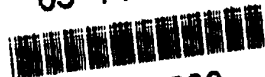


TRADEMARK
05-14-1998

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M20 58-98



100710290

To the Honorable Commissioner of Patents and Trademarks

attached original documents or copy thereof.

1 Name of conveying party(ies):
 Nashville Hockey Club Limited Partnership

Individual(s)
 General Partnership
 Corporation-State
 Other
 Association
 Limited Partnership
 Other

Name and address of receiving party(ies):
 Name: Nationsbank of Tennessee, N.A.
 Internal Address:
 Street Address: One Nationsbank Plaza
 City: Nashville State: TN ZIP: 37239-1697

Additional name(s) of Conveying party(ies) attached? Yes No

Nature of conveyance:
 Assignment
 Security Agreement
 Other
 Merger
 Change of Name

Individual(s) citizenship:
 Association: ~~Commerce~~ National Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

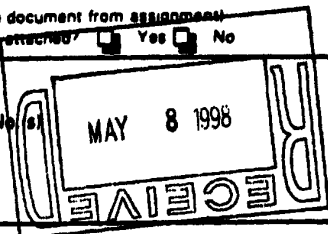
Execution Date: May 1, 1998

(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

Application number(s) or Registration number(s): SEE ATTACHED SCHEDULE

A. Trademark Application No.(s)

B. Trademark Registration No.(s)



Additional numbers attached? Yes No

Name and address of party to whom correspondence concerning document should be mailed:
 Name: Elaine D. Ziff, Esq.
 Internal Address: Skadden, Arps, Slate Meagher & Flom LLP
 Street Address: 919 Third Avenue
 City: New York State: NY ZIP: 10022

6. Total number of applications and registrations involved:

7. Total fee (37 CFR 3.41)..... \$ 215.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

05/13/1998 BCDATES 00000031 75395000
 Signature and signature. 40.00 DP
 75.00 DP
 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.
 Kristine Fyfe

DO NOT USE THIS SPACE

Name of Person Signing

Signature *Kristine Fyfe*

Date 5/7/98

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

Mail documents to be recorded with required cover sheet information to:

TRADEMARK
REEL: 1729 FRAME: 0029



SCHEDULE OF TRADEMARKS

NASHVILLE PREDATORS	75/395,000
NASHVILLE PREDATORS	75/374,859
NASHVILLE PREDATORS	75/374,858
DESIGN ONLY	75/357,055
DESIGN ONLY	75/356,742
ICE TIGERS	75/348,423
PREDATORS	75/348,407
STREET PRIDE	75/412,737

TRADEMARK
REEL: 1729 FRAME: 0030

SECURITY AGREEMENT

among

**NASHVILLE HOCKEY CLUB
LIMITED PARTNERSHIP**

**THE OTHER GRANTING PARTIES
NAMED HEREIN**

and

NATIONSBANK OF TENNESSEE, N.A.,

as **AGENT**

Dated as of May 1, 1998

**TRADEMARK
REEL: 1729 FRAME: 0031**

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SCHEDULES

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of May 1, 1998, among NASHVILLE HOCKEY CLUB LIMITED PARTNERSHIP, a Wisconsin limited partnership (the "Borrower"), each other Granting Party (as hereinafter defined) and NATIONSBANK OF TENNESSEE, N.A., as agent under the Credit Agreement referred to below, for the benefit of the Secured Parties referred to in the Credit Agreement (the "Agent").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement, dated as of the date hereof (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, Powers Management, L.L.C., the banks from time to time party thereto (the "Banks"), NationsBank of Tennessee, N.A., as swingline lender (in such capacity the "Swingline Lender") and as Agent, the Banks (including the Swingline Lender) have agreed, subject to the terms and conditions thereof, to make loans to the Borrower, (the "Loans");

WHEREAS, the Borrower may at any time and from time to time enter into one or more Interest Rate Protection Agreements with one or more of the Banks, in compliance with the terms of the Credit Agreement; and

WHEREAS, it is a condition precedent to the making by the Banks of the Loans that the parties hereto shall have executed and delivered this Agreement;

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

ARTICLE I

DEFINITIONS

1.1 Defined Terms. As used herein, capitalized terms defined in the Credit Agreement and not otherwise defined herein are used herein as so defined, the rules of construction set forth in Section 1.2 of the Credit Agreement shall apply and the following terms shall have the following meanings:

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"Account Debtor" shall mean the person who is obligated on a Receivable.

"Accounts" shall mean all rights to payment for goods sold or leased or for services rendered which is not evidenced by an Instrument or Chattel Paper, whether or not it has been earned by performance, and shall include, without limitation, "accounts" as such term is defined in the UCC and all Revenues.

"Chattel Paper" shall mean a writing or writings which evidence both a monetary obligation and a security interest in or lease of specific goods, and shall include, without limitation, "chattel paper" as such term is defined in the UCC.

"Collateral" shall have the meaning assigned to it in Section 2.1 hereof.

"Collateral Records" shall mean books, records, computer software, computer printouts, customer lists, blueprints, technical specifications, manuals, and similar items which relate to any Collateral other than such items obtained under license or franchise agreements which prohibit assignment or disclosure of such items and for which consent therefor has not been obtained.

"Contracts" shall mean, with respect to any Grantor, all Transaction Documents to which such Grantor is a party (other than the Loan Documents), all other leases or other agreements (of any nature whatsoever) now existing or from time to time entered into and/or assumed by the such Grantor, including, without limitation, all License Agreements, Copyright Licenses, Patent Licenses, Trademark Licenses, and Trade Secret Licenses as any of the same may from time to time be amended, supplemented or otherwise modified.

"Copyright Licenses" shall mean all of the Grantor's right, title, and interest in and to any and all agreements providing for the granting of any right in or to Copyrights (whether the Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Item B of Schedule VI.

"Copyrights" shall mean all of the Grantor's right, title, and interest in and to all United States and foreign copyrights, whether registered or unregistered, now or hereafter in force throughout the world, all registrations and applications therefor including, without limitation, the applications referred to in

Item A of Schedule VI, all rights corresponding thereto throughout the world, all extensions and renewals of any thereof, the right to sue for past infringements of any of the foregoing, and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit.

"Deposit or Securities Accounts" shall mean the Receipts Account, each other "Account" under and as defined in the Cash Collateral Agreement, and including, in any event, all "deposit accounts" and "securities accounts" as such terms are defined in the UCC and any other deposit, demand, time, savings, passbook or securities account (general or special), money market account, mutual fund account or other type of account maintained at a bank, savings and loan association, credit union or like organization, of any nature whatsoever, together with any funds, instruments, Financial Assets, Investment Property or other items credited to any such account from time to time, and all interest thereon.

"Documents" shall mean any document of title, including, without limitation, any bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and any other document which in the regular course of business or financing is treated as adequately evidencing that the Person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers and shall also include, without limitation, all "documents" as such term is defined in the UCC.

"Equipment" shall mean all movable property or other goods that are not Inventory, including, without limitation, construction materials and equipment, machinery, manufacturing equipment, data processing equipment, computers, office equipment, furniture, appliances, and tools and shall also include "equipment," as such term is defined in the UCC.

"Excluded Collateral" shall mean (i) the Operating Fund, the Working Capital Fund and that portion of the Operating Revenues (as such terms are defined in the Operating and Management Agreement) which the Borrower is not entitled to receive under the Arena License Agreement and (ii) any agreement which, by its terms, restricts assignment for security purposes and consent of the Counter Party thereto has not been obtained to such assignment, but only to the extent such restriction exists and a Consent in respect thereof has not been obtained.

"Financial Asset" shall mean "financial asset" as such term is defined in the UCC.

"Fixtures" shall mean all movable property or other goods that become affixed to a particular piece of real estate and shall include, without limitation, "fixtures," as such term is defined in the UCC.

"General Intangibles" shall mean all rights arising under any Contract, all chose-in-action and all other personal property rights (other than goods), Accounts, Chattel Paper, Documents, Instruments and Money, including, without limitation, rights to the payment of money (other than Accounts), Trademarks, Copyrights, Patents, Contracts and other contracts, licenses (including, without limitation, the License Agreements, Copyright Licenses, Patent Licenses, Trademark Licenses, and Trade Secret Licenses), franchises, limited and general partnership interests and joint venture interests, Permits, licensing agreements, royalty payments, federal income tax refunds, trade names, distributions on certificated securities (as defined in the UCC) and uncertificated securities (as defined in the UCC), computer programs and other computer software, inventions, designs, Trade Secrets, rights of publicity, goodwill, proprietary rights, customer lists, supplier lists, sale orders, correspondence, advertising materials, plans and specifications, blueprints, surveys, engineering reports, player draft positions (and rights arising under any agreements with other Members with respect to such matters as player draft positions), claims against Persons storing or transporting property of the Grantor, payments due in connection with any requisition, confiscation, condemnation, seizure or forfeiture of any property, reversionary interests in pension and profit-sharing plans and reversionary, beneficial and residual interests in trusts, credits with and other claims against any Person, settlement of any suits or actions, together (with respect to any of the foregoing) with any collateral for any of the foregoing and the rights under any security agreement granting a security interest in such collateral and shall include, without limitation, "general intangibles," as such term is defined in the UCC.

