

# RECORDATION FORM COVER SHEET PATENTS ONLY

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

To the Honorable Commissioner For Patents: Please record the attached original documents or copy thereof:

1. Name of conveying party(ies):

Headsprout, Inc.

Additional name(s) of conveying party(ies) attached?

☐ Yes

☒ No

3. Nature of Conveyance:

☐ Assignment

☐ Merger

☒ Security Agreement

☐ Change of Name

☐ Other: \_\_\_\_\_

May 9, 2002

Execution Date: \_\_\_\_\_

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

Name: David Anderson

Internal Address:

Street Address: 608 24<sup>th</sup> Ave. East

City: Seattle

State: WA Zip: 98112

Additional name(s) & address(es) attached?

☒ Yes

☐ No

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

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s): 10/323,964

B. Patent No.(s):

Additional numbers attached? ☐ Yes ☒ No

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

Name: Sabra-Anne R. Truesdale

Internal Address: Fenwick & West LLP

Street Address: Silicon Valley Center  
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City: Mountain View State: CA Zip Code: 94041

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41): \$40.00

☐ Check Enclosed

☐ Fee Transmittal Enclosed

☒ Charge the indicated fees to the below mentioned deposit account.

8. Deposit Account No.: 19-2555

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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.*

Sabra-Anne R. Truesdale

Reg. No. 55,687

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, documents: 11

Mail documents to be recorded with required cover sheet information to: Mail Stop Assignment Recordation Services, Director of the U.S. Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450.

Case Docket No.: 23427-07272

700295159

PATENT 23427/07272/DOCS/1669024.1  
REEL: 018476 FRAME: 0053

FORM PTO-1595  
(Rev. 6-93)

## RECORDATION FORM COVER SHEET

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**PATENTS ONLY**  
**Continuation Page 1**

1. Additional name(s) of conveying party(ies):

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3. Execution date(s):

May 9, 2002

4. A. Additional Patent Application No.(s):

B. Additional Patent No.(s):

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(Rev. 8-93)

## RECORDATION FORM COVER SHEET

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**PATENTS ONLY**  
**Continuation Page 2**

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3. Execution date(s):

May 9, 2002

4. A. Additional Patent Application No.(s):

B. Additional Patent No.(s):

FORM PTO-1595  
(Rev. 6-93)

## RECORDATION FORM COVER SHEET

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**PATENTS ONLY**  
**Continuation Page 3**

1. Additional name(s) of conveying party(ies):

2. Additional name(s) and addresses of receiving party(ies):

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Sofinnova Venture Partners V, L.P.  
Sofinnova Venture Principals V, L.P.  
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Menlo Park, CA 94025  
Attn: Kevin P. McAuliffe

Janet Twyman  
2211 East Madison Street  
Seattle, WA 98112

3. Execution date(s)

May 9, 2002

4. A. Additional Patent Application No.(s):

B. Additional Patent No.(s):

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY Security Agreement ("IP Security Agreement") is made this 9th day of May, 2002, by and among Headsprout, Inc., a Delaware corporation ("Debtor"), and those parties listed on Exhibit A hereto ("Secured Parties").

This IP Security Agreement is entered into between the parties to partially secure Debtor's obligations under the terms of a Convertible Note Purchase Agreement (the "Agreement") and Secured Convertible Note (the "Note"), both dated the same date as this IP Security Agreement.

### AGREEMENT

To secure its obligations under the Agreement, Debtor grants to Secured Parties a security interest in and to the following property which is now or hereafter owned by Debtor or which Debtor now or hereafter has any right, title or interest:

1. All of the assets of Debtor, including, but not limited to, accounts, accounts receivable, chattel paper, inventory, equipment, furniture, fixtures, general intangibles, documents, instruments, money, contract rights, franchises, licenses, permits, accreditation and goods, letter of credit rights, deposit accounts, commercial tort claims and investment property, now owned or hereafter acquired by the Debtor, including but not limited to those rights listed on Exhibits B, C, D and E hereto; and
2. All additions, renewals and replacements of the items of property listed herein and all articles in substitution therefor, including, without limitation, all cash and non-cash proceeds from the sale or other transfer of any of such items.

This security interest is granted in conjunction with the security interest granted to the Secured Parties under a Security Agreement dated August 6, 2001, as amended, between Debtor and Secured Parties (the "Security Agreement"). The rights and remedies of Secured Parties with respect to the security interest granted hereby are in addition to those set forth in the Agreement, the Note, and the Security Agreement, and those which are now or hereafter available to Secured Parties as a matter of law or equity. Each right, power and remedy of Secured Parties provided for herein or in the Agreement, the Note, or the Security Agreement, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Secured Parties of any one or more of the rights, powers or remedies provided for in this IP Security Agreement, the Agreement, the Note, or the Security Agreement, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Secured Parties, of any or all other rights, powers, or remedies.

Debtor represents and warrants that Exhibits B, C and D attached hereto set forth, without limitation and in addition to any other property rights, any and all intellectual property rights in connection to which Debtor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

IN WITNESS WHEREOF, the undersigned has caused this IP Security Agreement to be duly executed by its officer thereunto duly authorized as of the first date written above.

**DEBTOR:**

Headsprout, Inc., a Delaware corporation

By: 

David Anderson, Vice President

EXHIBIT ASECURED PARTIES

David Anderson  
Edward L. Anderson, Trustee U/T/A 4/8/99  
Steven B. Anderson  
Richard C. Atkinson and Rita Loyd Atkinson Co-Trust under agreement dated December 4, 1980  
Richard L. Bechtolt & Nancy C. Bechtolt Trust dated 9/18/98  
Jeff Bilger  
The Ann S. Bowers Separate Property Trust  
Brooks Revocable Trust DTD 03/22/96  
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The Raisin Fund LLC  
The Roser Partnership III, SBIC LP  
Frank Rumpeltn  
Sofinnova Affiliates V, L.P.  
Sofinnova Venture Partners V, L.P.  
Sofinnova Venture Principals V, L.P.  
Greg Stikeleather  
The Sundance Trust U/T/A 1/17/02  
Janet Twyman

EXHIBIT BCOPYRIGHTSDescriptionRegistration/Application  
NumberRegistration/Application  
Date



EXHIBIT CPATENTS

<u>Description</u>	<u>Registration/Application Number</u>	<u>Registration/Application Date</u>
Teaching Method and System	09/775,352	Filed January 31, 2001
Teaching Method and System	PCT/US02/01305	Filed January 16, 2002

EXHIBIT DTRADEMARKS

<u>Mark:</u>	<u>App. #</u>	<u>App. Dt</u>	<u>Reg. #</u>	<u>Reg. Dt</u>
BRAINSPROUT	75/811,760	9/29/1999		
FLEXIPHONICS	76/348,017	12/10/2001		
GROW TO KNOW	76/124,504	9/8/2000		
HEADSPROUT	75/729,073	6/16/1999		
MINDSPROUT	75/811,759	9/29/1999		
SPROUT LEARNING	76/124,505	9/8/2000		
STAIRSTEPS	75/716,250	5/27/1999		
WHEN LEARNING TO READ IS FUN, KIDS WANT TO LEARN!	76/382,480	3/14/2002		
WHERE KIDS LEARN TO READ ONLINE	76/382,478	3/14/2002		

EXHIBIT EMASK WORKSDescriptionRegistration/Application  
NumberRegistration/Application Date