

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

ETAS ID: TM326888

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
PENN FOSTER, INC.		11/24/2014	CORPORATION: PENNSYLVANIA
RECEIVING PARTY DATA			
Name:	FIFTH STREET FINANCE CORP.		
Street Address:	777 WEST PUTNAM AVENUE		
Internal Address:	3rd Floor		
City:	GREENWICH		
State/Country:	CONNECTICUT		
Postal Code:	06830		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 7			
Property Type	Number	Word Mark	
Registration Number:	3452917	PENN FOSTER	
Registration Number:	3452915	PENN FOSTER 1890	
Registration Number:	3469429	PENN FOSTER CAREER SCHOOL	
Registration Number:	3382965	PENN FOSTER HIGH SCHOOL	
Registration Number:	3469420	PENN FOSTER COLLEGE	
Registration Number:	1316190	TEL-TEST	
Registration Number:	0983060	DIAL-A-QUESTION	
CORRESPONDENCE DATA			
Fax Number:	7145469035		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	714-641-5100		
Email:	fsanders@rutan.com		
Correspondent Name:	RUTAN & TUCKER, LLP		
Address Line 1:	611 ANTON BLVD.		
Address Line 2:	SUITE 1400		
Address Line 4:	COSTA MESA, CALIFORNIA 92626		
ATTORNEY DOCKET NUMBER:	024969.0177		

CH \$190.00 3452917

NAME OF SUBMITTER:	Hani Z. Sayed
SIGNATURE:	/Hani Z. Sayed/
DATE SIGNED:	12/22/2014
Total Attachments: 6 source=PennFoster#page1.tif source=PennFoster#page2.tif source=PennFoster#page3.tif source=PennFoster#page4.tif source=PennFoster#page5.tif source=PennFoster#page6.tif	

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Trademark Agreement") dated as of November 24, 2014, by and between PENN FOSTER, INC., a Pennsylvania corporation ("Grantor"), and FIFTH STREET FINANCE CORP., a Delaware corporation, as Administrative Agent for itself and certain other Lenders under the Security Agreement (in such capacity, together with its successors and assigns in such capacity, "Administrative Agent").

WITNESSETH:

WHEREAS, the Grantor is the owner of the Trademarks (as defined in the Credit Agreement) listed on Schedule A hereto;

WHEREAS, the Grantor, the Administrative Agent, and certain other Lenders and Borrowers identified on the signature pages thereof are party to that certain Credit Agreement of even date herewith (as the same may be hereafter amended, modified, substituted, extended or restated, from time to time, the "Credit Agreement");

WHEREAS, the Grantor, the Administrative Agent, and certain other parties identified on the signature pages thereof are party to that certain Security Agreement of even date herewith (as the same may be hereafter amended, modified, substituted, extended or restated, from time to time, the "Security Agreement");

WHEREAS, it is a condition precedent to the Lenders making any loans or otherwise extending credit to the Grantor under the Credit Agreement that the Grantor execute and deliver to the Administrative Agent this Trademark Agreement;

WHEREAS, the Grantor has granted to the Administrative Agent for the benefit of the Secured Parties (as defined below), a security interest in certain of the Grantor's personal property and fixture assets, including without limitation the Trademarks listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations (as defined in the Credit Agreement) the Notes and the other Loan Documents; and

WHEREAS, this Trademark Agreement is supplemental to the provisions contained in the Security Agreement and the other Loan Documents.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement. In addition, the following terms shall have the meanings set forth in this Section 1 or elsewhere in this Trademark Agreement:

Proceeds. Any consideration received from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property that constitutes all or any part of the Trademark Collateral, any value received as a consequence of the ownership, possession, use or practice of any Trademark Collateral, and any payment received from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property that constitutes all or any part of the Trademark Collateral.

PTO. The United States Patent and Trademark Office.

Secured Parties. Collectively, the Lenders and the Administrative Agent and any other holder from time to time of the Obligations or any part thereof.

Trademark Collateral. All of the Grantor's right, title and interest in and to all of the Trademarks, the Trademark License Rights, all other Trademark Rights, and all Proceeds therein. Notwithstanding the foregoing or anything to the contrary provided in this Trademark Agreement, "Trademark Collateral" shall not include, and the Grantor shall not be deemed to have granted a security interest in any Excluded Collateral (as defined in the Security Agreement).