"Granting Party" shall mean the Borrower and each other Loan Party.

"Grantor" shall mean each of the Granting Parties, both individually and collectively, and on a joint and several basis.

"Hedging Agreements" shall mean any Interest Rate Protection Agreement and any other interest rate or currency protection or hedging arrangements, including without limitation, caps, collars, floors, forwards, options, and any other similar or dissimilar interest rate or currency exchange agreements or

other interest rate or currency hedging arrangements and all other types of derivative products.

"Instruments" shall mean "instruments" as such term is defined in the UCC.

"Insurance Policies" shall mean all insurance policies or other assurances with respect to the payment on or the value of the Collateral.

"Intellectual Property Collateral" shall mean, collectively, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks, the Trademark Licenses, the Trade Secrets, and the Trade Secret Licenses.

"Inventory" shall mean all movable property or goods that are held for sale or lease or are to be furnished (or which have been furnished) under any contract of service or which are raw materials or work in process or materials used or consumed in a business, including without limitation, all goods (whether such goods are in the possession of the Grantor or of a bailee or other Person) held for sale, lease, storage, transit, processing, use or otherwise and whether consisting of whole goods, spare parts, components, supplies, materials or consigned or returned or repossessed goods and shall include "inventory," as such term is defined in the UCC.

"Investment Property" shall mean "investment property" as such term is defined in the UCC.

"License Agreements" shall mean, collectively, the Luxury Suite License Agreements and the Club Seat License Agreements.

"Material Adverse Effect" shall mean as defined in Schedule I to the Credit Agreement with references therein to a "Loan Party" to be deemed to refer to a "Granting Party" for purposes hereof.

"Material Contracts" shall mean collectively, the Transaction Documents to which the Grantor is a party and each other Contract, with payment terms or the fair market value of which is in excess of \$500,000 (provided, that two or more Contracts with the same Person involving the same subject matter shall be treated as one Contract for the purposes of such determination) and that contains a term (including any renewal period) that has a duration in excess of one year.



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"Money" shall mean a medium of exchange authorized or adopted by a domestic or foreign government as part of its currency, and shall include, without limitation, "money" as such term is defined in the UCC.

"Motor Vehicles" shall mean motor vehicles, tractors, trailers and other like property, if title thereto is governed by a certificate of title or ownership.

"Patent Licenses" shall mean all of the Grantor's right, title, and interest in and to any and all agreements providing for the granting of any right in or to Patents (whether the Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Item D of Schedule VI.

"Patents" shall mean all of the Grantor's right, title, and interest in and to all United States and foreign patents and applications for letters patent throughout the world, including, but not limited to each patent and patent application referred to in Item C of Schedule VI, all reissues, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations of any of the foregoing, all rights corresponding thereto throughout the world, and all proceeds of the foregoing including, licenses, royalties, income, payments, claims, damages, and proceeds of suit and the right to sue for past infringements of any of the foregoing.

"Permits" shall mean all permits of any nature whatsoever, including, without limitation, those permits necessary for or relating to the operation of the Team or the license, use or operation of the Arena by the Grantor including, without limitation, those listed on Schedule V hereto.

"Proceeds" shall mean whatever is received upon the sale, exchange, collection or other disposition of Collateral or proceeds, including, without limitation, insurance payable by reason of loss, damage or other event effecting the Collateral and shall include, without limitation, "proceeds," as such term is defined in the UCC.

"Receipts Accounts" shall mean the accounts (which may be securities accounts) maintained pursuant to the Cash Collateral Agreement by the Agent, and all funds and instruments or other items from time to time credited to such account and all interest thereon.

"Receivables" shall mean all rights to payment whether constituting or evidenced by any Account, Chattel Paper, Instrument, General Intangible, note, contract, invoice, purchase order, draft, acceptance, book debt, inter-company account, security agreement, or other evidence of indebtedness or security, including without limitation, (a) all Revenues and (b) all rights to payment purchased by the Person to whom payment is owed from another Person who gave rise thereto, together with (i) any collateral assigned, hypothecated or held to secure any of the foregoing and the rights under any security agreement granting a security interest in such collateral, (ii) all goods, the sale of which gave rise to any of the foregoing, including, without limitation, all rights in any returned or repossessed goods and unpaid seller's rights, (iii) all guarantees, endorsements and indemnifications on, or of, any of the foregoing, and (iv) all powers of attorney for the execution of any evidence of indebtedness or security or other writing in connection therewith.

"Receivables Records" shall mean (a) all original copies of all documents, instruments or other writings evidencing the Receivables, (b) all books, correspondence, credit or other files, records, ledger sheets or cards, invoices, and other papers relating to Receivables, including without limitation all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to the Receivables, whether in the possession or under the control of the Grantor or any computer bureau or agent from time to time acting for the Grantor or otherwise, (c) all evidences of the filing of financing statements and the registration of other instruments in connection therewith and amendments, supplements or other modifications thereto, notices to other creditors or secured parties, and certificates, acknowledgements, or other writings, including without limitation lien search reports, from filing or other registration officers, (d) all credit information, reports and memoranda relating thereto, and (e) all other written or non-written forms of information related in any way to the foregoing or any Receivable.

"Security Agreement" shall mean this Security Agreement, as the same may from time to time be amended, supplemented or otherwise modified.

"Secured Obligations" shall mean (a) all "Obligations" as such term is defined in Schedule I to the Credit Agreement; (b) all other obligations, liabilities of every kind, nature or description, direct or indirect, primary or secondary, joint or several, absolute or contingent of the Granting Parties to the Agent and the Banks, or any of them, whether due or to become due and whether now existing or hereafter incurred and whether similar or dissimilar to the obliga-

tions described in clause (a) hereof (including post-petition interest, fees and indemnities), in each case under, arising out of or in connection with the Credit Agreement or any other Loan Document; (c) all obligations of the Borrower under Hedging Agreements; (d) any and all sums advanced by the Agent in order to preserve the Collateral or preserve its security interest in the Collateral; and (e) in the event of any proceeding for the collection or enforcement of any indebtedness, obligations, or liabilities referred to in clause (a), (b), (c) or (d), after an Event of Default shall have occurred and be continuing, all expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing or realizing on the Collateral, or of any exercise by the Agent of its rights hereunder, together with all reasonable attorneys' fees and court costs.

"Trademark Licenses" shall mean all of the Grantor's right, title, and interest in and to any and all agreements providing for the granting of any right in or to Trademarks (whether the Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Item F of Schedule VI.

"Trademarks" shall mean all of the Grantor's right, title, and interest in and to all United States and foreign trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source or business identifiers, designs and general intangibles of a like nature, all registrations and applications for any of the foregoing including, but not limited to the registrations and applications referred to in Item E of Schedule VI, all extensions or renewals of any of the foregoing; all of the goodwill of the business connected with the use of and symbolized by the foregoing; the right to sue for past infringement or dilution of any of the foregoing or for any injury to goodwill, and all proceeds of the foregoing, including, without limitation, license royalties, income, payments, claims, damages, and proceeds of suit.

"Trade Secret Licenses" shall mean all of the Grantor's right, title and interest in and to any and all payments providing for the granting of any right in or to Trade Secrets (whether the Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Item G of Schedule VI.

"Trade Secrets" shall mean all of the Grantor's right, title, and interest in and to trade secrets and all other confidential or proprietary information and know-how now or hereafter owned or used in, or contemplated at any time for use in, the business of the Grantor (all of the foregoing being collectively called a "Trade Secret"), whether or not such Trade Secret has been reduced to a writing or

other tangible form, including all documents and things embodying, incorporating, or referring in any way to such Trade Secret, the right to sue for past infringement of any Trade Secret, and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in any applicable jurisdiction.

ARTICLE II

SECURITY INTEREST

2.1 Grant of Security Interest. As security for the prompt and complete payment and performance in full of all the Secured Obligations, each Granting Party hereby assigns, pledges and transfers to the Agent for the benefit of the Secured Parties and grants to the Agent for the benefit of the Secured Parties a first priority security interest in and continuing Lien on all of its right, title and interest in, to and under the following, in each case, whether now owned or existing or hereafter acquired or arising, and wherever located (all of which being hereinafter collectively called the "Collateral"):

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Collateral Records;
- (d) all Contracts;
- (e) all Deposit or Securities Accounts;
- (f) all Documents;
- (g) all Equipment;
- (h) all Fixtures;
- (i) all General Intangibles;

- (j) all Intellectual Property Collateral;
- (k) all Hedging Agreements;
- (l) all Instruments;
- (m) all Insurance Policies;
- (n) all Inventory;
- (o) all Investment Property;
- (p) all Money;
- (q) all Motor Vehicles;
- (r) all Receivables;
- (s) all Receivables Records;
- (t) all other tangible and intangible personal property; and
- (u) all accessions and additions to any or all of the foregoing, all substitutions and replacements for any or all of the foregoing, all distributions or dividends upon any of the foregoing and all Proceeds or products of any or all of the foregoing; excluding, however, the Excluded Collateral.

