

02-22-2001



101618915

2/21/01

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

Merger  Effective Date  
Month Day Year

Change of Name

Other

#### Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)    Zip Code

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

ASSIGNMENT SECTION  
RECORDED  
FEB 21 AM 11:00  
22314

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.)

02/21/2001 DBYRME 00000107 2286822

01 FC:481 40.00 OP  
02 FC:482 125.00 OP

FOR OFFICE USE ONLY

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 Practice. 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

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**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)**

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

<input type="text" value="2286822"/>	<input type="text" value="1704609"/>	<input type="text"/>
<input type="text" value="2005692"/>	<input type="text" value="1947801"/>	<input type="text"/>
<input type="text" value="2048941"/>	<input type="text" value="1859109"/>	<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.

The Teaching Company Limited Partnership  
By TTC Management L.P., Its G.P.



2/15/01

Name of Person Signing

Signature

Date Signed

By The Teaching Company, Inc., its General Partner  
By: Thomas M. Rollins, President

RECORDATION FORM COVER SHEET  
CONTINUATION  
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FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
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**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

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**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)

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**SECURITY AGREEMENT  
(Intellectual Property)**

This Security Agreement (Intellectual Property) ("Agreement") is made as of the 14th day of February 2001, by and between THE TEACHING COMPANY LIMITED PARTNERSHIP, a Delaware limited partnership ("Grantor"), and BRANCH BANKING AND TRUST COMPANY OF VIRGINIA ("Grantee").

**RECITALS**

The Grantor and Grantee are parties to (a) a Loan Agreement dated as of February 14, 2001 (as amended to the date hereof and as further amended, modified or supplemented from time to time, the "Loan Agreement," the terms defined therein and not otherwise defined herein being used herein as therein defined), and (b) a Security Agreement of even date herewith (the "Other Security Agreement") relating to the grant by the Grantor to Grantee of a security interest in certain other collateral. It is a condition precedent to the making of the Term Loan by Grantee under the Loan Agreement that Grantor shall have granted the Grantee a security interest in certain property to Grantee in accordance with this Agreement.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **Grant of Security Interest.** As additional collateral security for the prompt and complete payment and performance of the Obligations (as defined below), Grantor hereby grants a security interest to Grantee, its successors and assigns, for their benefit, in and to Grantor's entire right, title and interest in, to and under the following (all of which shall collectively be called the "Collateral"), whether now owned or hereafter acquired or arising:

(a) All present and future United States registered copyrights and copyright registrations, including, without limitation, the registered copyrights listed in Exhibit A-1 to this Agreement (and including all of the exclusive rights afforded a copyright registrant in the United States under 17 U.S.C. §106 and any exclusive rights which may in the future arise by act of Congress or otherwise) and all present and future applications for copyright registrations (including applications for copyright registrations of derivative works and compilations) (collectively, the "Registered Copyrights"), and any and all royalties, payments, and other amounts payable to Grantor in connection with the Registered Copyrights, together with all renewals and extensions of the Registered Copyrights, the right to recover for all past, present, and future infringements of the Registered Copyrights, and all computer programs, computer databases, computer program flow diagrams, source codes, object codes and all tangible property embodying or incorporating the Registered Copyrights, and all other rights of every kind whatsoever accruing thereunder or pertaining thereto;

(b) All present and future copyrights, or contract or license rights arising from agreements by which Grantor is a licensee (to the extent that the grant of a security interest is not prohibited by the license), which are not registered in the United States Copyright Office (the "Unregistered Rights"), whether now owned or hereafter acquired, including without limitation the Unregistered Rights listed in Exhibit A-2 to this Agreement, and any and all royalties, payments, and

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other amounts payable to Grantor in connection with the Unregistered Rights, together with all renewals and extensions of the Unregistered Rights, the right to recover for all past, present, and future infringements of the Unregistered Rights, and all computer programs, computer databases, computer program flow diagrams, source codes, object codes and all tangible property embodying or incorporating the Unregistered Rights, and all other rights of every kind whatsoever accruing thereunder or pertaining thereto.

(c) All present moral rights, rights of the works of visual arts under the Visual Artists Rights Act of 1990, and the goodwill associated with same, ancillary rights or other proprietary or intellectual property rights of any kind or nature, in and to any and all works of authorship created by Grantor, its employees, agents and independent contractors (the "Works of Authorship"); each and every original, interim and final version, copy, replica, prototype or other original Work of Authorship thereof or in any way related thereto; any and all reproductions, distribution rights, ancillary rights, performances, displays, derivative works, amendments, versions, modifications, copies or other permutations thereof, regardless of the form or type and regardless of when made, created, developed or fixed in any tangible medium of expression, in any and all media, whether now known or later created; and all future and past causes of action, damages, profits, penalties and other recoveries related to the Works of Authorship. The Registered Copyrights, Unregistered Rights and Works of Authorship collectively are referred to herein as the "Copyrights;"

(d) All right, title and interest in and to any and all present and future (i) license agreements with respect to the Copyrights (whether Grantor is the licensee or the licensor thereunder), but only to the extent that such grant of a security interest is not prohibited by the license, and (ii) agreements that provide for a right in or to the Copyrights, including without limitation the license agreements listed in Exhibit A-3 to this Agreement (the "Licenses");

(e) All present and future accounts, accounts receivable and other rights to payment arising from, in connection with or relating to the Copyrights;

(f) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, owned by Grantor;

(g) Any and all design rights which may be owned by Grantor now or hereafter existing, created, acquired or held;

(h) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents"), and any and all royalties, payments, and other amounts payable to Grantor in connection with the Patents, together with all renewals and extensions of the Patents, the right to recover for all past, present, and future infringements of the Patents, and all computer programs, computer databases, computer program flow diagrams, source codes, object codes and all tangible property embodying or incorporating the Patents, and all other rights of every kind whatsoever accruing thereunder or pertaining thereto;

(i) Any trademark and service mark rights, whether registered or not, applications to register, and the entire goodwill of the business of Grantor connected with and

