

Form PTO-1594 (Rev. 07/05)  
OMB Collection 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies):**  
Earlychildhood LLC

Individual(s)       Association  
 General Partnership       Limited Partnership  
 Corporation- State: \_\_\_\_\_  
 Other Limited Liability Company

Citizenship (see guidelines) California

Additional names of conveying parties attached?  Yes  No

**2. Name and address of receiving party(ies)**  Yes  
Additional names, addresses, or citizenship attached?  No

Name: Bank of Montreal, as Agent  
Internal Address: \_\_\_\_\_  
Street Address: 115 South LaSalle  
City: Chicago  
State: Illinois  
Country: U.S. Zip: 60603

Association      Citizenship \_\_\_\_\_  
 General Partnership      Citizenship \_\_\_\_\_  
 Limited Partnership      Citizenship \_\_\_\_\_  
 Corporation      Citizenship \_\_\_\_\_  
Chartered \_\_\_\_\_  
 Other Bank      Citizenship Canada

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)

**3. Nature of conveyance /Execution Date(s) :**

Execution Date(s) November 29, 2006

Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

**4. Application number(s) or registration number(s) and identification or description of the Trademark.**

A. Trademark Application No.(s)  
See Schedule A-1, attached

B. Trademark Registration No.(s)  
See Schedule A-1, attached

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Robert J. Schneider  
Internal Address: Chapman and Cutler LLP  
Street Address: 111 West Monroe Street  
City: Chicago  
State: Illinois Zip: 60603  
Phone Number: (312) 845-3919  
Fax Number: (312) 803-5299  
Email Address: bschneid@chapman.com

**6. Total number of applications and registrations involved:** 21


**7. Total fee (37 CFR 2.6(b)(6) & 3.41)** \$ 540.00

Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed

**8. Payment Information:**

a. Credit Card      Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number 50-0305  
Authorized User Name Robert J. Schneider

**9. Signature:**       December 1, 2006  
Signature      Date

Robert J. Schneider  
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 8

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

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**SCHEDULE A-1  
TO TRADEMARK COLLATERAL AGREEMENT**

**TRADEMARK REGISTRATION**

| <u>State or<br/>Country</u> | <u>Registration No.</u> | <u>Registration Date</u> | <u>Trademark or<br/>Service Mark</u>  |
|-----------------------------|-------------------------|--------------------------|---|
| U.S.                        | 1,344,758               | June 25, 1985            | DANDI-LI-ON   |
| U.S.                        | 1,412,843               | October 14, 1986         | RAINBOW   |
| U.S.                        | 1,818,908               | February 1, 1994         | BIOCOLOR  |
| U.S.                        | 1,852,370               | September 6, 1994        | EARLY CHILDHOOD NEWS  |
| U.S.                        | 1,968,549               | April 16, 1996           | FLEXITEMP'  |
| U.S.                        | 1,987,941               | July 23, 1996            | LITTLE BIT O'PAINT*   |
| U.S.                        | 2,004,364               | October 1, 1996          | BASIC BRIGHTS*  |
| U.S.                        | 2,048,585               | April 1, 1997            | FIRST ART   |
| U.S.                        | 2,052,213               | April 15, 1997           | THE IMAGINATION<br>PLAYGROUND   |
| U.S.                        | 2,209,045               | December 8, 1998         | SQUEEZEABLES*   |
| U.S.                        | 2,389,794               | September 26, 2000       | LIFELONG LEARNING<br>STARTS HERE  |
| U.S.                        | 2,455,515               | May 29, 2001             | DESIGN LOGO - Child<br>Reaching for Star - Website                                |
| U.S.                        | 2,546,548               | March 12, 2002           | COLORATIONS (Class 16)  |
| U.S.                        | 2,546,549               | March 12, 2002           | COLORATIONS (Class 2)   |
| U.S.                        | 2,546,836               | March 12, 2002           | CHILD CARE CENTRAL  |
| U.S.                        | 2,555,560               | April 2, 2002            | COMPLETING THE CIRCLE<br>BETWEEN TEACHERS<br>AND PARENTS (Catalog<br>and Website) |

|      |           |                   |   |
|------|-----------|-------------------|---|
| U.S. | 2,555,561 | April 2, 2002     | DESIGN LOGO - Child<br>Reaching for Star- Catalog |
| U.S. | 2,558,498 | April 9, 2002     | MOO-NAY   |
| U.S. | 2,584,890 | June 25, 2002     | BIOPUTTY  |
| U.S. | 2,661,596 | December 17, 2002 | COLORS LIKE ME                                    |

\* Abandoned.

