizes the Agent to apply the proceeds of any Collateral received by the Agent to the Secured Obligations as provided in Section 7 hereof.

8.4. Specific Performance of Certain Covenants. The Assignor acknowledges and agrees that a breach of any of the covenants contained in Sections 4.1, 4.5, 4.6, 4.13, 5.3 and 8.5 hereof will cause irreparable injury to the Agent and the Lenders and that the Agent and the Lenders have no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Agent or the Lenders to seek and obtain specific performance of other obligations of the Assignor contained in this Assignment, that the covenants of the Assignor contained in the Sections referred to in this Section 8.4 shall be specifically enforceable against the Assignor.

8.5. Dispositions Not Authorized. Except as provided for by the Credit Agreement, the Assignor is not authorized to sell or otherwise dispose of the Collateral and notwithstanding any course of dealing between the Assignor and the Agent or other conduct of the Agent, no authorization to sell or otherwise dispose of the Collateral shall be binding upon the Agent or the Lenders unless such authorization is in writing signed by the Agent with the consent of the Required Lenders or all Lenders, as required by the Credit Agreement.

8.6. Definition of Certain Terms. Terms defined in the Illinois Uniform Commercial Code which are not otherwise defined in this Assignment are used in this Assignment as defined in the Illinois Uniform Commercial Code as in effect on the date hereof.

8.7. Benefit of Agreement. The terms and provisions of this Assignment shall be binding upon and inure to the benefit of the Assignor, the Agent and the Lenders and their respective successors and assigns, except that the Assignor shall not have the right to assign its rights or delegate its obligations under this Assignment or any interest herein, without the prior written consent of the Agent.

8.8. Survival of Representations. All representations and warranties of the Assignor contained in this Assignment shall survive the execution and delivery of this Assignment.

8.9. Taxes and Expenses. Any taxes (including, without limitation, any sales, gross receipts, general corporation, personal property, privilege or license taxes, but not including any federal or other taxes imposed upon the Agent or any Lender, with respect to its gross or net income or profits arising out of this Assignment) payable or ruled payable by any Federal or State authority in respect of this Assignment shall be paid by the Assignor, together with interest and penalties, if any. The Assignor shall reimburse (a) the Agent for any and all reasonable out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Agent) paid or incurred by the Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Assignment and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral), and (b) the Agent and each Lender for any and all reasonable out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Agent or such Lender) paid or incurred by the Agent or such Lender in connection with the collection and enforcement of this Assignment.

8.10. Headings. The title of and section headings in this Assignment are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Assignment.

8.11. Termination. This Assignment shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations or commitments therefor outstanding) until (i) the Credit Agreement has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been indefeasibly paid and performed in full and no commitments of the Agent or the Lenders which would give rise to any Secured Obligations are outstanding.

8.12. Entire Agreement. This Assignment embodies the entire agreement and understanding between the Assignor, the Agent and the Lenders relating to the Collateral and supersedes all prior agreements and understandings between the Assignor, the Agent and the Lenders relating to the Collateral.

8.13. Indemnity. The Assignor hereby agrees to indemnify the Agent and the Lenders, and their respective successors, assigns, agents and employees, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Agent or any Lender is a party thereto), imposed on, incurred by or asserted against the Agent or the Lenders, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Assignment, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Agent or any Lender or the Borrower, and any claim for patent, trademark or copyright infringement).

8.14. Releases. Upon termination of this Assignment in accordance with the provisions of Section 8.11 hereof, the Agent and the Lenders shall, at the Assignor's request and expense, execute such releases as the Assignor may reasonably request, in form and upon terms acceptable to the Agent and the Lenders in all respects.

8.15. Waivers. Except to the extent expressly otherwise provided herein or in any other Loan Document, the Assignor waives, to the extent permitted by applicable law, (a) any right to require either the Agent or any Lender to proceed against any other person, to exhaust its rights in any other collateral, or to pursue any other right which either the Agent or any Lender may have, and (b) with respect to the Secured Obligations, presentment and demand for payment, protest, notice of protest and non-payment, and notice of the intention to accelerate.

8.16. Counterparts. This Assignment may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Assignment by signing any such counterpart. This Assignment shall be effective when it has been executed by the Assignor and the Agent.