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symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks"), and any and all royalties, payments, and other amounts payable to Grantor in connection with the Trademarks, together with all renewals and extensions of the Trademarks, and the right to recover for all past, present, and future infringements of the Trademarks;

(j) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(k) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(l) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks or Patents; and

(m) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

This Agreement, which is granted in conjunction with the security interest granted to Grantee under the Other Security Agreement, secures the payment of all obligations of Grantor now or hereafter existing under the Loan Agreement, including, but not limited to, the Loans, the Notes, the Collateral Documents and all other obligations, indebtedness and liabilities of Grantor under such Loan Agreement, whether now existing or hereafter arising, whether or not evidenced by notes or other instruments, and whether such obligations, indebtedness and liabilities are direct or indirect, fixed or contingent, liquidated or unliquidated, due or to become due, including, without limitation, any indebtedness of Grantor under the Loan Agreement and each other Loan Document and the Note to the Grantee (all such obligations of Grantor being the "Obligations"). The rights and remedies of Grantee with respect to the security interest granted hereby are in addition to those set forth in the Other Security Agreement, and those which are now or hereafter available to Grantee as a matter of law or equity. Without limiting the generality of the foregoing, this Agreement, and the Other Security Agreement, secure the payment of all amounts that constitute part of the Obligations and would be owed by Grantor to Grantee under the Loan Agreement and the Note, but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving Grantor. Each right, power, and remedy of Grantee provided for herein or in the Other Security Agreement, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein. The exercise by Grantee of any one or more of the rights, powers, or remedies provided for in this Agreement or in the Other Security Agreement or now or hereafter existing at law or in equity shall not preclude the simultaneous or later exercise by Grantee of any or all other rights, powers, or remedies.

2. Authorization and Request. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this security agreement.

3. Covenants and Warranties. Grantor represents, warrants, covenants and agrees as follows:

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(a) Grantor is now the sole owner of the Collateral, free and clear of all liens, claims and encumbrances, other than existing liens in favor of Grantee and the lien created by the Loan Agreement and this Agreement, except for non-exclusive licenses granted by Grantor to its customers in the ordinary course of business. The records of the United States Copyright Office currently reflect that Grantor is the owner or current assignee of all Registered Copyrights; the records of the United States Patent and Trademark Office currently reflect that Grantor is neither the owner nor a current assignee of any current Patents; to the extent that Grantor has Trademarks registered with the United States Patent and Trademark Office, the records therein reflect that Grantor is the owner or current assignee of such Trademarks; and none of the Collateral has been licensed to any third party, except for the Licenses listed on Exhibit A-3.

(b) Exhibits A-1 and A-2 are true and accurate lists of all Copyrights (excluding off-the-shelf licensed software and databases) that are used in and are material to Grantor's business. Exhibit A-3 is a true and accurate list of all Licenses pursuant to which Grantor has a right to use the Collateral, in which Grantor has a material interest (excluding off-the-shelf licensed software and databases), or which are used in Grantor's business. Exhibit B is a true and accurate list of all Patents owned by Grantor, in which Grantor has a material interest, or which are licensed to Grantor for use in Grantor's business. Exhibit C is a true and accurate list of all Trademarks owned by Grantor, in which Grantor has a material interest, or which are used in Grantor's business.

(c) Each employee, agent and/or independent contractor of Grantor who has participated in the creation of the property constituting the Collateral has either executed an assignment of his or her rights of authorship to Grantor or is an employee of Grantor acting within the scope of his or her employment and was such an employee at the time of said creation.

(d) Grantor shall undertake all reasonable measures to cause its employees, agents and independent contractors to assign to Grantor all rights of authorship to any copyrighted material in which Grantor has or may subsequently acquire any material right or interest.

(e) Performance of this Agreement does not conflict with or result in a breach of any agreement to which Grantor is bound, except to the extent that it may conflict with Grantee's preexisting liens on the Intellectual Property, and to the extent that certain intellectual property agreements prohibit the disclosure of information or the assignment of the rights thereunder to a third party without the licensor's or other party's consent and this Agreement constitutes an assignment or requires such disclosure.

(f) During the term of this Agreement, without the prior written consent of Grantee, which consent shall not be unreasonably withheld, conditioned or delayed, Grantor shall not (i) sell, transfer, assign (by operation of law or otherwise), dispose of, or otherwise encumber any interest in the Collateral, or any rights therein (except as contemplated by paragraph (3) (f) (iii)), (ii) grant any lien or security interest in any of the Collateral (except for the lien created by the Loan Agreement and this Agreement), or (iii) license any of the Collateral to any third party, except that, unless a Default has occurred and is continuing, Grantor can grant (A) non-exclusive licenses in the Collateral to a third party in the ordinary course of business, provided that Grantee shall receive a security interest in any fees, royalties, and payments with respect to all and any such licenses, (B) licenses to its wholly-owned subsidiaries, (C) non-exclusive licenses to off-the-shelf licensed software and databases, and (D) licenses as set forth in this Agreement.

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(g) Each part of the Collateral is valid, subsisting, unexpired and enforceable, and to the extent necessary to maintain its right thereto, Grantor has used and continues to use the appropriate statutory notice of registration in connection with its use of the Collateral.

(h) No holding, decision, or judgment has been rendered in any action or proceeding limiting, canceling or questioning the validity of Grantor's rights in any part of the Collateral, and no such action or proceeding is pending or, to the best of Grantor's knowledge, threatened. No part of the Collateral been judged invalid or unenforceable, nor has any claim has been made that any part of the Collateral violates the rights of any third party. To the best of Grantor's knowledge, there is no subsisting material breach or default under any License.

(i) To the best of Grantor's knowledge, (i) the conduct of Grantor's business does not infringe upon any trademark, patent, copyright or other intellectual property right owned or controlled by a third party and (ii) except as previously disclosed in writing to Grantee, no third party is infringing upon any of the Collateral.