2.2 Consent to Assignment. Each Granting Party hereby expressly consents to the grant of a security interest hereunder by any other Granting Party of any Contract between such Granting Party and such other Granting Party.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

On the date hereof and on each date as specified in accordance with Section 3.11 of this Security Agreement, each of the Grantors hereby represents and warrants to the Agent and the Secured Parties, which representations and

warranties shall survive execution and delivery of this Security Agreement, as follows:

3.1 Validity, Perfection and Priority.

(a) The security interests in the Collateral granted to the Agent for benefit of the Secured Parties hereunder constitute valid and continuing security interests in the Collateral.

(b) All actions, including all filings, registrations and recordings, necessary or desirable to perfect the security interests in the Collateral granted by the Grantor hereunder having been taken, the security interests in such Collateral granted to the Agent for the benefit of the Secured Parties constitute perfected security interests therein superior and prior to all Liens rights or claims of all other Persons. Without limiting the generality of and in furtherance of the foregoing, the Grantor or the Agent, as applicable, has: (i) filed financing statements naming each Granting Party (separately), as "debtor" and the Agent as "secured party" and describing the Collateral in the filing offices set forth on Schedule I hereto, (ii) delivered to the Agent the Instruments listed on Schedule II hereto and all Instruments and Chattel Paper evidencing an amount of Receivables equal to or greater than \$100,000 individually or \$500,000 in the aggregate, and (iii) filed for the recordation of the security interests granted hereunder in Patents, and the registered and applied for Trademarks and the registered and applied for Copyrights, to the extent included in the Collateral, in the applicable patent, trademark and copyright registries (and registered all heretofore unregistered Copyrights which are material to the business of the applicable Granting Party).

3.2 No Liens; Other Financing Statements.

(a) The Grantor owns and, as to all Collateral whether now existing or hereafter acquired will continue to own, each item of the Collateral free and clear of any and all Liens, rights or claims of all Persons other than the Lien granted to the Agent for the benefit of the Secured Parties hereunder and other Permitted Liens and except for refunds, returns and allowances in the ordinary course of business and consistent with prudent business practices and except for certain rights granted to the NHL Entities (pursuant to the Joinder Agreement and the Interim License Agreement).

(b) No financing statement or other evidence of Lien covering or purporting to cover any of the Collateral is on file in any public office

other than (i) financing statements filed or to be filed in connection with the security interests granted to the Agent for the benefit of the Secured Parties hereunder, (ii) financing statements for which proper termination statements have been delivered to the Agent for filing and (iii) financing statements with respect to Permitted Liens.

3.3 Chief Executive Office: Records. On the date hereof, the chief executive office of each Granting Party is located at the locations identified on Schedule III. On the date hereof, the originals of the Receivables Records, all Contracts and all Collateral Records are located at the locations identified on Schedule III as such or at the chief executive office of the Grantor. All Receivables and Contracts are maintained at, and controlled and directed (including, without limitation, for general accounting purposes) from the chief executive office.

3.4 Location of Inventory and Equipment. On the date hereof, all Inventory and Equipment is kept only at the locations listed on Schedule IV. On the date hereof, none of such Inventory or Equipment is in the possession of an issuer of a negotiable Document (as defined in the UCC) therefor or otherwise in the possession of a bailee unless such Document has been delivered to the Agent pursuant to Section 4.11 hereof.

3.5 Receivables.

(a) To the best of the Grantor's knowledge, all of the Receivables (other than an immaterial portion thereof) (i) are and will be the genuine, legal, valid and binding obligations of the Account Debtors in respect thereof, representing unsatisfied obligations of such Account Debtors, (ii) are and will be enforceable in accordance with their respective terms, (iii) are and will be in full force and effect and are not and will not be subject to any setoffs, defenses, taxes, counterclaims (except (x) with respect to refunds, returns and allowances in the ordinary course of business and consistent with prudent business practices and (y) to the extent that any such Receivable may not yet have been earned by performance) and (iv) are and will be in compliance with all applicable laws, whether federal, State, local or foreign.

(b) None of the Account Debtors in respect of any Receivable in excess of \$100,000 individually or \$500,000 in the aggregate is the United States Government or an instrumentality thereof. In the event any Receivables are in excess of such amounts, the Borrower shall take all steps reasonably

required by the Agent to the extent permitted by law to perfect the Lien of the Agent in such Receivable, including, without limitation, notice to the United States Government under the Federal Assignment of Claims Act.

(c) No Receivables in excess of \$100,000 individually or \$500,000 in the aggregate are evidenced by any Instrument which has not been delivered to the Agent.

3.6 Contracts.

(a) All of the Contracts necessary for the respective businesses of the Grantor are in full force and effect.

(b) The Material Contracts are contracts and agreements (i) which by their terms expressly permit the Grantor to assign or encumber its interest therein for the benefit of the Agent under and pursuant to the terms of this Security Agreement; or (ii) which by their terms do not expressly prohibit the Grantor from assigning or encumbering its interest for the benefit of the Agent under this Security Agreement; or (iii) for which consent for the transactions contemplated hereunder has been obtained.

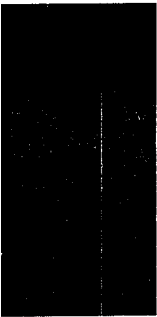
(c) No consent of any party to any Material Contract is required, or purports to be required, in connection with the execution, delivery and performance of this Security Agreement by the Grantor, other than those Material Contracts for which consent to the security interest and Lien granted herein has been obtained.

3.7 Fair Labor Standards Act. Any goods now or hereafter produced by the Grantor included in the Collateral have been and will be produced in compliance with the requirements of the Fair Labor Standards Act, as amended.

3.8 Farm Products. None of the Collateral constitutes, or is the Proceeds of, farm products (as defined in the UCC).

3.9 Motor Vehicles. There is no Collateral other than the Motor Vehicles, the title to which is governed by a certificate of title or ownership.

3.10 Intellectual Property Collateral. Except as disclosed in Item H of Schedule VI, as of the date hereof:



(a) all Intellectual Property Collateral on Schedule IV hereto and all other Intellectual Property Collateral that is material to the business of the applicable Granting Party is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and the Grantor has performed all acts and has paid all renewal, maintenance, and other fees and taxes required to maintain each and every registration and application of such Intellectual Property Collateral in full force and effect;

(b) to the best of the Grantor's knowledge, all Intellectual Property Collateral on Schedule VI hereto and all other Intellectual Property Collateral that is material to the business of the applicable Granting Party is valid and enforceable; no holding, decision, or judgment has been rendered in any action or proceeding before any court or administrative authority challenging the validity of, the Grantor's right to register, or the Grantor's rights to own or use, any Intellectual Property Collateral on Schedule IV hereto and all other Intellectual Property Collateral that is material to the business of the applicable Granting Party and no such action or proceeding is pending or, to the best of the Grantor's knowledge, threatened;

(c) all registrations and applications for Copyrights, Patents and Trademarks are standing in the name of the Grantor, and none of the Trademarks, Patents, Copyrights or Trade Secret Collateral has been licensed by the Grantor to any affiliate or third party, except as disclosed in Items B, D, F, or G of Schedule VI;

(d) the Grantor has been using appropriate statutory notice of registration in connection with its use of registered Trademarks, proper marking practices in connection with the use of Patents, and appropriate notice of copyright in connection with the publication of Copyrights which, in each case, are material to the business of the applicable Granting Party;

(e) the Grantor has taken all action reasonably necessary to insure that all licensees of the Trademark Collateral owned by the Grantor use adequate standards of quality;

(f) Schedule VI sets forth a true and accurate list of (i) all United States, State and foreign registrations of and applications for Patents, Trademarks, and Copyrights owned by the Grantor and (ii) all Patent Licenses, Trademark Licenses and Copyright Licenses material to the business of the Grantor;

(g) the Grantor is the sole and exclusive owner of the entire right, title, and interest in and to all Intellectual Property Collateral on Schedule VI, and owns or has the valid right to use all other Intellectual Property Collateral necessary to conduct its business, free and clear of all Liens, claims and encumbrances, licenses, except for Permitted Liens and the licenses set forth on Schedule VI items B, D, F and G;