8.17. CHOICE OF LAW THIS ASSIGNMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS, WITHOUT REGARD TO CONFLICT OF LAWS PROVISIONS, OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

8.18. Marshalling. Neither the Agent nor any Lender shall be under any obligation to marshal any assets in favor of the Assignor or any other party or against or in payment of any or all of the Secured Obligations.

8.19. Actions Not Releases. The Lien hereunder and Assignor's obligations and the Lenders' rights hereunder shall not be released, diminished, impaired, or adversely affected by the occurrence of any one or more of the following events: (i) the taking or accepting of any other security or assurance at any time existing in connection with any or all of the Secured Obligations; (ii) any release, surrender, exchange, subordination or loss of any security or assurance at any time existing in connection with any or all of the Secured Obligations; (iii) the modification of, amendment to, or waiver of compliance with any terms of the Credit Agreement or Loan Documents (other than modifications, amendments or waivers of this Assignment made in compliance with the Credit Agreement); (iv) the insolvency, bankruptcy, or lack of corporate

power of any party at any time liable for the payment of any or all of the Secured Obligations, whether now existing or hereafter occurring; (v) any renewal, extension, or rearrangement of the payment of any or all of the Secured Obligations, either with or without notice to or consent of the Assignor, in accordance with the Credit Agreement, if applicable, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by the Agent or any Lender to the Assignor; (vi) any neglect, delay, omission, failure, or refusal of the Agent or any Lender to take or prosecute any action in connection with any other agreement, document, guaranty, or instrument evidencing, securing, or assuring the payment of all or any of the Secured Obligations; (vii) any failure of the Agent or any Lender to notify the Assignor of any renewal, extension, or assignment of the Secured Obligations or any part thereof, or the release of any security, or of any other action taken or refrained from being taken by the Agent or any Lender against the Assignor or any new agreement among the Agent, the Lenders and the Assignor (or any combination thereof), it being understood that neither the Agent nor any Lender shall be required to give the Assignor any notice of any kind under any circumstances whatsoever, except as required under applicable law or as expressly provided herein, with respect to or in connection with the Secured Obligations, including, without limitation, notice of acceptance of this Assignment or any Collateral ever delivered to or for the account of the Lenders hereunder; (viii) the illegality, invalidity, or unenforceability of all or any part of the Secured Obligations against any party obligated with respect thereto by reason of the fact that the Secured Obligations, or the interest paid or payable with respect thereto, exceeds the amount permitted by law, the act of creating the Secured Obligations, or any part thereof, is ultra vires, or the officers creating same acted in excess of their authority, or for any other reason; or (ix) any payment by any party obligated with respect thereto is held to constitute a preference under applicable laws or for any other reason the Agent or any Lender is required to refund such payment or pay the amount thereof to someone else. No setoff, counterclaim, reduction or diminution of any obligation, or any defense of any kind or nature (other than full, indefeasible and timely payment of the Secured Obligations) which Assignor may have or assert against the Agent or the Lenders shall be available hereunder to, or shall be asserted by, Assignor against the Agent or the Lenders in any action arising out of the transactions contemplated hereby or by any of the other Loan Documents or out of any of the documents or instruments referred to herein or therein.

## **9. THE AGENT.**

Bank One, NA has been appointed Agent for the Lenders hereunder pursuant to Article X of the Credit Agreement. It is expressly understood and agreed by the parties to this Assignment that any authority conferred upon the Agent hereunder is subject to the terms of the delegation of authority made by the Lenders to the Agent pursuant to the Credit Agreement, and that the Agent has agreed to act (and any successor Agent shall act) as such hereunder only on the express conditions contained in such Article X. Any successor Agent appointed pursuant to Article X of the Credit Agreement shall be entitled to all the rights, interests and benefits of the Agent hereunder.

## **10. NOTICES.**

10.1. Sending Notices. Any notice required or permitted to be given under this Assignment shall be given in accordance with Section 13.1 of the Credit Agreement.

10.2. Change in Address for Notices. The Assignor and the Agent or any Lender may change the address for service of notice upon it by a notice in writing to the other.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Assignment to be executed by their duly authorized representatives as of the date first above written.

PERSEUS BASIC BOOKS, L.L.C.