(j) Grantor shall promptly advise Grantee of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of Grantor in or to any Trademark, Patent or Copyright not specified in this Agreement.

(k) Grantor shall (1) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, subject to Grantor's reasonable business judgment as to the value of the Trademark, Patent or Copyright, and the cost of such defense, (2) use commercially reasonable efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Grantee in writing of material infringements detected, and (3) not do any commercially unreasonable act or omit to do any commercially reasonable act (and not permit any licensees or sublicensees of Grantor to do any commercially unreasonable act) whereby any Trademarks, Patents, or Copyrights will become invalid, abandoned, forfeited or dedicated to the public without the written consent of Grantee, which shall not be unreasonably withheld, conditioned or delayed.

(l) This Agreement creates, and to the extent not contrary to law in the case of after-acquired Collateral, this Agreement will create at the time Grantor first has rights in such after-acquired Collateral, in favor of Grantee a valid and perfected first priority security interest in the Collateral (except for Unregistered Copyrights, unregistered Trademarks and after-acquired Patents) in the United States securing the payment and performance of the Obligations upon making the filings referred to in clause (m) below.

(m) To its knowledge, except for, and upon, the filing with the United States Patent and Trademark Office with respect to the Patents and Trademarks and the Register of Copyrights with respect to the Copyrights, and the filing of Uniform Commercial Code financing statements, necessary to perfect the security interests created hereunder and except as has been already made or obtained, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental agency or U.S. regulatory body is required either (1) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Grantor in the U.S. or (2) except with respect to Patents, for the perfection in the United States or the exercise by Grantee of its rights and remedies thereunder.

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(n) All information herein or hereafter supplied to Grantee by or on behalf of Grantor with respect to the Copyrights, Patents and Trademarks is and will be accurate and complete in all material respects.

(o) Grantor shall not enter into any agreement that would materially impair or conflict with Grantor's obligations hereunder without Grantee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Grantor shall not permit the inclusion in any material contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in Grantor's rights and interest in any property included within the definition of the Collateral acquired under such contracts, except that agreements with software licensors may prohibit the transfer of the license thereto to a third party without licensor's consent, and Grantor may agree to standard license terms for off-the-shelf software products irrespective of provisions that prohibit transfers, assignments and security interests.

(p) Upon any executive officer of Grantor obtaining actual knowledge thereof, Grantor will promptly notify Grantee in writing of any event that materially adversely affects the value of any material Collateral, the ability of Grantor to dispose of any material Collateral or the rights and remedies of Grantee in relation thereto, including the levy of any legal process against any of the Collateral.

(q) Grantor shall promptly register the most recent version of any of Grantor's Copyrights in published works, Trademarks or Patents, if not so already registered, and shall, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademarks Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by Grantee, to perfect Grantee's security interest in all Copyrights, Patents and Trademarks and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to Grantee the grant or perfection of a security interest in all Collateral. Grantor agrees to promptly execute and deliver to Grantee, on an annual basis, an amendment to this Agreement listing any new Collateral in a form appropriate for recordation of same.

4. Grantee's Rights. Grantee shall have the right, but not the obligation, to take, at Grantor's sole expense, any action that Grantor is required under this Agreement to take but which Grantor fails to take, after fifteen (15) days' notice to Grantor. Grantor shall reimburse and indemnify Grantee for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this section 4.

5. Inspection Rights. Grantor hereby grants to Grantee and its employees, representatives and agents the right to visit, during reasonable hours, for a reasonable duration and upon prior reasonable written notice to Grantor, any of Grantor's plants and facilities that manufacture, install or store products (or that have done so during the prior six month period) that are sold utilizing any of the Collateral, and to inspect the products and quality control records relating thereto upon reasonable written notice to Grantor and as often as may be reasonably requested, but not more than one (1) visit in every twelve (12) month period.

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6. Attorney in Fact.

(a) Grantor hereby irrevocably appoints Grantee as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Grantee or otherwise, from time to time in Grantee's reasonable discretion, upon the occurrence and for the duration of an Event of Default and upon Grantor's failure or inability to do so, to take any action and to execute any instrument which Grantee may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including:

(i) To modify, in its reasonable discretion, this Agreement without first obtaining Grantor's approval of or signature to such modification by amending Exhibit A-1, Exhibit A-2, Exhibit A-3, Exhibit B and Exhibit C, thereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Grantor no longer has or claims any right, title or interest, and to make any filings necessary to evidence such changes with the appropriate governmental entities;

(ii) To file, in its reasonable discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Grantor where permitted by law;

(iii) To complete, date, execute, and record, or cause to be recorded, the Assignment attached hereto as Exhibit D and incorporated hereby by reference (the "Assignment") in the United States Copyright Office and in all other applicable offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment;

(iv) To collect the proceeds of any of the Collateral;

(v) In any transaction authorized by the Loan Agreement, convey any Collateral to any purchaser thereof, payment or discharge of taxes or liens levied or placed upon or threatened against any Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by Grantee in its reasonable discretion, and such payments made by Grantee to become the obligations of Grantor to Grantee, due and payable immediately without demand. The Grantee's authority hereunder shall include, without limitation, the authority to endorse and negotiate any checks or instruments constituting proceeds of any Collateral in the name of Grantor, execute and give receipt for any certificate of ownership or any document (constituting Collateral), sign Grantor's name on all financing statements or any other documents necessary or appropriate by Grantee to preserve, protect or perfect the security interest in any Collateral (to the extent permitted by applicable law) and to file the same, prepare, file, and sign Grantor's name on any notice of lien, and prepare, file, and sign Grantor's name on a proof of claim in bankruptcy or similar document against any customer of Grantor with respect to any claim of Grantor comprising part of any Collateral, and to take any other actions arising from or incident to the powers granted to Grantee in the Loan Agreement and the Other Security Agreement or any other Loan Document.

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(b) Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue of this power of attorney. This power of attorney is a power coupled with an interest and shall be irrevocable.

