

06-15-2001



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

6080

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

Change of Name

Other

Effective Date
Month Day Year
 05 23 01

Conveying Party

Mark if additional names of conveying parties attached

Name NETSCHOOLS CORPORATION

Execution Date
Month Day Year
 05 23 01

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization a California corporation

Receiving Party

Mark if additional names of receiving parties attached

Name TRANSAMERICA BUSINESS CREDIT CORPORATION

DBA/AKA/TA

Composed of

Address (line 1) 9399 West Higgins Road, Suite 600

Address (line 2)

Address (line 3) Rosemont Illinois U.S.A. 60018

City State/Country Zip Code

Individual General Partnership Limited Partnership 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.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization a Delaware corporation

FOR OFFICE USE ONLY

06/14/2001 LMUELLER 00000158 75928246

01 FC:481
02 FC:482

40.00 OR
125.00 OP

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
TRADEMARK

REEL: 002314 FRAME: 0767

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

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

#

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

Mark if additional numbers attached

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

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75928246"/>	<input type="text" value="76044019"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="76092283"/>	<input type="text" value="76091610"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75224985"/>	<input type="text" value="75927217"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

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

Kathryn Gambino, paralegal

6/4/01

Name of Person Signing

Signature

Date Signed

**SUPPLEMENT ONE
TO
PATENT AND TRADEMARK SECURITY AGREEMENT**

This SUPPLEMENT ONE TO PATENT AND TRADEMARK SECURITY AGREEMENT ("Agreement"), dated as of May 23, 2001, is entered into between **NETSCHOOLS CORPORATION**, a California corporation ("Grantor"), which has a mailing address at 100 Galleria Parkway N.W., Suite 1400, Atlanta, Georgia 30339 and **TRANSAMERICA BUSINESS CREDIT CORPORATION**, a Delaware corporation ("TBCC"), having its principal office at 9399 West Higgins Road, Suite 600, Rosemont, Illinois 60018, and having an office at 76 Batterson Park Road, Farmington, Connecticut 06032.

RECITALS

A. Grantor and TBCC previously entered into a Patent and Trademark Security Agreement dated as of August 10, 1999 (the "Original Agreement"), which was recorded in the U.S. Patent and Trademark Office on September 22, 1999 with respect to the trademarks and patents identified therein;

B. Grantor and TBCC also previously entered into a Loan and Security Agreement dated August 10, 1999 (as amended, if at all, the "Loan Agreement") and other instruments, documents and agreements contemplated thereby or related thereto (collectively, together with the Loan Agreement and the Original Agreement, the "Loan Documents"). Pursuant to the Loan Documents, Grantor has granted to TBCC a security interest in, among other things, all of Grantor's present and future general intangibles, including, without limitation, trademarks, patents and other "Collateral" (as defined in the Original Agreement);

C. Grantor and TBCC desire to supplement the Original Agreement to make specific reference to the trademarks, patents and other intellectual property set forth below. The Original Agreement shall continue in full force and effect with respect to the Collateral described therein. By entering into this Supplement, the parties do not intend to imply that the trademarks, patents and other intellectual property set forth below are not covered and perfected by the existing Loan Documents, including, without limitation, the Original Agreement and the Loan Agreement.

NOW THEREFORE, for valuable consideration, the parties hereto mutually agree as follows:

1. Exhibit A and Exhibit B of the Original Agreement are hereby supplemented by the addition of the intellectual property set forth on Exhibit A attached hereto, so that the "Collateral" (as defined in the Original Agreement) includes, without limitation, all of the intellectual property set forth in Exhibit A and Exhibit B to the Original Agreement and all of the intellectual property set forth in Exhibit A hereto.

2. Grantor confirms its grant to TBCC of a security interest in all of Grantor's right, title and interest in the Collateral, including, without limitation, all of the intellectual property set forth in Exhibit A and Exhibit B to the Original Agreement and all of the intellectual property set

forth in Exhibit A hereto, to secure the payment and performance of all "Obligations" (as defined in the Loan Agreement).

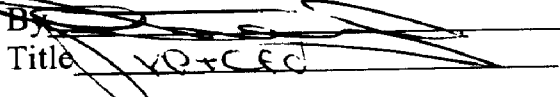
3. The Grantor represents and warrants that Exhibit A and Exhibit B to the Original Agreement, together with Exhibit A hereto, constitute a true and complete schedule of all federal and state trademark and patent registrations, and pending registrations and applications, owned or controlled by Grantor or licensed to Grantor.

4. Except as modified herein, all terms and conditions of the Original Agreement shall continue in full force and effect, and Grantor represents and warrants to TBCC that all representations and warranties set forth in the Original Agreement, as supplemented hereby, are true and correct. This Supplement is an integral part of the Original Agreement.

IN WITNESS WHEREOF, this Supplement has been executed as of the date first written above.

Grantor:

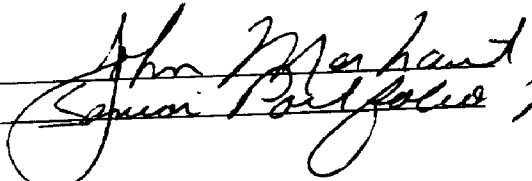
NETSCHOOLS CORPORATION

By 
Title VP + CEO

Accepted:

TBCC:

**TRANSAMERICA BUSINESS CREDIT
CORPORATION**

By 
Title Senior Portfolio Manager

LT:Suppl PT & TM (short)-1

**SUPPLEMENTAL LIST OF REGISTERED
AND PENDING TRADEMARKS**

Mark	Appl. No.	Date Filed
COMPUTER & STAR DESIGN	75/928,246	02/25/00
CONSTELLATION	76/092,283	07/18/00
NETBOOK	75/224,985	01/13/97
NETSCHOOLS.COM	76/044,019	05/08/00
STARBOOK	76/091,610	07/19/00
TRANSFORMING EDUCATION	75/927,217	02/25/00

**SUPPLEMENTAL LIST OF PATENTS
AND PATENT APPLICATIONS**

NO SUPPLEMENTAL PATENT INFORMATION.