

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	Termination of Security Interest in Trademarks
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
BFI Business Finance		05/06/2004	COMPANY: CALIFORNIA

RECEIVING PARTY DATA	
Name:	VideoDiscovery, Inc.
Street Address:	920 North 34th Street
City:	Seattle
State/Country:	WASHINGTON
Postal Code:	98103
Entity Type:	COMPANY: WASHINGTON

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Registration Number:	1927473	SCIENCE SLEUTHS
Registration Number:	1831184	VIDEODISCOVERY MEDIAMAX

CORRESPONDENCE DATA	
Fax Number:	(650)213-0260
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(650)812-1300
Email:	patrademarks@manatt.com
Correspondent Name:	Manatt, Phelps & Phillips, LLP
Address Line 1:	1001 Page Mill Road, Building 2
Address Line 4:	Palo Alto, CALIFORNIA 94304

ATTORNEY DOCKET NUMBER:	21992.606
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NAME OF SUBMITTER:	Charlotte C. Carberry, Paralegal
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Total Attachments: 11
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TERMINATION OF INTEREST IN PATENTS, TRADEMARKS, AND COPYRIGHTS

This **Termination of Interest in Patents, Trademarks, and Copyrights** (this "Termination") is executed as of **May 6, 2004**, by **BFI Business Finance, successor in interest to Business Factors, Inc.**, a California corporation, whose address and principal place of business is 1655 The Alameda, San Jose, California 95126 (the "Assignee") with reference to that certain **Collateral Assignment, Patent Mortgage and Security Agreement dated April 8, 1998** (the "Agreement") by and between **VideoDiscovery, Inc.**, a Washington corporation whose address and principal place of business is 920 N. 34th Street, #300, Seattle, Washington 98103 (the "Borrower/Assignor") and Assignee. Initially capitalized terms not defined in this Termination shall have the meanings set forth in the Agreement.

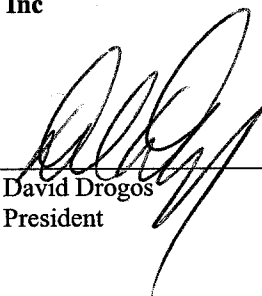
For good and valuable consideration, receipt of which is hereby acknowledged, Assignee hereby releases the security interests granted by Borrower/Assignor to the Assignee with respect to all Trademarks and Copyrights described in the Agreement. A true and correct copy of the Agreement is attached hereto as **Exhibit A**.

To the extent that Assignee shall be deemed to have any right, title or interest in the Patents, Assignee hereby retransfers and reassigns all of such right, title and interest to the Borrower/Assignor of all such right, title and interest, without representation or warranty of any kind whatsoever.

This Termination shall be governed by the laws of the State of California.

In witness whereof, the Assignee has caused this Termination to be executed by its duly authorized officer as of the date first above written.

BFI Business Finance, successor in interest to Business Factors, Inc

By: 
David Drogos

Its: President



**COLLATERAL ASSIGNMENT, PATENT MORTGAGE AND SECURITY
AGREEMENT**

This Collateral Assignment, Patent Mortgage and Security Agreement (this "Collateral Assignment") is made as of the 8th day of April, 1998 by and between Videodiscovery, Inc., a Washington corporation ("Borrower/Assignor") with an address at 1700 Westlake Avenue, Seattle, Washington 98109 and Business Factors, Inc. ("Assignee"), a California corporation, with its headquarter office at 1655 The Alameda, San Jose, California 95126

RECITALS

A. Assignee has agreed to lend to Borrower/Assignor certain funds (the "Loan"), and Borrower/Assignor desires to borrow such funds from Assignee, pursuant to the terms of that certain Loan & Security Agreement (Accounts & Inventory) dated April 6, 1998 and documents executed in connection therewith (collectively, the "Loan Agreements").