7. Events of Default. The occurrence of any of the following shall constitute an Event of Default under this Agreement:

(a) An Event of Default occurs under the Loan Agreement or any of the other Loan documents (after giving effect to any applicable grace or cure period); or

(b) Grantor breaches or fails to perform or observe any covenant, representation, warranty or agreement made by Grantor in this Agreement and continues to do so for ten (10) days after notice thereof.

8. Remedies. Upon the occurrence and during the continuance of an Event of Default, all worldwide right, title and interest to the Collateral shall be assigned, set over, and delivered to Grantee or its designee. Grantee shall have the right to exercise all the remedies of a secured party under the UCC, as provided herein and in the Loan Agreement, and as otherwise available at law or equity, including without limitation the right to:

(a) require Grantor to assemble any tangible property in which the Collateral is embodied and in which Grantee has a security interest and to make it available to Grantee at a place designated by Grantee,

(b) exercise any and all rights as beneficial and legal owner of the Collateral, including, without limitation, any and all consensual rights and powers with respect to the Collateral, and

(c) sell or assign or grant a license to use, or cause to be sold or assigned or grant a license to use any or all of the Collateral or any part thereof, in each case, free of all rights and claims of Grantor therein and thereto, except to the extent such actions would violate restrictions against assignments contained in any Collateral in which Grantor's rights arise by contract or license. In that connection, Grantee shall have the right to cause any or all of the Collateral to be transferred of record into the name of Grantee or its nominee and the right to impose (i) such limitations and restrictions on the sale or assignment of the Collateral as Grantee may reasonably deem to be necessary or appropriate to comply with any law, rule or regulation having applicability to such sale or assignment and (ii) requirements for any necessary governmental approvals. To the extent not inconsistent with any license or contract under which Grantor's rights arise, Grantee shall have a nonexclusive, royalty-free license, with the right of sublicense, to use the Collateral to the extent reasonably necessary to permit Grantee to exercise its rights and remedies upon the occurrence and for the duration of an Event of Default. Without limiting the generality of the foregoing, Grantee shall have the right, pursuant to the foregoing license and right to sublicense, to use the Collateral in connection with the foreclosure upon any of the Collateral granted hereunder or under the Loan Agreement. Grantor will pay any reasonable and documented expenses (including reasonable and documented attorneys' fees and disbursements) incurred by Grantee in connection with the exercise of any of Grantee's rights hereunder, including without limitation any expense incurred in disposing of the Collateral.

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Teaching Co (IP Security Agreement)  
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9. **Indemnity.** Grantor agrees to defend, indemnify and hold harmless Grantee and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any person (other than the Grantor) in connection with the transactions contemplated by this Agreement, and (b) all losses or expenses in any way suffered, incurred, or paid by Grantee as a result of or in any way arising out of, following or consequential to transactions between Grantee and Grantor, under this Agreement (including without limitation, reasonable attorney's fees and reasonable expenses), except for losses or expenses arising from or out of Grantee's gross negligence or willful misconduct.

10. **Termination and Release.** This Agreement shall terminate upon the latter to occur of (a) termination of the Loan Agreement and (b) the payment in full of all Obligations then outstanding under the Loan Agreement and the other Loan Documents. At such time as this Agreement shall terminate, Grantee shall execute and deliver to Grantor all releases and other instruments as may be reasonably necessary or proper to terminate Grantee's security interest in the Collateral, subject to any disposition of the Collateral that may have been made by Grantee pursuant to this Agreement. For the purpose of this Agreement, the Obligations shall be deemed to continue if Grantor enters into any bankruptcy or similar proceeding at a time when any amount paid to Grantee could be ordered to be repaid as a preference or pursuant to a similar theory, and shall continue until it is finally determined that no such repayment can be ordered.

11. **No Waiver.** No course of dealing between Grantor and Grantee, nor any failure to exercise nor any delay in exercising, on the part of Grantee, any right, power, or privilege under this Agreement or under the Loan Agreement or any other agreement, shall operate as a waiver. No single or partial exercise of any right, power, or privilege under this Agreement or under the Loan Agreement or any other agreement by Grantee shall preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege by Grantee.

12. **Rights Are Cumulative.** All of Grantee's rights and remedies with respect to the Collateral whether established by this Agreement, the Loan Agreement, or any other documents or agreements related to the Loan Agreement, or by law shall be cumulative and may be exercised concurrently or in any order.

13. **Attorney's Fees.** If any action relating to this Agreement is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable and documented attorney's fees, costs and disbursements.

14. **Amendments.** This Agreement may not be changed, waived, terminated or amended except pursuant to a written instrument signed by both parties hereto. Notwithstanding the foregoing, Grantor authorizes Grantee, upon notice to Grantor, to modify this Agreement in the name of and on behalf of Grantor without obtaining Grantor's signature to such modification, to the extent that such modification constitutes an amendment to this Agreement, or any schedules or exhibits thereto, to add any right, title, or interest in any Collateral created, owned, or subsequently acquired by Grantor. To the extent that any provision of this Agreement conflicts with any provision of the Loan Agreement, the provision giving Grantee greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to Grantee under the Loan Agreement. This Agreement, the Other Security Agreement, the Loan Agreement, and

the documents relating thereto comprise the entire agreement of the parties with respect to the matters addressed in this Agreement.

15. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such provision, or part thereof, in such jurisdiction, and shall not in any manner affect such provision or part thereof in any other jurisdiction, or any other provision of this Agreement in any jurisdiction.

16. Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile), each of which shall be deemed an original but all of which together shall constitute the same instrument.

17. Governing Law and Jurisdiction. This Agreement shall be governed by the laws of the United States of America and the Commonwealth of Virginia, without regard for choice of law provisions. Grantor and Grantee consent to the nonexclusive jurisdiction of any state or federal court located in Fairfax County, Virginia.

