

08-21-2003

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)



U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

8-19-03

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

CHELSEA HOUSE PUBLISHERS, LLC

- Individual(s) Association
- General Partnership Limited Partnership
- Corporation-State
- Other a Delaware limited liability company

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

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

Execution Date: August 20, 2003

2. Name and address of receiving party(ies):

Name: The Bank of New York (Revolver Collateral Trustee)

Internal

Address: Attention: Mr. Steven Correll

Street Address: One Wall Street

City: New York State: NY Zip: 10286

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other New York Banking Corporation

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

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

A. Trademark Application No.(s)

76/384252, 76/384251

Additional number(s) attached Yes No

B. Trademark Registration No.(s)

2500342, 2502040, 2710069

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

Name: Julie L. Dalke, Esq.

Internal Address: Latham & Watkins LLP

Street Address: 650 Town Center Drive, Suite 2000

City: Costa Mesa State: CA Zip: 92626

6. Total number of applications and registrations involved:.....

5

7. Total fee (37 CFR 3.41).....\$ 140.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number

500524 (For additional fees, if any)

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

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.

Patricia A. Conner

Name of Person Signing

Signature

August 21, 2003

Date

Total number of pages including cover sheet, attachments, and document: 7

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

08/22/2003 070111 0000057 76384252

01 FC:0521
02 FD:0522

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TRADEMARK
REEL: 002805 FRAME: 0952

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of August 20, 2003, by Chelsea House Publishers, LLC ("Grantor"), in favor of The Bank of New York, as Collateral Trustee, for the benefit of the holders of the Priority Lien Obligations (as defined in the Collateral Trust Agreement).

W I T N E S S E T H:

WHEREAS, reference is made to that certain Collateral Trust Agreement, dated as of the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated supplemented or otherwise modified from time to time, the "Collateral Trust Agreement") among Hights Cross Operating Company, a Delaware corporation (the "Borrower"), Hights Cross Communications, Inc. a Delaware corporation, Sundance/Newbridge Educational Publishing, LLC, a Delaware limited liability company, Triumph Learning, LLC, a Delaware limited liability company, Recorded Books, LLC, a Delaware limited liability company, WF Howes Limited, a company incorporated in England and Wales, Oakstone Publishing LLC, a Delaware limited liability company, Chelsea House Publishers, LLC, a Delaware limited liability company, The Coriolis Group LLC, a Delaware limited liability company, and The Bank of New York, as Collateral Trustee, for The Bank of New York, (the "Revolver Administrative Agent") under the Revolving Credit Agreement, dated as of the date hereof among the Borrower, the several banks and other financial institutions or entities from time to time parties thereto, Bear Stearns & Co. Inc., as lead arranger, Bear Stearns Corporate Lending, Inc. as Syndication Agent and the Revolver Administrative Agent (including all annexes, exhibits or schedules thereto, as from time to time amended, restated supplemented or otherwise modified from time to time, the "Credit Agreement").

Grantor is required to execute and deliver to the Collateral Trustee for the benefit of the holders of the Priority Lien Obligations (as defined in the Collateral Trust Agreement), this Trademark Security Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in Collateral Trust Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL.

(a) Grantor hereby grants to the Collateral Trustee, for the benefit of the holders of the Priority Lien Obligations, a security interest and continuing lien on all of Grantor's right, title and interest in, to and under the following, whether now owned or existing or hereafter acquired or arising and wherever located (collectively, the "Trademark Collateral"):

(i) all United States, state and foreign trademarks, service marks, certification marks, collective marks, trade names, corporate names, d/b/as, business names, fictitious business names, internet domain names, trade styles, logos, other source or business identifiers, designs and general intangibles of a like nature, rights of publicity and privacy pertaining to the right to use names, likenesses and biographical data, all registrations and applications for any of the foregoing including, but not limited to, the registrations and applications referred

to on Schedule I hereto (as such schedule may be amended or supplemented from time to time);

(ii) the goodwill of the business symbolized by the foregoing, the right to sue for past, present and future infringements or dilution of any of the foregoing or for any injury to goodwill;

(iii) all proceeds of the foregoing, including, without limitation, royalties, income, payments, claims, damages, and proceeds of suit;

(iv) any and all agreements granting any right in, to or under Trademarks to which Grantor is a party (whether such Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Schedule I hereto (as such schedule may be amended or supplemented from time to time); and

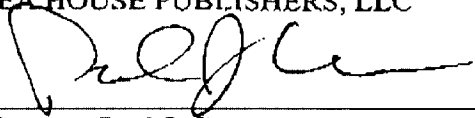
(v) to the extent not otherwise included above, all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing.

(b) Certain Limited Exclusions. Notwithstanding anything herein to the contrary, in no event shall the security interest granted herein attach to any of the following (collectively, the "Excluded Assets") and such Excluded Assets shall not be deemed Trademark Collateral for purposes of this Agreement: any lease, license, contract, property rights or agreement to which the Company or any Subsidiary is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of the Company or any Domestic Subsidiary therein or (ii) in a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law (including the Bankruptcy Code) or principles of equity); *provided, however*, that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified in (i) or (ii) above.

3. COLLATERAL TRUST AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to the Collateral Trustee, for the benefit of the holders of the Priority Lien Obligations, on behalf of itself and the other Secured Parties, pursuant to the Collateral Trust Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Collateral Trustee with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Collateral Trust Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

CHELSEA HOUSE PUBLISHERS, LLC


By: 
Name: Paul J. Crecca
Title: Vice President

ACKNOWLEDGMENT OF GRANTOR

STATE OF New York)
COUNTY OF New York)

ss.

Paul Crecca On this 13 day of August, 2003 before me personally appeared Paul Crecca, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantors, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

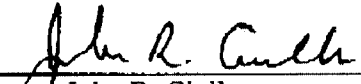

Notary Public MITCHELL GOLDSMITH
Notary Public - State of New York
No. 01GO6002905
Qualified in New York County
My Commission Expires Feb. 17, 2006

{seal}

[SIGNATURES CONTINUED ON NEXT PAGE]

ACCEPTED AND ACKNOWLEDGED BY:

THE BANK OF NEW YORK
AS COLLATERAL TRUSTEE

By: 
Name: John R. Ciulla
Title: Managing Director

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT
TRADEMARK REGISTRATIONS, APPLICATIONS AND LICENSES

(see attached)

**SCHEDULE I
TRADEMARKS**

Owner: Chelsea House Publishers, LLC

| <u>Trademark</u> | <u>Application/ Registration No.</u> | <u>Application/ Registration Date</u> |
|--|--|---|
| CHELSEA CLUBHOUSE and Design | 76/384252 | March 14, 2002 |
| CHELSEA HOUSE PUBLISHERS and Design | 76/384251 | March 14, 2002 |
| CHELSEA CLUBHOUSE | 2710069 | April 22, 2003 |
| CHELSEA HOUSE PUBLISHERS | 2502040 | October 30, 2001 |
| CHELSEA HOUSE | 2500342 | October 23, 2001 |