

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
SumTotal Systems, Inc., a Delaware corporation	10/04/2005
RECEIVING PARTY DATA	
Name:	Wells Fargo Foothill, Inc., a California corporation
Street Address:	2450 Colorado Avenue
Internal Address:	Suite 3000 West
City:	Santa Monica
State/Country:	CALIFORNIA
Postal Code:	90404
PROPERTY NUMBERS Total: 8	
Property Type	Number
Patent Number:	6611843
Patent Number:	6681221
Patent Number:	5430872
Application Number:	09960845
Application Number:	09991130
Application Number:	10077695
Application Number:	10159157
Application Number:	10072854
CORRESPONDENCE DATA	
Fax Number:	(415)268-7522
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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Correspondent Name:	Andreas Radke
Address Line 1:	Morrison & Foerster LLP

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REEL: 016621 FRAME: 0809

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ATTORNEY DOCKET NUMBER:	512700000100
NAME OF SUBMITTER:	Andreas Radke
Total Attachments: 7 source=Patent Security Agmt (SumTotal)#page1.tif source=Patent Security Agmt (SumTotal)#page2.tif source=Patent Security Agmt (SumTotal)#page3.tif source=Patent Security Agmt (SumTotal)#page4.tif source=Patent Security Agmt (SumTotal)#page5.tif source=Patent Security Agmt (SumTotal)#page6.tif source=Patent Security Agmt (SumTotal) Notes#page1.tif	

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## **PATENT SECURITY AGREEMENT**

This PATENT SECURITY AGREEMENT (this "Patent Security Agreement") is made this 4th day of October, 2005, among the Grantors listed on the signature pages hereof (collectively, jointly and severally, "Grantors" and each individually "Grantor"), and WELLS FARGO FOOTHILL, INC., in its capacity as administrative agent for the Lender Group and the Bank Product Providers (together with its successors and assigns in such capacity, "Agent").

### **WITNESSETH:**

WHEREAS, pursuant to that certain Credit Agreement dated as of October 4, 2005 (as amended, restated, supplemented or otherwise modified from time to time, including all exhibits and schedules thereto, the "Credit Agreement") among SUMTOTAL SYSTEMS, INC., a Delaware corporation, as borrower ("Borrower"), the lenders from time to time party thereto as "Lenders" ("Lenders"), and Agent, the Lender Group agreed to make certain financial accommodations available to Borrower from time to time pursuant to the terms and conditions thereof;

WHEREAS, the members of Lender Group are willing to make the financial accommodations to Borrower as provided for in the Credit Agreement, but only upon the condition, among others, that the Grantors shall have executed and delivered to Agent, for the benefit of the Lender Group and the Bank Product Providers, that certain Security Agreement dated as of October 4, 2005 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of the Lender Group and the Bank Product Providers, this Patent Security Agreement;

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

1. **DEFINED TERMS.** All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement and/or the Credit Agreement.
2. **GRANT OF SECURITY INTEREST IN PATENT COLLATERAL.** Each Grantor hereby grants to Agent, for the benefit of the Lender Group and the Bank Product Providers, a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral"):
  - (a) all of its material Patents and rights in and to Patent Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;
  - (b) all reissues, continuations, continuations-in-part, substitutes, extensions or renewals of, and improvements on, of the foregoing; and
  - (c) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any Intellectual Property License.
3. **SECURITY AGREEMENT.** The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group and the Bank Product Providers, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the

Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Patent Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to Agent with respect to any such new patent rights. Without limiting Grantors' obligations under this Section 4, Grantors hereby authorize Agent unilaterally to modify this Agreement by amending Schedule I to include any such new patent rights of Grantors. Notwithstanding the foregoing, no failure to so modify this Patent Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

5. COUNTERPARTS. This Patent Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Patent Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

[SIGNATURE PAGES TO FOLLOW]

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

**GRANTORS:**

**SUMTOTAL SYSTEMS, INC.,**  
a Delaware corporation

By: Neil J. Laird  
Name: Neil J. Laird  
Its: Executive VP and Chief Financial Officer

**DKSYSTEMS, INC.,**  
an Illinois corporation

By: Neil J. Laird  
Name: Neil J. Laird  
Its: Executive VP and Chief Financial Officer

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[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

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**PATENT**  
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AGENT:

**WELLS FARGO FOOTHILL, INC.,**  
a California corporation,  
as Agent and as a Lender

By:   
Name: Todd Nakamoto  
Its: Vice President

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[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

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**PATENT**  
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SCHEDULE I  
TO  
PATENT SECURITY AGREEMENT

Patents

Grantor	Country	Patent	Registration No.	Registration Date
SumTotal Systems, Inc.	United States	Method and system to securely change a password in a distributed computing system	Reg. 20030061520*	3/27/2003
SumTotal Systems, Inc.	United States	Result notification through firewalls	Reg. 20030097479*	5/22/2003
SumTotal Systems, Inc.	United States	Method and system to provide flexible HTTP tunneling	Reg. 20030154244*	8/14/2003
SumTotal Systems, Inc.	United States	Specification of sub-elements and attributes in an XML sub-tree and method for extracting data values therefrom	Reg. 6,611,843*	8/26/2003
SumTotal Systems, Inc.	United States	Method and system for presenting online courses	Reg. 20030224339*	12/04/2003
SumTotal Systems, Inc.	United States	Method and system for achieving directed acyclic graph (DAG) representations of data in XML	Reg. 6,681,221*	1/20/2004
SumTotal Systems, Inc.	United States	Method and system to manage outdated web page links in a computing system	Reg. 20040205569*	8/14/2003
SumTotal Systems, Inc.	United States	Verifying multimedia linking for a multimedia presentation	Reg. 5,430,872*	7/14/1995

[PATENT SECURITY AGREEMENT]

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**Patent Licenses**

*None*

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PLEASE NOTE:

On the attached Schedule I, in the registration number column, the publication number was given for patent applications which have published, but have not yet issued. The application number for those patents is listed below.

Patent	Reg. No.	Reg. Date	Application No.	Filing Date
Method and system to securely change a password in a distributed computing system	20030061520	3/27/2003	09/960,845	9/21/2001
Result notification through firewalls	20030097479	5/22/2003	09/991,130	11/16/2001
Method and system to provide flexible HTTP tunneling	20030154244	8/14/2003	10/077,695	2/13/2002
Method and system for presenting online courses	20030224339	12/4/2003	10/159,157	5/31/2002
Method and system to manage outdated web page links in a computing system	20040205569	8/14/2003	10/072,854	2/6/2002

RECORDED: 10/07/2005

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