B. In order to induce Assignee to make the Loan, Borrower/Assignor has agreed to assign, for collateral purposes only, certain intangible property to Assignee for the purpose of securing the obligations of Borrower/Assignor to Assignee.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Assignment, Patent Mortgage and Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Borrower/Assignor's present or future indebtedness, obligation and liabilities to Assignee, Borrower/Assignor hereby assigns, transfers, conveys and grants a security interest in and a mortgage to Assignee, as security, Borrower/Assignor's entire right, title and interest in, to and under the following (all of which shall collectively be called the "Collateral"):

(a) Any and all copyright rights, copyright application, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including, without limitation, those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, or acquired or held;

(c) Any and all design rights which may be available to Borrower/Assignor now or hereafter existing, created, acquired or held;

(d) 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");

(e) Any trademark and service mark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower/Assignor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks");

(f) Any and all claims for damages by way of past, present and future infringement 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;



EXHIBIT "A"
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(g) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use; and

(h) 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.

THE INTEREST IN THE COLLATERAL BEING ASSIGNED HEREUNDER SHALL NOT BE CONSTRUED AS A CURRENT ASSIGNMENT, BUT AS A CONTINGENT ASSIGNMENT TO SECURE BORROWER/ASSIGNOR'S OBLIGATIONS TO ASSIGNEE UNDER THE NOTE AND SECURITY AGREEMENT.

2. Authorization and Request. Borrower/Assignor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this Collateral Assignment.

3. Covenants and Warranties. Borrower/Assignor represents, warrants, covenants and agrees as follows:

(a) Borrower/Assignor is now the sole owner of the Collateral, except for non-exclusive licenses granted by Borrower/Assignor to its customers in the ordinary course of business and except for liens, encumbrances or security interests described in Exhibit D attached hereto;

(b) The performance of this Collateral Assignment does not conflict with or result in a breach of any agreement to which Borrower/Assignor is party or by which Borrower/Assignor is bound;

(c) During the term of this Collateral Assignment, Borrower/Assignor will not transfer or otherwise encumber any interest in the Collateral, except for non-exclusive licenses granted by Borrower/Assignor;

(d) Each of the Patents is valid and enforceable, and no part of the Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Collateral violates the rights of any third party;

(e) Borrower/Assignor shall promptly advise Assignee of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Borrower/Assignor in or to any Trademark, Patent or Copyright not specified in this Collateral Assignment;

(f) Borrower/Assignor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights; (ii) use its best efforts to detect infringements of the Trademarks, Patents and copyrights and promptly advise Assignee in writing of material infringements detected; and (iii) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Assignee, which shall not be unreasonably withheld;

(g) Borrower/Assignor shall promptly register the most recent version of any of Borrower/Assignor's copyrights, if not so already registered, and shall, from time to time, execute and file such other instruments, and take such further actions as Assignee may request from time to time to perfect or continue the perfection of Assignee's interest in the Collateral;

(h) This Collateral Assignment creates, and in the case of after acquired Collateral, this Assignment will create at the time Borrower/Assignor first has rights in such after acquired Collateral, in favor of Assignee a valid and perfected first priority security interest in the Collateral in the United States securing the payment and performance of the obligations evidenced by the Note upon making the filings referred to in clause (i) below;

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(i) Except for, and upon, the filing with the United States Patent and Trademark office with respect to the Patents necessary to perfect the security interests and assignment 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 governmental authority or regulatory body is required either (i) for the grant by Borrower/Assignor of the security interest granted hereby or for the execution, delivery or performance of this Collateral Assignment or by Borrower/Assignor; or (ii) for the perfection in the United States or the exercise by Assignee of its rights and remedies hereunder;

(j) All information heretofore, herein or hereafter supplied to Assignee by or on behalf of Borrower/Assignor with respect to the Collateral is accurate and complete in all material respects;

(k) Borrower/Assignor shall not enter into any agreement that would materially impair or conflict with Borrower/Assignor's obligations hereunder without Assignee's prior written consent. Borrower/Assignor shall not permit the inclusion in any contract to which it becomes a party of any provisions that could or might in any way impair or prevent the creation of a security interest in Borrower/Assignor's rights and interests in any property included within the definition of the Collateral acquired under such contracts; and

(l) Upon any officer of Borrower/Assignor obtaining knowledge thereof, Borrower/Assignor will promptly notify Assignee in writing of any event that materially adversely affects the value of any of the Collateral, the ability of Borrower/Assignor or Assignee to dispose of any of the Collateral or the rights and remedies of Assignee in relation thereto, including the levy of any legal process against any of the Collateral.