18. Confidentiality. In handling any confidential information, Grantee shall exercise the same degree of care that it exercises with respect to its own confidential information of the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this Agreement except that the disclosure of this information may be made (a) to the affiliates of Grantee, provided they have entered into a comparable confidentiality agreement in favor of the Grantor and have delivered a copy to the Grantor (b) to prospective transferee or purchasers of an interest in the Obligations secured hereby, provided that they have entered into a comparable confidentiality agreement in favor of Grantor and have delivered a copy to Grantor, (c) as required by law, regulation, rule or order, subpoena judicial order or similar order and (d) as may be required in connection with the examination, audit or similar investigation of Grantee.

19. WAIVER OF RIGHT TO JURY TRIAL. GRANTEE AND GRANTOR EACH HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO: (a) THIS AGREEMENT; OR (b) ANY CONDUCT, ACTS OR OMISSIONS OF GRANTEE OR GRANTOR OR ANY OF THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, ATTORNEYS OR ANY OTHER PERSONS AFFILIATED WITH GRANTEE OR GRANTOR BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS AGREEMENT; IN EACH OF THE FOREGOING CASES, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

THE TEACHING COMPANY LIMITED  
PARTNERSHIP

[SEAL]

By: TTC Management, L.P., its General Partner  
By: The Teaching Company, Inc.,

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Teaching Co (IP Security Agreement)  
101181.4  
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TRADEMARK  
REEL: 2238 FRAME: 0966

its General Partner

By: Thomas M. Rollins  
Thomas M. Rollins  
President

\_\_\_\_\_ OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.  
\_\_\_\_\_ )

on February 14 2001, before me, Monica D. Hayes  
in and for Alexander UP, Notary Public, personally appeared Thomas M. Rollins, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entities on behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Monica D. Hayes  
Notary Public

(Seal)

#101181v4

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Teaching Co (IP Security Agreement)  
101181.4  
EHARLLEE

TRADEMARK  
REEL: 2238 FRAME: 0968

EXHIBIT "A-1"

REGISTERED COPYRIGHTS

US Copyright Office -- Certificate of Registration  
VIDEO

Form PA

Course	Certificate	Registration Date
<b>HIGHSCHOOLSERIES</b>		
HS Algebra I	PA 964-486	11-12-99
HS Algebra II	PA 962-792	11-12-99
HS Basic Math	PA 962-738	11-12-99
HS Basic Math	PA-954-640	01-14-00
HS Geometry	PA 962-794	11-12-99
HS Chemistry	PA 962-867	11-12-99
HS World History: The Fertile Crescent to the American Revolution	PA 962-800	11-10-99
HS Early American History: Native Americans through the Forty-Niners	PA 962-793	11-12-99
How to Become a Superstar Student	PA 962-758	11-12-99
<b>SCIENCE</b>		
The Great Principles of Science, Parts I-V	PA 979-766	04-20-00
The Search for Intelligent Life in Space	PA 964-478	11-12-99
Einstein's Relativity and the Quantum Revolution: Modern Physics for Non-Scientists, Parts I-II	PA 986-115	04-26-00
The Joy of Mathematics, Parts I-II	PA 977-669	11-12-99
Understanding the Human Body: An Introduction to Anatomy & Physiology, Parts I through IV	PA 967-540	11-12-99
The Developing Adult: Biological and Psychosocial Perspectives, Parts I-II	PA 967-533	11-12-99
The Developing Adult: Biological and Psychosocial Perspectives, Parts I-II	PA 931-925	02-08-00
Biology and Human Behavior: The Neurological Origins of Individuality	PA 967-537	02-08-00
Biology and Human Behavior: The Neurological Origins of Individuality	PA 954-641	01-14-00
Understanding the Universe: An Introduction to Astronomy, Parts I through V	PA 967-501	11-12-99
An Introduction to Archaeology, Parts I-II	PA 967-544	11-12-99
An Introduction to Archaeology, Parts I-II	PA 954-644	01-14-00
<b>LITERATURE</b>		
Understanding Literature and Life: Drama, Poetry, and Narrative, Parts I,II,III	PA 962-798	11-12-99



20th Century American Fiction, Parts I through IV	PA 967-546	02-08-00
20th Century American Fiction, Parts I through IV	PA 931-927	02-08-00
Using Literature to Understand the Human Side of Medicine	PA 931-931	02-08-00
Classics of American Literature, Parts I through VII	PA 967-749	11-12-99
How to Read and Understand Poetry, Parts I-II	PA 964-473	11-12-99
Shakespeare: The Word and the Action, Parts I-II	PA 967-541	02-08-00
Shakespeare: The Word and the Action, Parts I-II	PA 931-935	02-08-00
William Shakespeare: Comedies, Histories, and Tragedies, Parts I-II-III	PA 962-739	11-12-99
Modern British Drama	PA 931-929	02-08-00
From Plato to Post-Modernism: Understanding the Essence of Literature and the Role of the Author, Parts I-II	PA 962-866	11-12-99
Science Fiction: The Literature of the Technological Imagination	PA 931-937	02-08-00
The Iliad of Homer	PA 964-483	11-12-99
The Odyssey of Homer	PA 964-480	11-12-99
The Aeneid of Virgil	PA 964-482	11-12-99
The Life and Writings of Geoffrey Chaucer	PA 962-864	11-12-99
The Life and Writings of John Milton	PA 962-862	11-10-99
Classical Mythology, Parts I-II	PA 986-117	04-26-00
The History of the English Language, Parts I-II-III	PA 962-737	12-02-99
<b>PHILOSOPHY AND THE HUMAN CONDITION</b>		
Great Minds of the Western Intellectual Tradition	PA 931-933	02-08-00
The Will to Power: The Philosophy of Friedrich Nietzsche, Parts I-II	PA 965-412	02-08-00
The Philosophy of Mind	PA 967-539	02-08-00
The Philosophy of Mind	PA 954-648	01-14-00
The Search for a Meaningful Past: Philosophies, Theories, and Interpretations of Human History, Parts I-II	PA 931-936	02-08-00
No Excuses: Existentialism and the Meaning of Life, Parts I-II	PA 986-118	04-26-00
Power Over People: Classical and Modern Political Theory, Parts I-II	PA 967-538	02-08-00
Power Over People: Classical and Modern Political Theory, Parts I-II	PA 954-646	01-14-00
The Birth of the Modern Mind: An Intellectual History of the 17th and 18th Centuries, Parts I-II	PA 962-796	11-12-99
The Quest for Meaning: Values, Ethics, and the Modern Experience, Parts I-II	PA 962-860	11-12-99
Plato, Socrates and the Dialogues, Parts I-II	PA 931-941	02-08-00
Greek Legacy: Classical Origins of the Modern World	PA 964-481	11-12-99
The Great Ideas of Philosophy: Parts I through V	PA 964-485	12-02-99
<b>ECONOMICS</b>		
Economics, Parts I-II	PA 962-799	11-12-99