(h) to the best of the Grantor's knowledge, the conduct of the Grantor's business does not infringe upon any trademark, patent, copyright, trade secret or similar intellectual property right owned or controlled by a third party; no claim has been made that the use of any Intellectual Property Collateral owned, used or held for use by the Grantor (or any of its respective licensees) violates the asserted rights of any third party if it prevails, could have a Material Adverse Effect;

(i) to the best of the Grantor's knowledge, no third party is infringing upon any Intellectual Property Collateral that is material to the business of the applicable Granting Party owned, used or held for use by the Grantor, or any of its respective licensees;

(j) no settlement or consents, covenants not to sue, non-assertion assurances, or releases have been entered into by the Grantor or to which the Grantor is bound that adversely effect the Grantor's rights to own or use any Intellectual Property Collateral that is material to the business of the applicable Granting Party or which material adversely limits the business of the applicable Granting Party; and

(k) The Grantor has not made a previous assignment, sale, transfer, or agreement constituting a present or future assignment sale, transfer, of any Intellectual Property Collateral that has not been terminated or released, except for certain rights granted to the NHL Entities under the Joinder Agreement and the Interim License Agreement. There is no effective financing statement or other document or instrument now executed, or on file or recorded in any public office, granting a security interest in or otherwise encumbering any part of the Intellectual Property Collateral, other than in favor of the Agent (for the benefit of the Secured Parties).

3.11 Affirmation. Each Borrowing under the Credit Agreement shall constitute an affirmation that the foregoing representations and warranties are true, correct and complete as of the date thereof, as if made on such date.

ARTICLE IV

COVENANTS

Each of the Grantors covenants and agrees with the Agent and the Secured Parties that from and after the date of this Security Agreement:

4.1 Further Assurances.

(a) At any time and from time to time, upon the request of the Agent, and at the sole expense of the Grantor, the Grantor will promptly and duly execute and deliver any and all such further instruments, endorsements, powers of attorney (solely upon the occurrence and during the continuance of an Event of Default) and other documents, make such filings, give such notices and take such further action as the Agent reasonably may deem necessary in obtaining the full benefits of this Security Agreement and of the rights, remedies and powers herein granted, including, without limitation, the following:

(i) The Grantor will file any financing statements, in a form acceptable to the Agent under the UCC with respect to the Liens and security interests granted hereby. The Grantor also hereby authorizes the Agent to file any such financing statement without the signature of the Grantor to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted hereunder. A photocopy or other reproduction of this Security Agreement shall be sufficient as a financing statement and may be filed in lieu of the original to the extent permitted by applicable law. The Grantor will pay or reimburse the Agent for all filing fees and related expenses.

(ii) The Grantor will record appropriate evidence of the Liens and security interest granted hereunder in any Intellectual Property registered in the United States Patent and Trademark Office or for which an application to so register has been made and, with respect to any other material Intellectual Property Collateral, with any intellectual property registry in which said Intellectual Property Collateral is registered or in which an application for registration is pending including, without limitation, foreign

counterparts on any of the foregoing or the various Secretaries of State.

(iii) The Grantor will make or reimburse the Agent for making all searches reasonably deemed necessary by the Agent to establish and determine the priority of the security interests of the Agent or to determine the presence or priority of other secured parties.

(iv) Upon request of the Agent, the Grantor will cause the Agent for the benefit of itself and the Secured Parties to be listed as the lienholder on the certificate of title or ownership covering any Collateral covered by such a certificate of title or ownership and to deliver evidence thereof to the Agent.

(v) The Grantor will furnish to the Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all in reasonable detail and in form satisfactory to the Agent.

(vi) The Grantor will provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts reasonably deemed necessary, desirable or proper by the Agent or any Bank to comply with the requirements of any agency having jurisdiction over the Agent or any Secured Party.

4.2 Change of Chief Executive Office. The Grantor will not move its chief executive office except to such new location as the Grantor may establish in accordance with the last sentence of this Section. The originals of all Receivables Records, Contracts and Collateral Records will continue to be kept at such chief executive office or at the locations identified on Schedule III as such, or at such new locations as the Grantor may establish in accordance with the last sentence of this Section. The Grantor shall not establish a new location for its chief executive office or such activities (or move any such activities from the location listed in Schedule III therefor) until (a) it shall have given to the Agent not less than 15 Business Days prior written notice of its intention to do so, clearly describing such new location and providing such other information in connection therewith as the Agent may reasonably request, and (b) with respect to such new

location, it shall have taken all action satisfactory to the Agent as the Agent may request to maintain the security interest of the Agent in the Collateral intended to be granted hereby at all times fully perfected with the same or better priority and in full force and effect.

4.3 Change of Location of Inventory and Equipment. The Grantor agrees that all Inventory and Equipment now held or subsequently acquired by it shall be kept at (or shall be in transport to) any one of the locations shown on Schedule IV, or such new location as the Grantor may establish in accordance with the last sentence of this Section. The Grantor may establish a new location for Inventory and Equipment only if (a) it shall have given to the Agent not less than 15 Business Days prior written notice of its intention to do so, clearly describing such new location and providing such other information in connection therewith as the Agent may reasonably request, and (b) with respect to such new location, it shall have taken all action satisfactory to the Agent as the Agent may request to maintain the security interest of the Agent in the Collateral intended to be granted hereby at all times fully perfected with the same or better priority and in full force and effect; provided, however, that Inventory and Equipment may be stored at a location of which the Agent has not been notified if (x) no Event of Default has occurred and is continuing, (y) all Inventory and Equipment at any such location, in the aggregate, has a fair market value of less than or equal to \$250,000, and (z) all filings have been made or other actions taken to give the Agent a perfected, first priority security interest in such Inventory and Equipment; provided, further, that the Grantor shall supply the Agent with all locations of the type described in the preceding proviso promptly upon its request.

4.4 Change of Name, Identity or Corporate Structure. The Grantor shall not change its name or conduct any significant portion of its business under any new tradenames, identity or corporate structure until (a) it shall have given to the Agent not less than 15 Business Days prior written notice of its intention to do so clearly describing such new name, identity or corporate structure or such new tradename and providing such other information in connection therewith as the Agent may reasonably request, and (b) with respect to such new name, identity or corporate structure or such new tradename, it shall have taken all action satisfactory to the Agent as the Agent may request to maintain the security interest of the Agent in the Collateral intended to be granted hereby at all times fully perfected with the same or better priority and in full force and effect.

4.5 Delivery of Instruments. If any Instrument in excess of \$100,000 individually, or if Instruments in excess of \$500,000 in the aggregate,

shall at any time comprise any portion of the Collateral, the Grantor shall within 10 Business Days notify the Agent thereof, and promptly deliver such individual Instrument, or such group of Instruments, to the Agent appropriately indorsed or assigned or to the order of the Agent or in such other manner as shall be satisfactory to the Agent.

4.6 Delivery of Chattel Paper. If Chattel Paper in excess of \$100,000 individually, or if Chattel Paper in excess of \$500,000 in the aggregate, shall at any time comprise any portion of the Collateral, the Grantor shall within 10 Business Days notify the Agent thereof, and promptly deliver such individual Chattel Paper, or such group of Chattel Paper, to the Agent.

4.7 Maintain and Mark Records and Receivables. The Grantor will keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, including, but not limited to, the originals of all documentation with respect to all Receivables and records of all payments received and all credits granted on the Receivables, all merchandise returned and all other dealings therewith. Upon the reasonable request of the Agent, the Grantor shall legend, in form and manner satisfactory to the Agent, all Chattel Paper and other evidence of Receivables, as well as the Receivables Records with an appropriate reference to the fact that the Chattel Paper and all other Receivables have been assigned to the Agent for the benefit of the Secured Parties and that the Agent has a security interest therein.

4.8 Right of Inspection. The Agent and the Secured Parties shall at all reasonable times and upon reasonable notice have full and free access during normal business hours to all the books, correspondence and records of the Grantor, and the Agent and the Secured Parties and their respective representatives may examine the same, take extracts therefrom and make photocopies thereof, and the Grantor agrees to render to the Agent and the Secured Parties, at the Grantor's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto. The Agent and the Secured Parties and their respective representatives shall at all reasonable times and upon reasonable notice also have the right to enter and inspect any property of the Grantor.

4.9 Receivables.

(a) The Grantor shall perform in all material respects all of its obligations with respect to material Receivables.

(b) The Grantor shall not amend, modify, terminate or waive any provision of any Receivable in any manner which could reasonably be expected to materially adversely affect the value of such Receivable as Collateral other than (i) in the ordinary course of business as generally conducted by it and consistent with prudent business standards and (ii) while no Event of Default shall have occurred and be continuing. The Grantor shall not (w) grant any extension or renewal of the time of payment of any Receivable, (x) compromise or settle any dispute, claim or legal proceeding with respect to any Receivable for less than the total unpaid balance thereof, (y) release, wholly or partially, any Person liable for the payment thereof, or (z) allow any credit or discount thereon other than (i) in the ordinary course of business as generally conducted by it and consistent with prudent business standards and (ii) while no Event of Default shall have occurred and be continuing.