Trademark License Rights. Any and all past, present or future rights and interests of the Grantor, but specifically excluding any obligations of the Grantor, pursuant to any and all past, present and future licensing agreements, written or oral, in favor of the Grantor, or to which the Grantor is a party, pertaining to any Trademarks, or Trademark Rights, owned or used by third parties in the past, present or future, including the right in the name of the Grantor or the Secured Parties to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law, or otherwise, including but not limited to the following: (a) all such rights arising out of or associated with the Trademarks, including, but not limited to, the Trademarks listed on Schedule A hereto and all rights, including license rights, to the Trademarks set forth on Schedule A (as the same may be amended pursuant hereto from time to time); (b) the right (but not the obligation) to register claims under any federal, state or foreign Trademark law or regulation; (c) the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Grantor or the Secured Parties for any and all past, present and future infringements of or any other damages or injury to the Trademarks or the Trademark Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and (d) the Trademark License Rights.

2. Grant of Security Interest. To secure the payment and performance in full of all the Obligations, the Grantor hereby grants to the Administrative Agent for the benefit of the Secured Parties, A CONTINUING SECURITY INTEREST IN ALL OF THE TRADEMARK COLLATERAL. NEITHER THE ADMINISTRATIVE AGENT NOR THE SECURED

PARTIES ASSUME ANY LIABILITY ARISING IN ANY WAY BY REASON OF THEIR HOLDING SUCH COLLATERAL SECURITY AND NEITHER THE ADMINISTRATIVE AGENT NOR THE SECURED PARTIES ASSUME ANY OBLIGATIONS UNDER ANY AGREEMENT TO WHICH THE GRANTOR IS A PARTY RELATING TO THE TRADEMARKS.

3. Acknowledgement of Security Agreement. This Trademark Agreement has been executed and delivered by the Grantor for the purpose of recording the grant of security interest herein with the PTO. The security interest granted hereby has been granted to the Administrative Agent for the benefit of the Secured Parties, in connection with the Security Agreement and is expressly subject to the terms and conditions thereof. The Security Agreement (and all rights and remedies of the Administrative Agent and the Secured Parties thereunder) shall remain in full force and effect in accordance with its terms. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Administrative Agent and the Secured Parties with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Credit Agreement and the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. In the event of any conflict between the terms of this Trademark Agreement and the terms of the Security Agreement, the terms of the Security Agreement shall govern.

4. Authorization to Supplement. If the Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Agreement shall automatically apply thereto. The Grantor shall give notice in writing in accordance with the Credit Agreement to the Administrative Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting the Grantor's obligations under this Section, the Grantor hereby agrees to modify this Trademark Agreement by executing an amendment to Schedule A to include any such new trademark rights of the Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Agreement or amend Schedule A shall in any way affect, invalidate or detract from the Administrative Agent's continuing security interest in all Collateral, whether or not listed on Schedule A.

5. Termination. On the Termination Date, this Trademark Agreement shall terminate and the Administrative Agent shall, upon the written request and at the expense of the Grantor, execute and deliver to the Grantor all deeds, assignments and other instruments as may be necessary or proper to reassign, reconvey to and re-vest in the Grantor the entire right, title and interest to the Trademark Collateral previously granted, assigned, transferred and conveyed to the Administrative Agent for the benefit of the Secured Parties by the Grantor pursuant to this Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Administrative Agent pursuant to the Security Agreement or the Credit Agreement.

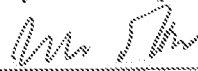
6. Controlling Law. This Agreement is to be governed and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the 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.

GRANTOR:

PENN FOSTER, INC.,
a Pennsylvania corporation

By: 

Name: William Hollyer

Title: Chief Financial Officer and Secretary

ADMINISTRATIVE AGENT:

FIFTH STREET FINANCE CORP.,
a Delaware corporation, as Administrative Agent

By: Fifth Street Management LLC,
a Delaware limited liability company,
its Agent

By: _____
Ivelin M. Dimitrov
Chief Investment Officer

IN WITNESS WHEREOF, the 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.

GRANTOR:

PENN FOSTER, INC.,
a Pennsylvania corporation

By: _____
Name: William Hollyer
Title: Chief Financial Officer and Secretary

ADMINISTRATIVE AGENT:

FIFTH STREET FINANCE CORP.,
a Delaware corporation, as Administrative Agent

By: Fifth Street Management LLC,
a Delaware limited liability company,
its Agent

By: 
Ivelin M. Dimitrov
Chief Investment Officer

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT

Trademark Registrations/Applications

Trademark Name	Jurisdiction	Status	Serial Number	Registration Number
Penn Foster	United States	Accepted & Acknowledged	77-304594	3452917
Penn Foster 1890	United States	Registered	77-304532	3452915
Penn Foster Career School	United States	Accepted & Acknowledged	78-729961	3469429
Penn Foster High School	United States	Accepted & Acknowledged	78-717442	3382965
Penn Foster College	United States	Accepted & Acknowledged	78-717454	3469420
Tel-Test	United States	Renewed	73-428890	1316190
Dial-A-Question	United States	Renewed	72-441359	983060