Legends of Great Economists	PA 931-926	02-08-00
Finance and Accounting for the Non-Financial Manager, Parts I-II	PA 962-797	11-12-99
Business Statistics, Parts I-II	PA 962-858	11-12-99
<b>RELIGION</b>		
The New Testament, Parts I-II	PA 986-116	04-26-00
God and Mankind: Comparative Religions	PA 931-939	02-08-00
The Old Testament: An Introduction, Parts I-II	PA 967-532	11-12-99
The Old Testament: An Introduction, Parts I-II	PA 931-932	02-08-00
Thomas Aquinas: The Angelic Doctor	PA 986-058	05-04-00
Augustine: Philosopher and Saint	PA 964-477	11-12-99
Philosophy and Religion in the West, Parts I-II-III	PA 962-795	11-12-99
The Bible and Western Culture, Parts I-II	PA 967-536	02-08-00
The Bible and Western Culture, Parts I-II	PA 954-645	01-14-00
<b>PSYCHOLOGY</b>		
The Great Ideas of Psychology, Parts I through IV	PA 964-487	11-12-99
Is Anyone Really Normal? Perspectives on Abnormal Psychology	PA 931-940	02-08-00
Explaining Social Deviance	PA 931-934	02-08-00
<b>MUSIC</b>		
How to Listen to and Understand Great Music, Parts I through VI	PA 964-484	11-12-99
Concert Masterworks, Parts I through IV	PA 967-543	02-08-00
Concert Masterworks, Parts I through IV	PA 931-930	02-08-00
Bach and the High Baroque, Parts I through IV	PA 967-547	02-08-00
Bach and the High Baroque, Parts I through IV	PA 954-639	01-14-00
Elements of Jazz: From Cakewalks to Fusion	PA 967-545	02-08-00
Elements of Jazz: From Cakewalks to Fusion	PA 954-643	01-14-00
The Symphonies of Beethoven, Parts I through IV	PA 967-548	02-08-00
The Symphonies of Beethoven, Parts I through IV	PA 954-647	01-14-00
How to Listen to and Understand Opera, Parts I through IV	PA 964-488	11-12-99
<b>HISTORY</b>		
Ancient Greek Civilization, Parts I-II	PA 964-474	11-12-99
The History of Ancient Egypt, Parts I through IV	PA 986-102	04-26-00
The History of Ancient Rome, Parts I through IV	PA 962-868	11-12-99
Alexander the Great and the Hellenistic Age, Parts I-II	PA 986-106	05-05-00
World War II: A Military and Social History, Parts I-II-III	PA 977-670	11-12-99
Europe and Western Civilization in the Modern Age, Parts I through IV	PA 979-765	04-20-00
The Rise and Fall of Soviet Communism: A History of Twentieth-Century Russia, Parts I-II	PA 967-542	02-08-00
The Rise and Fall of Soviet Communism: A History of Twentieth-Century Russia, Parts I-II	PA 954-642	01-14-00
Must History Repeat the Great Conflicts of this Century?	PA 931-928	02-08-00

Thomas Jefferson: An American Visionary	PA 964-479	11-12-99
The history of the United States, Parts I through VII	PA 931-938	02-08-00
Medieval Europe: Crisis and Renewal, Parts I-II	PA 962-859	11-12-99
Abraham Lincoln: In His Own Words, Parts I-II	PA 962-863	11-12-99
The American Civil War, Parts I-IV	PA 986-101	04-26-00

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Course	Certificate	Registration Date
<b>SCIENCE</b>		
The Great Principles of Science, Parts I-V	SR 179-105	10-26-99
The Search for Intelligent Life in Space	SR 278-637	04-26-00
Einstein's Relativity and the Quantum Revolution: Modern Physics for Non Scientists, Parts I-II	SR 278-631	04-26-00
Energy and Climate: Science for Citizens in the Age of Global Warming	SR 267-387	10-25-99
The Developing Adult: Biological and Psychosocial Perspectives, Parts I-II	SR 179-103	10-25-99
Biology and Human Behavior; The Neurological Origins of Individuality	SR 265-069	10-25-99
An Introduction to Archaeology, Parts I-II	SR 179-115	11-03-99
<b>LITERATURE</b>		
Great Authors of the Western Literary Tradition, Parts I through VII	SR 267-386	11-05-99
Great Writers: Their Lives and Works	SR 179-124	10-25-99
Understanding Literature and Life: Drama, Poetry, and Narrative, Parts I,II,III	SR 179-107	10-26-99
20th Century American Fiction, Parts I through IV	SR 179-108	10-25-99
Using Literature to Understand the Human Side of Medicine	SR 267-376	02-08-00
Hell, Pergatory, Paradise: Dante's Divine Comedy	SR 265-070	10-25-99
Classics of American Literature, Parts I through VII	SR 179-100	10-20-99
How to Read and Understand Poetry, Parts I-II	SR 179-131	11-03-99
Shakespeare: The Word and the Action, Parts I-II	SR 179-112	11-03-99
William Shakespeare: Comedies, Histories, and Tragedies, Parts I-II-III	SR 179-132	11-05-99
Modern British Drama	SR 267-380	02-08-00
Literary Modernism: The Struggle for Modern History	SR 267-384	10-22-99
From Plato to Post-Modernism: Understanding the Essence of Literature and the Role of the Author, Parts I-II	SR 179-130	11-03-99
Science Fiction: The Literature of the Technological Imagination	SR 267-391	02-08-00
The Iliad of Homer	SR 179-120	11-03-99
The Odyssey of Homer	SR 179-109	11-03-99
The Aeneid of Virgil	SR 267-927	11-12-99
The Life and Writings of Geoffrey Chaucer	SR 179-102	10-25-99
The Life and Writings of John Milton	SR 179-136	10-25-99
Classical Mythology, Parts I-II	SR 278-636	04-26-00
The History of the English Language, Parts I-II-III	SR 179-128	11-12-99