(c) The Grantor shall use its commercially reasonable efforts (including, without limitation, if appropriate and consistent with prudent business standards, prompt and diligent exercise of each material right it may have under any Receivable (other than any right of termination)) to cause to be collected from each Account Debtor, as and when due (including, without limitation, amounts which are delinquent, such amounts to be collected in accordance with generally accepted lawful collection procedures) any and all amounts owing under or on account of any Receivable, and apply all collected amounts to the outstanding balance of such Receivable immediately upon receipt thereof. The costs of collection, whether incurred by the Grantor or, to the extent permitted hereunder, the Agent, shall be borne by the Grantor. If, notwithstanding the foregoing, any such cost is incurred by the Agent, such amount shall be reimbursed, together with interest thereon at the Default Rate, to the Agent upon demand and such reimbursement obligation shall be secured hereby.

(d) Upon the occurrence and during the continuance of an Event of Default, the Grantor shall establish additional or modify existing lock-box arrangements for the collection of Receivables as the Agent may require in its sole discretion.

4.10 Contracts.

(a) The Grantor will (i) make all payments due, and will comply with all other material terms, conditions and provisions on its part to be observed or performed, under each Material Contract, (ii) take all appropriate action to enforce all payments due from, and the compliance with all other material terms, conditions and provisions to be observed or performed by, each party (other than the Grantor) to each Material Contract and (iii) not amend (except consistent with prudent business standards), terminate or cancel, or consent to or take any action which would result in the amendment, termination or cancellation of, or waive (except consistent with prudent business standards) any of its rights under, any Material Contract, and will take all action requisite on its part to prevent any amendment (except consistent with prudent business standards), termination or cancellation of (or the accrual of any right thereto), or waiver (except consistent with prudent business standards) of any of their respective rights under, any Material Contract.

(b) The Grantor will not enter into or assume any new Material Contract that contains a prohibition against or requires the consent of the other parties thereto to the grant of a security interest in the rights thereunder.

(c) Upon the occurrence and during the continuance of an Event of Default, the Grantor will not enter into or assume any Contract which contains any provisions or is subject to any agreement or understanding, the effect of which would be to provide any Person having an interest under such Contract, with a right of non-disturbance in respect of the use of any Collateral, or any other right allowing such Person to use (or to permit any other Person to use) any Collateral or to sell goods or provide services (or to permit any other Person to do the same), from and after the exercise by the Agent or any other Secured Party of any remedy under this Security Agreement.

(d) The Grantor will promptly deliver to the Agent a copy of each material demand, notice or document received by it relating in any way to any Material Contract.

4.11 Documents. The Grantor agrees that if any warehouse receipt or receipt in the nature of a warehouse receipt or other Document is issued with respect to any of the Collateral, such warehouse receipt or receipt in the nature thereof or other Document either (a) shall not be "negotiable" (as defined in

the UCC) or (b) shall be promptly delivered to and held by the Agent until possession of such Collateral is re-acquired by the Grantor.

4.12 Payment of Obligations. The Grantor will pay promptly when due all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of its income or profits therefrom, as well as all claims of any kind (including, without limitation, claims for labor, materials, supplies and services) against or with respect to the Collateral, except that no such payment need be made if the validity thereof is being contested in good faith by appropriate proceedings diligently conducted and such charge is adequately reserved against on the Grantor's books in accordance with GAAP and except for such payments that could not, in the aggregate, have a Material Adverse Effect.

4.13 No Impairment. Except as permitted in the Credit Agreement, the Grantor will not take or permit to be taken any action which could impair the Agent's or any Secured Party's rights in the Collateral. The Grantor assumes all liability and responsibility in connection with the Collateral and the liability of the Grantor with respect to the Secured Obligations shall in no way be affected or diminished by reason of the fact that the Collateral may be lost, destroyed, stolen, damaged or for any reason whatsoever unavailable to the Grantor.

4.14 Negative Pledge. The Grantor will not create, incur or permit to exist, will defend the Collateral against, and will take such other action as is necessary to remove, any Lien or claim on or to the Collateral, other than the Liens created hereby and other than the Permitted Liens and will defend the right, title and interest of the Agent and the Secured Parties in and to any of the Collateral against the claims and demands of all Persons whomsoever.

4.15 Limitations on Dispositions of Collateral. The Grantor will not sell, transfer, lease, license, or otherwise dispose of any of the Collateral or any rights therein, or attempt, offer or contract to do so except as expressly permitted by the terms of provisions of the Credit Agreement.

4.16 Maintenance of Equipment. The Grantor will maintain each item of material Equipment in operating condition in conformity with general commercial standards of quality, ordinary wear and tear and immaterial impairments of value and damage by the elements excepted, and will provide all maintenance, service, repairs and improvements necessary for such purpose or desirable to such end.

4.17 Intellectual Property.


(a) The Grantor shall not do any act or omit to do any act whereby (i) any of the Intellectual Property Collateral which is then material to the business of the applicable Granting Party may lapse, or become abandoned, dedicated to the public, or unenforceable, or (ii) which would adversely affect the validity, grant, or enforceability of the security interest in any of the Intellectual Property Collateral.

(b) The Grantor shall not, with respect to any Trademarks which are then material to the business of the applicable Granting Party, cease the use of any of such Trademarks or fail to maintain the level of the quality of products sold and services rendered under any of such Trademarks at a level at least consistent with the quality of such products and services as of the date hereof, and the Grantor shall take all steps reasonably necessary to insure that licensees of such Trademarks use such consistent standards of quality.

(c) The Grantor shall, within 30 days of the creation or acquisition of any copyrightable work the Copyright to which is material to the business of the applicable Granting Party, apply to register the Copyright in the United States Copyright Office.

(d) The Grantor shall promptly notify the Agent if it knows or has reason to know that any item of the Intellectual Property Collateral that is material to the business of the applicable Granting Party may become (i) abandoned or dedicated to the public or placed in the public domain, (ii) invalid or unenforceable, or (iii) subject to any materially adverse determination or development (including the institution of proceedings) in any action or proceeding in the United States Patent and Trademark Office, the United States Copyright Office, any State registry, any foreign counterpart of the foregoing, or any court.

(e) The Grantor shall take all reasonable steps in the United States Patent and Trademark Office, the United States Copyright Office, any State registry or any foreign counterpart of the foregoing, to pursue any application filed therein by the Grantor and maintain in force all registrations for each Trademark, Patent, and Copyright owned by the Grantor and material to the business of the applicable Granting Party which is now or shall become included in the Intellectual Property Collateral including, but not limited to, those items on Schedule VI Items A, C, E.



(f) In the event that any Intellectual Property Collateral owned by or exclusively licensed to the Grantor and material to its business is infringed, misappropriated, or diluted by a third party, the Grantor shall promptly take all reasonable actions to stop such infringement, misappropriation, or dilution and protect its exclusive rights in such Intellectual Property Collateral including, but not limited to, the initiation of a suit for injunctive relief and to recover damages.

(g) The Grantor shall promptly (but in no event more than 10 days after the Grantor obtains knowledge thereof) report to the Agent (i) the filing of any application to register any Intellectual Property Collateral with the United States Patent and Trademark Office, the United States Copyright Office, or any State registry or foreign counterpart of the foregoing (whether such application is filed by the Grantor or through any agent, employee, licensee, or designee thereof) and (ii) the registration of any Intellectual Property Collateral by any such office. The Grantor hereby authorizes the Agent to modify this Agreement by amending Schedule VI and will otherwise cooperate with the Agent in effecting any amendment to this Agreement to include any item of Intellectual Property Collateral that is the subject of registration or application and that shall become part of the Intellectual Property Collateral after the date hereof.

(h) The Grantor shall, promptly upon the reasonable request of the Agent, execute and deliver to the Agent any document required to acknowledge, confirm, register, record or perfect the Agent's interest in any part of the Intellectual Property Collateral, whether now owned or hereafter acquired, including, but not limited to, this Agreement or any amendment thereto, or one or more Patent, Trademark and Copyright security agreements in form and substance satisfactory to the Secured Parties.

(i) Except with the prior consent of the Agent or as permitted under the Credit Agreement, the Grantor will not execute, and there will not be on file in any public office, any financing statement or other documents or instruments, except financing statements or other documents or instruments filed or to be filed in favor of the Agent, and the Grantor will not sell, assign, transfer, license, grant any option, or create or suffer to exist any Lien upon or with respect to the Intellectual Property Collateral, except for the Lien created by and under this Security Agreement and the other Loan Documents and Permitted Liens.