4. Assignee's Rights. Assignee shall have the right, but not the obligation, to take, at Borrower/Assignor's sole expense, any actions that Borrower/Assignor is required under this Collateral Assignment to take but which Borrower/Assignor fails to take, after five (5) days' telephonic or written notice to Borrower/Assignor. Borrower/Assignor shall reimburse and indemnify Assignee for all costs and expenses incurred in the reasonable exercise of its rights under this Section 4.

5. Inspection Rights. Borrower/Assignor hereby grants to Assignee and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable notice to Borrower/Assignor, any of Borrower/Assignor's and its subcontractors' plants and facilities that manufacture, install or store products (or that have done so during the prior six-month period) that are sold under any of the Collateral, and to inspect the products and quality control records relating thereto upon reasonable notice to Borrower/Assignor and as often as may be reasonably requested; provided, however, nothing herein shall entitle Assignee to access to Borrower/Assignor's trade secrets and/or other proprietary information.

6. Further Assurances: Attorney in Fact.

(a) On a continuing basis, Borrower/Assignor will, at its own expense, 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 Trademark Office, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Assignee to carry out the intent and purposes of this Collateral Assignment, or for assuring and confirming to Assignee the grant or perfection of a security interest in all Patents.

(b) Borrower/Assignor hereby irrevocably appoints Assignee as Borrower/Assignor's attorney-in-fact, with full authority in the place and stead of Borrower/Assignor and in the name of Borrower/Assignor, Assignee or otherwise, from time to time in Assignee's discretion, to take any action and to execute any instrument which Assignee may deem necessary or advisable to accomplish the purposes of this Collateral Assignment, including:



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(i) To modify, in its sole discretion, this Collateral Assignment without first obtaining Borrower/Assignor's approval of or signature to such modification by amending Exhibit A, Exhibit B and Exhibit C thereof, to include reference to any right, title or interest in any copyright, patents, or trademarks acquired by Borrower/Assignor after the execution hereof or to delete any reference to any right, title, interest in any copyrights, patents, or trademarks in which Borrower/Assignor no longer has or claims any right, title or interest; and,

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Borrower/Assignor where permitted by law.

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

(a) An Event of Default occurs under the Loan Agreements or any other agreement with Borrower / Assignor; or

(b) Borrower/Assignor breaches any warranty or agreement made by Borrower/Assignor in this Collateral Assignment.

8. Remedies. Upon the occurrence of an Event of Default, Assignee shall have the right to exercise all of the rights and remedies of a secured party under the California Uniform Commercial Code, including, without limitation, the right to require Borrower/Assignor to assemble the Collateral and to make it available to Assignee at a place designated by Assignee. Borrower/Assignor will pay any expenses (including attorneys' fees and legal and other costs) incurred by Assignee in connection with the exercise of any of Assignee's rights hereunder, including, without limitation, any expense incurred in disposing of the Collateral. All of Assignee's rights and remedies with respect to the Collateral shall be cumulative.

9. Indemnity. Borrower/Assignor agrees to defend, indemnify and hold harmless Assignee and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses or expenses in any way suffered, incurred, or paid by Assignee as a result of or in any way arising out of, following or consequential to transactions between Assignee and Borrower/Assignor, whether under this Collateral Assignment or otherwise (including, without limitation, attorneys' fees and legal and other costs), except for losses arising from or out of Assignee's gross negligence or willful misconduct.

10. Reassignment. At such time as Borrower/Assignor shall completely satisfy all of the obligations secured hereunder, Assignee shall execute and deliver to Borrower/Assignor all deeds, assignments and other instruments as may be necessary or proper to revest in Borrower/Assignor full title to the property assigned hereunder, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

11. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. Attorneys' Fees. If any action relating to this Collateral Assignment is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable attorneys' fees, legal and other costs and disbursements.