\* To be abandoned.

### TRADEMARK APPLICATIONS

| <u>State or<br/>Country</u> | <u>Application<br/>Serial No.</u> | <u>Application<br/>Filing Date</u> | <u>Trademark or<br/>Service Mark</u> |
|-----------------------------|-----------------------------------|------------------------------------|--------------------------------------|
| U.S.                        | 75/668393                         | December 8, 1999                   | MARBLEATIONS*                        |

**SCHEDULE A-2  
TO TRADEMARK COLLATERAL AGREEMENT**

**TRADEMARK LICENSES**

None.

### FIRST LIEN TRADEMARK COLLATERAL AGREEMENT

This 29<sup>th</sup> day of November, 2006, EARLYCHILDHOOD LLC, a California limited liability company ("*Debtor*"), with its principal place of business and mailing address at 2 Lower Ragsdale Drive, #125 and #200, Monterey, California 93940, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, grants BANK OF MONTREAL, a Canadian chartered bank ("*BMO*") with its mailing address at 115 South LaSalle, Chicago, Illinois 60603, acting as administrative agent for the Secured Creditors defined in that certain Security Agreement hereinafter defined (BMO acting as such administrative agent and any successor or successors to BMO acting in such capacity being hereinafter referred to as the "*Agent*"), a lien on, and a continuing security interest in, the following property:

(i) Each trademark, trademark registration and trademark application listed on Schedule A-1 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration and trademark application; and

(ii) Each trademark license listed on Schedule A-2 hereto and all royalties and other sums due or to become due under or in respect of each such trademark license, together with the right to sue for and collect all such royalties and other sums; and

(iii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark or trademark registration listed on Schedule A-1 hereto or of any trademark licensed under a trademark license listed on Schedule A-2 or by reason of injury to the goodwill associated with any such trademark, trademark registration or trademark license, in each case together with the right to sue for and collect said damages;

to secure performance of all Secured Obligations of Debtor as set out in that certain First Lien Security Agreement bearing even date herewith by and among the Debtor, the other debtors party thereto and the Agent, as the same may be amended, modified, supplemented or restated from time to time (the "*Security Agreement*").

Notwithstanding the foregoing, this First Lien Trademark Collateral Agreement shall not operate as a sale, transfer, conveyance or other assignment to the Agent of any applications by the Debtor for any Trademark based on an intent to use the same if and so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as "*Intent-To-Use Applications*"), but rather, if and so long as Debtor's Intent-To-Use-Application is pending without a Statement of Use having been filed and accepted, then this Trademark Collateral Agreement shall operate only to create a security interest for collateral purposes in favor of Agent on such Intent-To-Use Application as collateral security for the Secured

Obligations. When a Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

The lien and security interest in the trademarks, trademark registrations and trademark applications granted to the Agent and the exercise of any right or remedy of the Agent are subject to the provisions of that certain Intercreditor Agreement dated as of even date herewith (the Intercreditor Agreement as may be amended, modified, restated or supplemented from time to time, the "*Intercreditor Agreement*"), by and between Bank of Montreal, as First Lien Collateral Agent and Bank of Montreal, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time. In the event of any conflict between the terms of this First Lien Patent Agreement and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall govern and control.

Debtor does hereby further acknowledge and affirms that the rights and remedies of the Agent with respect to the security interest in the trademarks, trademark registrations, trademark applications and trademark licenses made and granted hereby are more fully set forth in the Security Agreement and in the event of any conflict or ambiguity between this First Lien Trademark Collateral Agreement and the Security Agreement, the Security Agreement shall control.

[Signature page to follow]

IN WITNESS WHEREOF, Debtor has caused this First Lien Trademark Collateral Agreement to be duly executed as of the date and year last above written.

EARLYCHILDHOOD LLC

By [Signature]  
Name: Ronald Elliott  
Its: President and CEO

Accepted and agreed to at Chicago, Illinois as of the day and year last above written.

BANK OF MONTREAL, as Agent

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

[Signature Page to Earlychildhood LLC  
First Lien Trademark Collateral Agreement]

IN WITNESS WHEREOF, Debtor has caused this First Lien Trademark Collateral Agreement to be duly executed as of the date and year last above written.

EARLYCHILDHOOD LLC

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Accepted and agreed to at Chicago, Illinois as of the day and year last above written.

BANK OF MONTREAL, as Agent

By Donald J. Buse  
Name: DONALD J. BUSE  
Its: MANAGING DIRECTOR

[Signature Page to Earlychildhood LLC  
First Lien Trademark Collateral Agreement]