4.18 Notice. The Grantor will promptly, and in any event within 6 Business Days after the Borrower obtains knowledge thereof, provide notice to

the Agent in reasonable detail, with sufficient copies for each Secured Party, in accordance with the provisions hereof of (a) any Lien (other than Permitted Liens) on any of the Collateral and (b) any claim asserted against any of the Collateral or the occurrence of any other event which could reasonably be expected to have a Material Adverse Effect.

4.19 Performance by Agent of Grantor's Obligations: Reimbursement. If the Grantor fails to perform or comply with any of its agreements contained herein the Agent may, without prior notice to or consent by the Grantor, perform or comply or cause performance or compliance therewith; provided, that the Agent shall provide the Grantor with notice thereof as soon as reasonably practicable thereafter (but failure to give such notice shall not affect the right of the Agent to take such action or to be reimbursed therefor); and provided, further, the expenses of the Agent incurred in connection with such performance or compliance, together with interest thereon at the Default Rate, shall be payable by the Grantor to the Agent on demand and such reimbursement obligation shall be secured hereby.

ARTICLE V

SPECIAL PROVISIONS REGARDING RECEIVABLES AND CONTRACTS

5.1 Grantor Remains Liable under Receivables and Contracts. The Grantor shall remain liable under each of the Receivables and Contracts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Receivable or Contract. Neither the Agent nor any Secured Party shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) or Contract by reason of or arising out of this Security Agreement or the receipt by the Agent or any of the Secured Parties of any payment relating to such Receivable or Contract pursuant hereto, nor shall the Agent or any of the Secured Parties be obligated in any manner to perform any of the obligations of the Grantor under or pursuant to any Receivable (or any agreement giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Receivable (or any agreement giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any

amounts which may have been assigned to it or to which it may be entitled at any time or times.

5.2 Notice to Account Debtors and Contracting Parties. At any time while an Event of Default shall have occurred and be continuing, the Agent may, and upon request of the Agent the Grantor shall, notify Account Debtors and parties to the Contracts that the Receivables and the Contracts have been assigned to the Agent and that payments in respect thereof shall be made directly to the Agent. The Agent may in its own name or in the name of others communicate with Account Debtors and parties to the Contracts to verify with them to its satisfaction the existence, amount and terms of any Receivables or Contracts.

5.3 Collections on Receivables.

(a) The Agent hereby authorizes the Grantor to collect the Receivables in accordance with this Security Agreement, the Credit Agreement and the other Loan Documents, subject to the Agent's direction and control, and the Agent may curtail or terminate said authority at any time upon the occurrence and during the continuance of an Event of Default and itself, or by its agents, collect all Receivables. If an Event of Default shall occur and be continuing, the Agent shall have the right from time to time to modify (including, without limitation, to extend the time for payment or arrange for payment in installments) or waive rights under any Receivable owed to the Grantor and to compromise or settle counterclaims or setoffs with the Account Debtor under any such Receivable.

(b) The Grantor hereby agrees that on or prior to the date occurring ten Business Days after the date hereof, and at all times thereafter, it shall irrevocably instruct all Account Debtors to remit payments of Receivables owed to the Grantor directly to the Grantor care of a post office box or bank box number (and address) specified by the Agent, which box shall be controlled by the Agent in accordance with the Cash Collateral Agreement. Upon receipt by the Agent of payments mailed to such box number, such payment shall be deposited in accordance with the Cash Collateral Agreement. If any such payments are received directly by the Grantor (notwithstanding such instructions), such payments shall be forthwith (and, in any event, within five Business Days) delivered by the Grantor to the Agent in the exact form received, duly indorsed by the Grantor to the Agent if required, for deposit in accordance with the Cash Collateral Agreement, and, until so turned over, shall be held by the Grantor in trust for the Agent, segregated from other funds of the Grantor.

(c) All Proceeds, while held by the Agent (or by the Grantor in trust for the Agent) shall continue to be Collateral security for all of the Secured Obligations and shall not constitute payment thereof until applied as hereinafter provided.

5.4 Contract Rights. Upon the occurrence and continuance of any Event of Default, the Agent may (in its own name or in the name of the Grantor): (a) enforce all remedies, rights, powers and privileges of the Grantor under any or all of the Contracts, including, without limitation, all of its rights under any Contract to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Contract to demand, receive, enforce or collect for any of the foregoing rights or any property the subject of any of the Contracts, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which, in the opinion of the Agent, may be necessary or advisable in connection with any of the foregoing; and/or (b) substitute itself or any nominee or trustee of the Agent in lieu of the Grantor as party to any of such Contracts and to notify the other parties (the Grantor hereby agreeing to deliver any such notice at the request of the Agent) that all payments and performance under the relevant Contract shall be made or rendered to the Agent or such other Person as the Agent may designate and that the Agent or such other Person shall have all enforcement and other rights thereunder.

ARTICLE VI

POWER OF ATTORNEY

6.1 Agent's Appointment as Attorney-in-Fact.

(a) Upon the occurrence and during the continuance of an Event of Default, the Grantor hereby irrevocably constitutes and appoints the Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time in the Agent's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, and, without limiting the generality of the

foregoing, the Grantor hereby gives the Agent the power and right, on behalf of the Grantor, with notice to but without any further assent of the Grantor, to do the following:

(i) in the name of the Grantor or its own name, or otherwise, to take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral; in the name of the Grantor or otherwise to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Agent or as the Agent shall direct; to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(ii) to prepare, sign and file any Uniform Commercial Code financing statements in the name of the Grantor as debtor;

(iii) to prepare, sign, and file for recordation in any intellectual property registry, appropriate evidence of the Lien and security interest granted herein in the Intellectual Property Collateral in the name of Grantor as assignor;

(iv) to take or cause to be taken all actions necessary or desirable to perform or comply or cause performance or compliance with the terms of this Security Agreement and the other Loan Documents or to effectuate the purposes and intents hereof or thereof, including, without limitation, actions to pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, to effect any repairs or improvements on the Collateral, to enforce or exercise any rights or obligations of the Grantor under any Contract, to submit a Notice of Borrowing under the Credit Agreement in order to make any payments on behalf of the Grantor with respect to the Collateral, to obtain any insurance called for by the terms of the Credit Agreement or any other Loan Document and to pay all or any part of the premiums therefor and the costs thereof and to otherwise administer, manage and use any or all of the Collateral;

(v) (A) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other Documents in connection with any of the Collateral; (B) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (C) to defend any suit, action or proceeding brought against the Grantor with respect to any Collateral; (D) to settle, compromise or adjust any suit, action or proceeding described in the preceding clause and, in connection therewith, to give such discharges or releases as the Agent may deem appropriate; and (E) generally, to sell or transfer and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option and the Grantor's expense, at any time, or from time to time, all acts and things which the Agent deems necessary to protect, preserve or realize upon the Collateral and the Liens of the Agent and the Secured Parties thereon and to effect the intent of this Security Agreement, all as fully and effectively as the Grantor might do; and

(vi) at any time and from time to time, to execute, in connection with any foreclosure, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

The Grantor hereby confirms and ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

(b) No Duty on the Part of Agent or Secured Parties. The Grantor hereby acknowledges and agrees that in acting pursuant to this power-of-attorney the Agent shall be acting in its own interest and in the interest of the Secured Parties, subject to its obligations under the UCC, and the Grantor acknowledges and agrees that the Agent shall have no fiduciary duties to the Grantor and the Grantor hereby waives any claims to the rights of a beneficiary of a fiduciary relationship hereunder. The powers conferred on the Agent hereunder are solely to protect the interests of the Agent and the Secured Parties in the Collateral and shall not impose any duty upon the Agent or any Secured Party to

exercise any such powers. The Agent and the Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act hereunder.

ARTICLE VII

REMEDIES; RIGHTS UPON DEFAULT

7.1 Rights and Remedies Generally. If an Event of Default shall occur and be continuing, then and in every such case, the Agent shall have all the rights of a secured party under the UCC, shall have all rights now or hereafter existing under all other applicable laws, and, subject to any mandatory requirements of applicable law then in effect, shall have all the rights set forth in this Security Agreement and all the rights set forth with respect to the Collateral or this Security Agreement in any other agreement between the parties. No enumeration of rights in this Article or elsewhere in this Security Agreement or in any Loan Document or related document or other agreement shall be deemed to in any way limit the rights of the Agent as described in this Section.

