

01-25-1999



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Patent and Trademark Office
TRADEMARK

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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
Effective Date
Month Day Year
- Merger
- 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/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

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

01/22/1999 DCDATES 00000041 1844162

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 75.00 OP

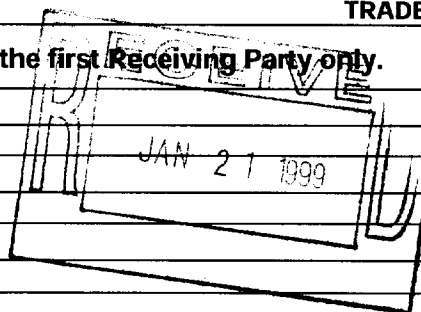
Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent 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: 1842 FRAME: 0982

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"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,844,162"/>	<input type="text" value="1,922,224"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,871,164"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,872,353"/>	<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.

Priscilla L. Sulham
Name of Person Signing

Priscilla L. Sulham
Signature

1/13/99
Date Signed

RELEASE AND TERMINATION OF SECURITY AGREEMENT

This Release and Termination of Security Agreement ("Release") is by and between WATERFORD INSTITUTE, INC., a Delaware non-profit corporation (hereinafter "Debtor") and MICROSOFT CORPORATION, a Washington corporation, (hereinafter "Secured Party").

WHEREAS, on February 2, 1996, Debtor and Secured Party entered into a Security Agreement, pursuant to which Debtor agreed to assign to Secured Party a security interest in the intellectual property described in Schedule 1 attached hereto;

WHEREAS, said Security Agreement was recorded in the United States Patent and Trademark Office on February 12, 1996, at Reel 1434, Frame 0499 and at Reel 7813, Frame 0769; and

WHEREAS, Assignor and Assignee agree that no event of default as set forth in Section 7 of the Security Agreement has occurred and that Secured Party wishes to release Debtor from the obligations of the Security Agreement and to declare said Agreement terminated.

NOW, THEREFORE, in consideration of the promises and obligations in said Security Agreement and herein, Secured Party and Debtor agree as follows:

1. Secured Party hereby releases Debtor from the obligations of the Security Agreement, and declares said Security Agreement terminated. Secured Party hereby expressly recognizes that, as of the date of execution of this Release, Debtor is the exclusive owner of the intellectual property and the good will represented by the intellectual property.
2. Secured Party and Debtor agree that this Release shall be recorded in due course in the United States Patent and Trademark Office.
3. This Release shall be interpreted in accordance with the laws of the State of Washington and the United States of America.

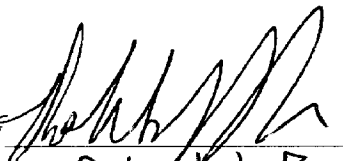
IN WITNESS WHEREOF, the parties have caused this Release to be duly executed this 1st day of October, 1998.

SECURED PARTY:

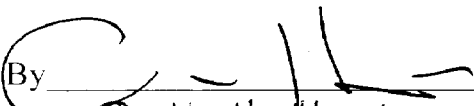
DEBTOR:

MICROSOFT CORPORATION,
a Washington corporation

WATERFORD INSTITUTE, INC.,
a Delaware non-profit corporation

By 

Robert J. Bach (name)
Vice President, LEFD (title)

By 

Dustin H. Houston (name)
Chairman (title)

State of Washington)

) ss.

County of King)

On this 1st day of October, 1998, before me personally came Robert J Bach to me known, who being by me duly sworn, did depose and say that he is the Vice President, LEPP of Microsoft Corporation, the corporation described in and which executed the above instrument, and that he signed his name thereto by order of the board of directors of said corporation.

Karen Berg
Notary Public

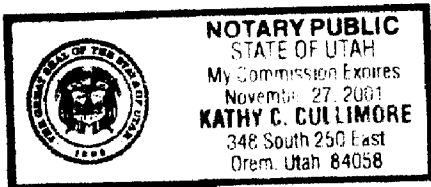
My commission expires 8-16-99

State of Utah)

) ss.

County of Utah)

On this 27th day of October, 1998, before me personally came Dustin H. Hewster, to me known, who being by me duly sworn, did depose and say that he is the Chairman of Waterford Institute, Inc., the corporation described in and which executed the above instrument, and that he signed his name thereto by order of the board of directors of said corporation.



Kathy C. Cullimore
Notary Public

My commission expires 11/27/01

SCHEDULE 1

To Release and Termination of Security Agreement between MICROSOFT CORPORATION ("Secured Party") and WATERFORD INSTITUTE, INC. ("Debtor") of which this Schedule 1 is a part.

1. Intellectual Property

Copyrights

TITLE	REGISTRATION NUMBER
Mental Math Games 2.0	TX3-733-907
Mental Math Games Classroom Edition	Txu 596 964
Rusty & Rosy Read with Me Volume 1	TX3-942-246
Rusty & Rosy Read with Me Volume 2	TX3-968-677
ABC's & Such. Registration No. _____	Incl. w/Vol. 1
Nursery Songs & Rhymes. Registration No. _____	Incl. w/Vol. 2
Memphis Math	TX4-106-834
Read with Me 1 & 2 CD-ROM Version	Applied 2/8/95
Waterford Early Reading Program Level 1	TX4-127-691

Trademarks

MARK	REGISTRATION NUMBER
WATERFORD INSTITUTE	1,844,162
RUSTY & ROSY	1,871,164
Design of Rusty & Rosy sitting on a book	1,872,353
MEMPHIS MATH	1,922,224
MAKE A STORY	Search performed. File application when packaging completed.
ENCHANTED MANOR	Search performed. File application when packaging completed.