Great Minds of the Western Intellectual Tradition, Parts I through VI	SR 267-393	02-08-00
The Will to Power: The Philosophy of Friedrich Nietzsche, Parts I-II	SR 179-119	11-12-99
The Self Under Siege: Philosophy in the Twentieth Century	SR 267-392	10-25-99
The Philosophy of Mind	SR 179-123	10-25-99
The Search for a Meaningful Past: Philosophies, Theories, and Interpretations of Human History, Parts I-II	SR 267-388	02-08-00
No Excuses: Existentialism and the Meaning of Life, Parts I-II	SR 278-632	04-26-00
Power Over People: Classical and Modern Political Theory, Parts I-II	SR 267-383	11-03-99
The Birth of the Modern Mind: An Intellectual History of the 17th and 18th Centuries, Parts I-II	SR 418-638	10-26-99
Freedom: The Philosophy of Liberation	SR 265-067	11-03-99
The Quest for Meaning: Values, Ethics, and the Modern Experience, Parts I-II	SR 179-135	11-03-99
Plato, Socrates and the Dialogues, Parts I-II	SR 267-389	02-08-00
Greek Legacy: Classical Origins of the Modern World	SR 179-114	11-03-99
The Soul and the City: Art, Literature, and Urban Living	SR 265-068	11-03-99
The Great Ideas of Philosophy: Parts I through V	SR 179-111	11-03-99
<b>BUSINESS</b>		
Economics, Parts I-II	SR 265-066	11-03-99
Legacies of Great Economists	SR 267-378	02-08-00
A History of the U.S. Economy in the 20th Century	SR 267-949	11-03-99
Business Law: Contracts	SR 265-071	11-03-99
Business Law: Negligence and Torts	SR 267-381	11-03-99
Contemporary Economic Issues, Parts I through IV	SR 274-735	04-26-00
<b>RELIGION</b>		
Great World Religions: Beliefs, Practices, and Histories, Parts I through V	SR 265-072	10-25-99
Augustine: Philosopher and Saint	SR 179-104	10-25-99
The New Testament: An Introduction	SR 267-385	10-25-99
The New Testament, Parts I-II	SR 278-634	04-28-00
God and Mankind: Comparative Religions	SR 267-377	02-08-00
Apocalypse Now, Apocalypse Then: Prophecy in the Modern World, Parts I-II	SR 179-126	11-12-99
Philosophy and Religion in the West, Parts I-II-III	SR 267-946	11-12-99
The Old Testament: An Introduction, Parts I-II	SR 179-122	11-12-99
Thomas Aquinas: The Angelic Doctor	SR 278-635	05-01-00
The Bible and Western Culture, Parts I-II	SR 179-133	11-12-99
Is Anyone Really Normal? Perspectives on Abnormal Psychology	SR 267-375	02-08-00

The Great Ideas of Psychology, Parts I through IV	SR 272-206	04-20-00
Explaining Social Deviance	SR 267-390	02-08-00
<b>ARTS</b>		
How to Listen to and Understand Great Music, Parts I through VI	SR 179-113	11-12-99
Concert Masterworks, Parts I through IV	SR 179-129	11-12-99
Bach and the High Baroque, Parts I through IV	SR 267-948	12-02-99
Elements of Jazz: From Cakewalks to Fusion	SR 267-382	11-12-99
The Symphonies of Beethoven, Parts I through IV	SR 267-947	02-08-00
How to Listen to and Understand Opera, Parts I through IV	SR 179-121	11-12-99
<b>ARTS</b>		
Ancient Greek Civilization, Parts I-II	SR 179-106	10-25-99
The History of Ancient Egypt, Parts I through IV	SR 278-633	04-28-00
Alexander the Great and the Hellenistic Age, Parts I-II	SR 279-836	05-01-00
The History of Ancient Rome, Parts I through IV	SR 179-116	11-05-99
The History of Hitler's Empire	SR 267-928	11-12-99
World War II: A Military and Social History, Parts I-II-III	SR 179-127	11-12-99
Europe and Western Civilization in the Modern Age, Parts I through IV	SR 179-101	11-12-99
The Rise and Fall of Soviet Communism: A History of Twentieth-Century Russia, Parts I-II	SR 179-125	11-10-99
Must History Repeat the Great Conflicts of this Century?	SR 267-379	02-08-00
Thomas Jefferson: An American Visionary	SR 179-117	11-03-99
The History of the United States, Parts I through VII	SR 267-374	02-08-00
Medieval Europe: Crisis and Renewal, Parts I-II	SR 179-134	11-10-99
Abraham Lincoln: In His Own Words, Parts I-II	SR 179-110	11-12-99
The American Civil War, Parts I through IV	SR 278-638	04-26-00

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REEL: 2238 FRAME: 0975

EXHIBIT "A-2"