7.2 Possession of Collateral. If an Event of Default shall occur and be continuing:

(a) the Agent may, personally or by agents or attorneys, immediately take possession of the Collateral (including the originals of all or any Receivables Records) or any part thereof, from the Grantor or any other Person who then has possession of any part thereof with or without notice or judicial process, and for that purpose may enter upon the Grantor's premises where any of the Collateral is located and remove the same and may use in connection with such removal any and all services, supplies, aids and other facilities of the Grantor;

(b) upon five Business Days' notice to the Grantor, the Grantor shall, at its own expense, assemble the Collateral, including, without limitation, the originals of all Receivables Records (or from time to time any portion thereof) and make it available to the Agent at any place or places designated by the Agent whether at the Grantor's or the Agent's premises or elsewhere. The Grantor shall, at its sole expense, store and keep any Collateral so assembled at such place or places pending further action by the Agent and while the Collateral shall be so stored and kept, provide such guards and maintenance services as shall be

necessary to protect the same and to preserve and maintain the Collateral in good condition. The Grantor's obligation so to assemble and deliver the Collateral is of the essence of this Security Agreement and, accordingly, upon application to a court of equity having jurisdiction, the Agent shall be entitled to a decree requiring specific performance by the Grantor of said obligation; and

(c) when Collateral is in the Agent's possession, (i) the Grantor shall pay (or reimburse the Agent on demand for) all reasonable expenses (including the cost of any insurance and payment of taxes or other charges) incurred in the custody, preservation, use or operation of the Collateral, and the obligation to reimburse all such reasonable expenses shall accrue interest at the Default Rate from the date payment is demanded until so paid and shall be secured hereby and (ii) the risk of accidental loss or damage shall be on the Grantor to the extent of any deficiency in any effective insurance coverage.

7.3 Disposition of the Collateral.

(a) If an Event of Default shall occur and be continuing, the Agent may direct the Grantor to sell, assign or otherwise liquidate or dispose of all or from time to time any portion of the Collateral, at public or private sale, at the Grantor's or the Agent's premises or elsewhere, and the Grantor shall do so, and the Agent may take possession of the Proceeds of such Collateral. The Agent may direct the Grantor to direct that all Proceeds of such Collateral be paid directly to the Agent, and all such Proceeds consisting of cash, checks or near-cash items received by the Grantor shall be held by the Grantor in trust for the Agent, and shall forthwith upon receipt by the Grantor be turned over to the Agent, in the same form received by the Grantor (appropriately indorsed or assigned by the Grantor to the order of the Agent or in such other manner as shall be satisfactory to the Agent).

(b) If an Event of Default shall occur and be continuing, the Agent may, sell, assign, lease, license (on an exclusive or non-exclusive basis), liquidate, give an option or options to purchase or otherwise dispose of the Collateral (or contract to do any of the foregoing) under one or more contracts or as an entirety, and without the necessity of gathering at the place of sale the property to be sold, at public or private sale or sales, conducted by any officer, nominee or agent of, or auctioneer or attorney for the Agent at any location of any third party conducting or otherwise involved in such sale or any office of the Agent or any Secured Party or elsewhere and in general in such manner, at such time or times and upon such terms and conditions and at such price as it may

consider commercially reasonable, for cash or on credit or for future delivery without assumption of any credit risk. The Agent may in its sole discretion restrict prospective bidders as to their number, nature of their business and investment intention. Any of the Collateral may be sold, leased, assigned or options or contracts entered to do so, or be otherwise disposed of, in the condition in which the same existed when taken by the Agent or after any overhaul or repair which the Agent shall determine to be commercially reasonable. Any such disposition which shall be a private sale or other private proceeding shall be made upon not less than 21 days' written notice to the Grantor specifying the time after which such disposition is to be made and the intended sale price or other consideration therefor. Any such disposition which shall be a public sale shall be made upon not less than 21 days' written notice to the Grantor (which the Grantor agrees to be commercially reasonable) specifying the time and place of such sale and, in the absence of applicable requirements of law to the contrary, shall be by public auction (which may, at the Agent's option, be subject to reserve) or such other appropriate method as the Agent shall determine. To the extent permitted by applicable law, the Agent or any Secured Party may bid for and become the purchaser of the Collateral or any item thereof, offered for sale in accordance with this Section without accountability to the Grantor (except to the extent of surplus money received) as provided below. In the payment of the purchase price of the Collateral, the purchaser shall be entitled to have credit on account of the purchase price thereof of amounts owing to such purchaser on account of any of the Secured Obligations and any such purchaser may deliver notes, claims for interest, or claims for other payment with respect to such Secured Obligations in lieu of cash up to the amount which would, upon distribution of the net proceeds of such sale, be payable thereon. Such notes, if the amount payable hereunder shall be less than the amount due thereon, shall be returned to the holder thereof after being appropriately stamped to show partial payment. Notwithstanding the foregoing, if the Collateral or any portion thereof is perishable or threatens to decline speedily in value or is of a type customarily sold in a recognized market no notice of disposition shall be required except to the extent required by law.

(c) Any sale of or any other realization upon, any Collateral shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of the Grantor therein and thereto, and shall be a perpetual bar both at law and in equity against the Grantor and against any and all Persons claiming or attempting to claim the Collateral so sold or realized upon, or any part thereof, from, through and under the Grantor.

7.4 Recourse: Limitation of Liability.

(a) The Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to satisfy the Secured Obligations. The Grantor shall also be liable for all reasonable expenses of the Agent and each Secured Party incurred in connection with collecting such deficiency, including, without limitation, the reasonable fees and disbursements of any attorneys employed by the Agent or any Secured Party to collect such deficiency.

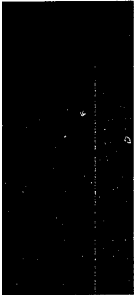
(b) No claim may be made by the Grantor or any other Person against the Agent, the Sub-Agent or any Bank or the affiliates, directors, officers, employees, attorneys or agent of any of them for any special, indirect, consequential, incidental or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the Transactions contemplated by this Agreement or any other Transactions, or any act, omission or event occurring in connection therewith; and the Grantor hereby waives, releases and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) No claim may be made by the Agent, the Sub-Agent or any Bank against any individual who is a director, officer, employee, attorney or agent of the Grantor for any special, indirect, consequential, incidental or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the Transactions contemplated by the Agreement or any other Transactions, or any act, omission or event occurring in connection herewith, except for fraud.

7.5 Intellectual Property Collateral License. Solely for the purpose of enabling the Agent to exercise rights and remedies under this Article VII the Grantor hereby grants to the Agent, to the extent it has the right to do so, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantor), subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of the Grantor to avoid invalidation of any Trademarks, to use, operate under, license, or sublicense any Intellectual Property Collateral now owned or hereafter acquired by the Grantor, and wherever the same may be located.

7.6 Expenses; Reasonable Attorneys' Fees.

(a) The Grantor shall reimburse the Agent for all its reasonable expenses in connection with the exercise of its rights hereunder,



including, without limitation, all reasonable attorneys' fees and legal expenses incurred by the Agent. Without limiting the generality of the foregoing, the Grantor agrees to pay, or reimburse the Agent for any and all reasonable fees, costs and expenses of whatever kind or nature incurred in connection with the creation, preservation or protection of the Agent's Liens on, and security interest in, the Collateral, including, without limitation, all costs, fees and expenses of the custody, preservation, use, operation, sale, collection or other realization upon the Collateral, all fees and taxes in connection with the recording or filing of instruments and documents in public offices, payment or discharge of any taxes or Liens upon or in respect of the Collateral, premiums for insurance with respect to the Collateral and all other reasonable fees, costs and expenses in connection with protecting, maintaining or preserving the Collateral and the Agent's or any Secured Party's interest therein, whether through judicial proceedings or otherwise, or in defending or prosecuting any actions, suits or proceedings arising out of or relating to the Collateral. The Grantor shall pay interest at the Default Rate on all such payments owed by the Grantor and not paid within five Business Days of demand therefor to and including the date of payment thereof, all of which obligations shall be secured hereby.

(b) If and to the extent that the obligations of the Grantor under this Section are unenforceable for any reason, the Grantor hereby agrees to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under applicable law.

7.7 Application of Proceeds. All cash Collateral, including, without limitation, proceeds of any disposition of Collateral and any other cash Proceeds shall, in the sole discretion of the Agent, be held by the Agent as Collateral or applied as follows (and in the following order):

(a) first, to the payment of any and all expenses and fees (including attorneys' fees and disbursements) incurred by the Agent in connection with the exercise of its rights and remedies hereunder, including, without limitation, expenses and fees in connection with obtaining, taking possession of, removing, holding, insuring, repairing, preparing for sale or lease, storing and disposing of Collateral;

(b) second, to the satisfaction of the Secured Obligations (pro rata among Secured Obligations owed to the Agent and each other Secured Party, in such order as the Agent may elect in its sole discretion) until the Secured Obligations are paid in full;

(c) third, to any other payment of any amount required to be paid by the Agent by law; and

(d) fourth, upon termination of the Commitments, to the Grantor or as a court of competent jurisdiction may direct.