12. Insertions; Amendments. This Collateral Assignment is an integrated agreement and supersedes all prior agreements and/or negotiations regarding the subject matter hereof. This Collateral Assignment may be amended only by a written instrument signed by both parties hereto.

13. Counterparts. This Collateral Assignment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

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14. California Law and Jurisdiction. This Collateral Assignment shall be governed by the laws of the State of California, without regard for choice of law principles. Borrower/Assignor and Assignee consent to the non-exclusive jurisdiction of any state or federal court located in Santa Clara County, California.

IN WITNESS WHEREOF, the parties hereto have executed this Collateral Assignment, Patent Mortgage and Security Agreement as of the day and year first above written.

BORROWER/ASSIGNOR:

VIDEODISCOVERY, INC.

By: D. Joseph Clark
D. Joseph Clark
Title: Chairman/CEO

ASSIGNEE:

BUSINESS FACTORS, INC.

By: David Drogos
David Drogos
Title: Vice President

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EXHIBIT A

SCHEDULE A - ISSUED COPYRIGHTS

<u>Copyright Description</u>	<u>Registration No.</u>	<u>Date of Issuance</u>
Bio Sci Videodisk	PA-225-650	04/23/84
Life Cycles	PA-310-763	12/13/86
Pollination Biology	PA-474-704	01/01/90
The Cell Biology Videodisc	PA-578-062	11/16/90
Bio-Sci-II Video Disk	PA-578-063	11/16/90
Science Discovery Science <u>Sleuths</u>	PA-608-198	10/08/92
Atoms to Anatomy: A Multimedia View of Human Systems	PA-608-199	10/08/92
Life Lab Science	PA-612-000	10/08/92
Bio Sci II Elementary Edition	PA-613-570	10/08/92
Evolution, Inquiries into Biology and Earth Science	PA-613-573	10/08/92
Science Discovery Image and Activity Bank	PA-613-574	10/08/92
Physics at the Indy 500	PA-613-575	10/08/92
Physics at Work	PA-659-839	10/08/92
Death Trap: The Biology of Carnivorous Plants	PAU-1-306-770	08/23/89
Encyclopedia of Landscape Plants	PAU-1-347-714	10/31/89

SCHEDULE B - PENDING COPYRIGHT APPLICATIONS

<u>Copyright Description</u>	<u>Application No.</u>	<u>Date of Filing</u>	<u>Date of Creation</u>	<u>First Date of Public Distribution</u>
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(None if left blank)

SCHEDULE C - UNREGISTERED COPYRIGHTS

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<u>Copyright Description</u>	<u>Date of Creation</u>	<u>First Date of Distribution</u>	<u>Original Author or Owner (If Different From Borrower/ Assignor)</u>	<u>Date and Recordation Number of Assignment to Borrower/Assignor (If Original Author or Owner of Copyright is Different From Borrower/Assignor)</u>
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(None if left blank)



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EXHIBIT B
PATENTS

Patent Description	U.S. Patent No.	Issue Date	Status
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NONE REFLECTED IN THIS AGREEMENT



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SCHEDULE A - ISSUED TRADEMARKS

Trademark Description	Country	Serial No.	Registration No.	Status
Science Sleuths	U.S.	74533939	1927473	06/06/94/ 01/23/96
Videodiscovery	U.S.	74533499	1950235	06/06/94/ 01/23/96
Videodiscovery Mediamax	U.S.	74412616	1831184	07/15/93/ 04/19/94

SCHEDULE B - UNREGISTERED TRADEMARKS

Trademark Description	Country	Serial No.	Registration No.	Status
Videodiscovery	U.S.	73/478,024	1,345,798	04/30/84 07/02/85 cancelled
Videodiscovery Digital	U.S.	74695476		06/30/95 10/24/96 abandoned
"__ Sleuths"	U.S.	75/074,299		03/18/96 abandoned



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EXHIBIT D

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LIENS AND ENCUMBRANCES

(NONE IF LEFT BLANK)

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