By: Robert Mancuso  
Name: ROBERT MANCUSO  
Title: VICE PRESIDENT  
Title: DIRECTOR OF FINANCE & OPERATIONS

BANK ONE, NA, as Agent

By: Lynne M Sanders  
Name: LYNNE M Sanders  
Title: Assistant Vice President

S-1 TO INTELLECTUAL  
PROPERTY ASSIGNMENT

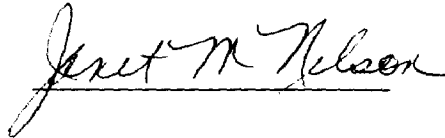
TRADEMARK  
REEL: 002064 FRAME: 0713



STATE OF NEW YORK )  
 ) SS:  
COUNTY OF NEW YORK )

The foregoing Intellectual Property Assignment was executed and acknowledged before

me this 16th day of March, 2000 by Robert Marcano, personally known to me to be the  
Vice President  
Director of Finance of Perseus Business U.C. a Delaware limited liability company, on behalf of  
Operations  
such corporation.



NOTARY PUBLIC

My Commission Expires: May 2, 2000

(SEAL)

**JANET M. NELSON**  
Notary Public, State of New York  
No. 31-492803  
Qualified in New York County  
Commission Expires May 2, 2000



## Copyrights



Attached hereto is a list of titles of active publications for which either the Borrower or one of its Subsidiaries holds the copyright or a license with respect to such copyright.

Exhibit B to Intellectual Property Assignment

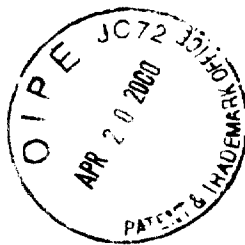
Federal Trademarks Owned by  
Perseus Books, L.L.C. and Subsidiaries

March 6, 2000



Trademark	Owner	Status	Goods / Services	Serial Number Filing Date	Registration Number and Date
BASIC  BOOKS	Perseus Basic Books, L.L.C.	Published	Class 16 - books of general interest and publications, namely catalogs, newsletters, pamphlets and brochures, all of general interest, in printed form	75/651,063 February 26, 1999	-----
 BOOKS A Member of the Perseus Books Group	Perseus Basic Books, L.L.C.	Pending; Non-Final Action - Mailed	Class 16 - books of general interest and publications, namely catalogs, newsletters, pamphlets and brochures, all of general interest, in printed form	75/651,062 February 26, 1999	-----
PERSEUS BOOKS	Perseus Books, L.L.C.	Published	Class 9 - multimedia books recorded on computer disk in the field of business, science, current affairs, history, health, psychology, child care and parenting Class 16 - books in the field of business, science, current affairs, history, health, psychology, child care and parenting	75/482,048 May 8, 1998	-----
PERSEUS BOOKS GROUP	Perseus Books, L.L.C.	Published	Class 9 - multimedia books recorded on computer diskette in the field of business, science, current affairs, history, health, psychology, child care and parenting Class 16 - books in the field of business, science, current affairs, history, health, psychology, child care and parenting	75/483,995 May 8, 1998	-----
BASIC BOOKS	Perseus Basic Books, L.L.C.	Registered	Class 16 - trade, academic and professional books, primarily in the fields of the social and behavioral sciences, published from time to time	73/426,749 May 23, 1983	1,280,717 June 5, 1984

Trademark	Owner	Status	Goods / Services	Serial Number Filing Date	Registration Number and Date
(Design Only - no image available)	Da Capo Press, Inc.	Cancelled	Class 16 - books, scientific and educational quarterlies, journals, and photographs	73/070,694 December 3, 1975	1,063,299 April 12, 1977
DISGRUNTLED THE BUSINESS MAGAZINE FOR PEOPLE WHO WORK FOR A LIVING	Counterpoint Press, Inc.	Registered	Class 42 - computer services, namely, providing on-line magazines featuring news, commentary, satire, and feature about workplace issues from an employee's perspective	74/730,279 September 18, 1995	2,039,965 February 25, 1997
COUNTERPOINT	Counterpoint Press, Incorporated	Registered	Class 41 - publication of books, namely, books relating to natural history, science, philosophy and contemporary thought, history, art, poetry, biography, and fiction	74/656,751 April 6, 1995	2,167,870 June 23, 1998