UNREGISTERED RIGHTS

US Copyright Office -- Certificate of Registration  
VIDEO

Form PA

Course	Certificate	Application Date
<b>PHILOSOPHY</b>		
The Life and Writings of C.S. Lewis	pending	12-15-00
Greek Tragedy, Parts I-II	pending	12-15-00
Comedy Through the Ages	pending	12-15-00
King Arthur and Chivalry, Parts I-II	pending	12-15-00
<b>PHILOSOPHY / ANTIQUITIES / HISTORY</b>		
Great Minds of the Western Intellectual Tradition, 3rd Edition Parts I-VII	pending	12-15-00
<b>RELIGION</b>		
The Historical Jesus, Parts I-II	pending	12-15-00
Francis of Assisi	pending	12-15-00
<b>MUSIC</b>		
Great Masters: Hayden	pending	12-15-00
Great Masters: Tchaikovsky	pending	12-15-00
Great Masters: Stravinsky	pending	12-15-00
Great Masters: Mozart	pending	12-15-00
<b>ARTS</b>		
Neolithic Europe	pending	12-15-00
Great Presidents, Parts I through IV	pending	12-15-00

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Course	Certificate	Application Date
<b>LITERATURE</b>		
The Life and Writings of C.S. Lewis	pending	12-15-00
Greek Tragedy, Parts I-II	pending	12-15-00
Comedy Through the Ages	pending	12-15-00
King Arthur and Chivalry, Parts I-II	pending	12-15-00
<b>PHILOSOPHY</b>		
Great Minds of the Western Intellectual Tradition, 3rd Edition Parts I-VII	pending	12-15-00
<b>RELIGION</b>		
The Historical Jesus, Parts I-II	pending	12-15-00
Francis of Assisi	pending	12-15-00
<b>MUSIC</b>		
Great Masters: Hayden	pending	12-15-00
Great Masters: Tchaikovsky	pending	12-15-00
Great Masters: Stravinsky	pending	12-15-00
Great Masters: Mozart	pending	12-15-00
<b>HISTORY</b>		
Neolithic Europe	pending	12-15-00
Great Presidents, Parts I through IV	pending	12-15-00

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Exhibit "A-3" attached to that certain Security Agreement (Intellectual Property):

**EXHIBIT "A-3"**

**DESCRIPTION OF LICENSE AGREEMENTS**

N/A

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Teaching Co (IP Security Agreement)  
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Exhibit "B" attached to that certain Security Agreement (Intellectual Property):

**EXHIBIT "B"**

**PATENTS**

N/A

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Teaching Co (IP Security Agreement)  
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EXHIBIT "C"

TRADEMARKS

<u>MARK</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>STATUS</u>
GREAT COURSES ON TAPE	USA	75/495264	Registered
GREAT TEACHERS LIBRARY	USA	74/6604332	Registered
MIRUS UNIVERSITY (SM)	USA	75/069752	Registered
SUPERSTAR TEACHERS	USA	74/085908	Registered
THE TEACHING COMPANY	USA	74/074104	Registered
TORCH WITH STARS (LOGO)	USA	74/076241	Registered

EXHIBIT "D"

ASSIGNMENT

**THIS ASSIGNMENT** dated the <sup>14<sup>th</sup></sup> day of February, 2001, from THE TEACHING COMPANY LIMITED PARTNERSHIP, a Delaware limited partnership (the "Assignor"), to BRANCH BANKING AND TRUST COMPANY OF VIRGINIA (the "Assignee"), recites and provides:

WHEREAS, Assignor is the owner of certain copyrights, and/or copyright registrations, as set forth Exhibit A-1 and Exhibit A-2 to the Security Agreement (Intellectual Property) entered into between the parties hereto (collectively, the "Copyrights") on February \_\_, 2001; and

WHEREAS, Assignee desires to obtain all of the Assignor's right, title and interest in all such Copyrights.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. **Transfer and Assignment.** Assignor hereby fully, unconditionally and irrevocably transfers, assigns, delivers and conveys to Assignee, all worldwide right, title and interest, including, without limitation, any and all copyrights and any renewals or extensions thereto, moral rights, rights of the works of visual arts under the Visual Artists Rights Act of 1990, and the goodwill associated with same, ancillary rights or other proprietary or intellectual property rights of any kind or nature therein (all of the foregoing being defined herein collectively as the "Intellectual Property Rights"), in and to the Copyrights and the works of authorship subject to same (the "Works of Authorship"), and each and every original, interim and final version, copy, replica, prototype or other original work of authorship thereof or in any way related thereto, and any and all reproductions, distribution rights, ancillary rights, performances, displays, derivative works, amendments, versions, modifications, copies or other permutations thereof, regardless of the form or type and regardless of when made, created, developed or fixed in any tangible medium of expression, in any and all media, whether now known or later created (all of the foregoing items which are being assigned hereby, including, without limitation all Works of Authorship and all Intellectual Property Rights in any and all of the Works of Authorship, being collectively defined herein as the "Work Product"). Assignor also assigns all future and past causes of action, damages, profits, penalties and other recoveries related to the Work Product. Assignor represents that Assignor is the lawful owner of the rights in and to the Work Product, and that all Work Product is being assigned pursuant hereto free and clear of any and all liens, encumbrances, pledges or claims of any individual or entity.

2. **Further Documentation and Actions.** Assignor hereby agrees not to take any actions inconsistent with this Assignment and to execute and deliver such instruments, agreements,

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registrations or other documentation, and to take such further actions, as may be deemed necessary or appropriate by Assignee from time to time to effect the purposes of this Assignment or the protection of the Work Product and Intellectual Property Rights therein.

3. **Construction.** This Assignment: (a) is governed by the law of the Commonwealth of Virginia; (b) may not be amended except by a writing executed by both parties; and (c) supersedes any oral or written agreement, understanding, discussion or other documentation to the contrary.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment on the day and year first above written.

THE TEACHING COMPANY LIMITED PARTNERSHIP [SEAL]

By: TTC Management, L.P., its General Partner
By: The Teaching Company, Inc., its General Partner

By: [Signature] Thomas M. Rollins President

\_\_\_\_\_ OF \_\_\_\_\_ )
COUNTY OF \_\_\_\_\_ ) ss.

On February 14, 2001, before me, Monica D. Hays, Notary Public, personally appeared Thomas M. Rollins, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entities on behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

[Signature]
Notary Public

(Seal)

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