**Exhibit C to Intellectual Property Assignment**

**Patents Owned by  
Perseus Books, L.L.C. and Subsidiaries**

March 6, 2000

NONE



## Exhibit D to Intellectual Property Assignment

### A. Assignors' Principal Places of Business

Perseus Books, L.L.C.  
10 East 53<sup>rd</sup> Street  
New York, NY 10022

Perseus Westview Books, L.L.C.  
5500 Central Avenue  
Boulder, CO 80301-2877

Counterpoint Press, L.L.C.  
717 D Street, NW, Suite 203  
Washington, DC 20004

Civitas Books, L.L.C.  
10 East 53<sup>rd</sup> Street  
New York, NY 10022

Perseus Books Publishing, L.L.C.  
11 Cambridge Center  
Cambridge, MA 02142

Da Capo Press, L.L.C.  
11 Cambridge Center  
Cambridge, MA 02142

### B. UCC Filing Offices

#### Perseus Books, L.L.C.

- 1) State of New York
- 2) New York County, New York
- 3) District of Columbia
- 4) State of Colorado
- 5) Commonwealth of Pennsylvania
- 6) Lackawanna County, Pennsylvania

7) Lycoming County, Pennsylvania

8) State of Delaware

9) State of Indiana

10) La Porte County, Indiana

11) State of Connecticut



Perseus Basic Books, L.L.C.

1) State of New York

2) New York County, New York

3) District of Columbia

4) Commonwealth of Pennsylvania

5) Lackawanna County, Pennsylvania

6) Lycoming County, Pennsylvania

7) State of Delaware

8) State of Colorado

9) State of Indiana

10) La Porte County, Indiana

Perseus Westview Books, L.L.C.

1) State of New York

2) New York County, New York

3) District of Columbia

4) Commonwealth of Pennsylvania

5) Lackawanna County, Pennsylvania

6) Lycoming County, Pennsylvania

7) State of Delaware

8) State of Colorado

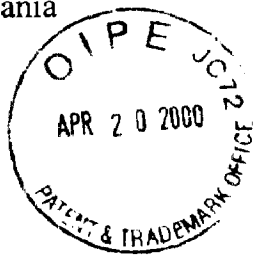
9) Boulder County, Colorado

10) State of California

11) San Francisco County, California

12) State of Indiana

13) La Porte County, Indiana



Counterpoint Press, L.L.C.

1) State of New York

2) New York County, New York

3) District of Columbia

4) Commonwealth of Pennsylvania

5) Lackawanna County, Pennsylvania

6) Lycoming County, Pennsylvania

7) State of Delaware

8) State of Indiana

9) La Porte County, Indiana

Civitas Books, L.L.C.

1) State of New York

2) New York County, New York

3) District of Columbia



- 4) Commonwealth of Pennsylvania
- 5) Lackawanna County, Pennsylvania
- 6) Lycoming County, Pennsylvania
- 7) State of Delaware
- 8) State of Indiana
- 9) La Porte County, Indiana



Perseus Books Publishing, L.L.C.

- 1) State of New York
- 2) New York County, New York
- 3) District of Columbia
- 4) State of Indiana
- 5) La Porte County Indiana
- 6) Commonwealth of Pennsylvania
- 7) Lackawanna County, Pennsylvania
- 8) Lycoming County, Pennsylvania
- 9) Commonwealth of Massachusetts
- 10) Stoneham Town, Massachusetts
- 11) Cambridge, Massachusetts
- 12) State of Delaware

Da Capo Press, L.L.C.

- 1) State of New York
- 2) New York County, New York



- 3) District of Columbia
- 4) Commonwealth of Pennsylvania
- 5) Lackawanna County, Pennsylvania
- 6) Lycoming County, Pennsylvania
- 7) Commonwealth of Massachusetts
- 8) Stoneham Town, Massachusetts
- 9) Cambridge, Massachusetts
- 10) State of Indiana
- 11) La Porte County, Indiana
- 12) State of Delaware



**Exhibit E to Intellectual Property Assignment**

**OTHER NAMES**

Perseus Books Publishing:

Perseus Publishing