7.8 Limitation on Duties Regarding Preservation of Collateral.

(a) The Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under the UCC or otherwise, shall be to deal with it in the same manner as the Agent deals with similar property for its own account.

(b) The Agent shall have no obligation to take any steps to preserve rights against other parties to any Collateral.

(c) Neither the Agent nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Grantor or otherwise.

7.9 Waiver of Claims. Except as otherwise provided in this Security Agreement, THE GRANTOR HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, NOTICE AND JUDICIAL HEARING IN CONNECTION WITH THE AGENT'S TAKING POSSESSION OR THE AGENT'S DISPOSITION OF ANY OF THE COLLATERAL, INCLUDING, WITHOUT LIMITATION, ANY AND ALL PRIOR NOTICE AND HEARING FOR ANY PREJUDGMENT REMEDY OR REMEDIES AND ANY SUCH RIGHT WHICH THE GRANTOR WOULD OTHERWISE HAVE UNDER THE CONSTITUTION OR ANY STATUTE OF THE STATES OR OF ANY STATE, and the Grantor hereby further waives, to the extent permitted by law:

(a) all damages occasioned by such taking of possession except any damages which are solely the direct result of the Agent's gross negligence or willful misconduct as finally determined by a court of competent jurisdiction;

(b) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of the Agent's rights hereunder;

(c) demand of performance or other demand, notice of intent to demand or accelerate, notice of acceleration, presentment, protest, advertisement or notice of any kind to or upon the Grantor or any other Person; and

(d) all rights of redemption, appraisal, valuation, diligence, stay, extension or moratorium now or hereafter in force under any applicable law in order to prevent or delay the enforcement of this Security Agreement or the absolute sale of the Collateral or any portion thereof, and the Grantor, for itself and all who may claim under it, insofar as it or they now or hereafter lawfully may, hereby waives the benefit of all such laws.

7.10 Discontinuance of Proceedings. In case the Agent shall have instituted any proceeding to enforce any right, power or remedy under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Agent, then and in every such case the Grantor and the Agent and the Secured Parties shall be returned to their former positions and rights hereunder with respect to the Collateral subject to the security interest created under this Security Agreement, and all rights, remedies and powers of the Agent shall continue as if no such proceeding had been instituted.

ARTICLE VIII

MISCELLANEOUS

8.1 GOVERNING LAW; SUBMISSION TO JURISDICTION.

(a) THIS SECURITY AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (WITHOUT GIVING EFFECT TO THE PRINCIPLES THEREOF RELATING TO CONFLICTS OF LAW EXCEPT SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW) EXCEPT TO THE EXTENT THAT THE PERFECTION OR PRIORITY OF THE LIEN AND SECURITY INTERESTS CREATED HEREUNDER IN RESPECT OF ANY

PARTICULAR COLLATERAL ARE MANDATORILY GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT AND ANY ACTION FOR ENFORCEMENT OF ANY JUDGMENT IN RESPECT HEREOF MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH GRANTING PARTY HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND APPELLATE COURTS FROM ANY THEREOF. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTING PARTY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE GRANTING PARTY AT ITS ADDRESS REFERRED TO IN SECTION 8.3. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTING PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT BROUGHT IN THE COURTS REFERRED TO ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES AND AGREES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED IN ANY OTHER JURISDICTION.

8.2 WAIVER OF TRIAL BY JURY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS SECURITY AGREEMENT OR ANY MATTER ARISING HEREUNDER.

8.3 Notices. Except as otherwise expressly provided herein, all (a) notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy, telex or cable communication), and shall be deemed to have been duly given or made when delivered by hand, or two Business Days after being deposited in the United States mail, postage prepaid or, in the case of telex notice, when sent, answerback received, or, in the case of telecopy notice, when sent, or, in the case of a nationally recognized overnight courier service, one Business Day after delivery to such courier service, addressed, in the case of each party hereto, at the address specified in Schedule 9.3 to the Credit Agreement, or to such other address as may be designated by any party in a written notice to the other parties hereto, provided that notices and communications to the Agent shall not be effective until received by the Agent.

(b) The recipient (be it the Agent or any Secured Parties) of any request, notice or other writing to be executed or delivered by the Grantor in connection herewith, (other than an amendment hereto) shall be entitled, in its sole and absolute discretion, either to accept and rely on such writing executed by any one of the Granting Parties or to require that such writing be executed by all or any number of such Granting Parties. Each Granting Party hereby consents to and acknowledges that it shall be bound by any writing executed in connection herewith by any other Granting Party, and each Granting Party shall be deemed to have knowledge of any fact, circumstance or event known to any other Granting Party.

8.4 Successors and Assigns. This Security Agreement shall be binding upon and inure to the benefit of the Grantor, the Agent, the Secured Parties, all future holders of the Secured Obligations and their respective successors and assigns, except that no Granting Party may assign or transfer any of its rights or obligations under this Security Agreement except to a successor or assignee of its rights under the Credit Agreement pursuant to the terms thereof and no other Granting Party may assign or transfer any of its rights or obligations under this Security Agreement without the prior written consent of the Agent.

8.5 Waivers and Amendments. None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Grantor and the Agent, provided that any provision of this Security Agreement may be waived by the Agent in a written letter or agreement executed by the Agent or by telex or facsimile transmission from the Agent. Any such amendment, supplement, modification or waiver shall apply to each of the Secured Parties equally and shall be binding upon the Grantor, the Agent, the Secured Parties and all future holders of

the Secured Obligations. In the case of any waiver, the Grantor, the Agent, and the Secured Parties shall be restored to their former position and rights hereunder and under the outstanding Secured Obligations, and any Default or Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

8.6 No Waiver; Remedies Cumulative. No failure or delay on the part of the Agent in exercising any right, power or privilege hereunder and no course of dealing between the Grantor and the Agent shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Agent would otherwise have on any future occasion. The rights and remedies herein expressly provided are cumulative and may be exercised singly or concurrently and as often and in such order as the Agent deems expedient and are not exclusive of any rights or remedies which the Agent would otherwise have whether by agreement or now or hereafter existing under applicable law. No notice to or demand on the Grantor in any case shall entitle the Grantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Agent to any other or further action in any circumstances without notice or demand.

8.7 Termination; Release. When the Secured Obligations have been paid and performed in full and after termination of the Commitments, this Security Agreement shall terminate, and the Agent, at the request and sole expense of the Grantor, will execute and deliver to the Grantor the proper instruments (including Uniform Commercial Code termination statements) acknowledging the termination of this Security Agreement, and will duly assign, transfer and deliver to the Grantor, without recourse, representation or warranty of any kind whatsoever, such of the Collateral as may be in possession of the Agent and has not theretofore been disposed of, applied or released; provided, however, that no such release shall occur if the Secured Obligations have not been indefeasibly paid in full and the Collateral Agent does not consent to such release (which consent shall not unreasonably withheld); provided, further, that the Lien shall be reinstated if at any time any payment to the Agent or a Secured Party is rescinded or must otherwise be returned as provided in Section 8.8 hereof.

8.8 Reinstatement. This Security Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by the Agent or any Secured Party hereunder or pursuant hereto is rescinded or must otherwise be restored or returned by the Agent or such Secured Party, as the case may be, upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Granting Party or upon the appointment of any intervenor or conservator of, or trustee or similar official for, any Granting Party or any substantial part of their respective assets, or upon the entry of an order by a bankruptcy court avoiding the payment of such amount, or otherwise, all as though such payments had not been made.

8.9 Conflict with Credit Agreement. In case of a conflict or inconsistency between any provision of this Security Agreement and any provision of the Credit Agreement, the provisions of the Credit Agreement shall control and govern.

8.10 Counterparts. This Security Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

8.11 Headings Descriptive. The headings of the several Sections and subsections of this Security Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Security Agreement.

8.12 Marshalling. Neither the Agent nor any Secured Party shall be under any obligation to marshal any assets in favor of the Grantor or any other Person or against or in payment of any or all of the Secured Obligations.

8.13 Severability. In case any provision in or obligation under this Security Agreement or the Secured Obligations shall be invalid, illegal or unenforceable in any jurisdiction or against any Granting Party, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction or against any other Granting Party, shall not in any way be affected or impaired thereby.

8.14 Survival. All indemnities set forth herein shall survive the execution and delivery of this Security Agreement and the making and repayment of the Secured Obligations.

8.15 Powers Coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are irrevocable and powers coupled with an interest.

8.16 Authority of Agent. The Grantor acknowledges that the rights and responsibilities of the Agent under this Security Agreement with respect to any action taken by the Agent or the exercise or non-exercise by the Agent of any option, right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Security Agreement shall, as between the Agent and the Secured Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Agent and the Grantor, the Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and the Grantor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

8.17 NHL Rights. The liens created hereby and the rights of the Agent and the Secured Parties to enforce rights and remedies with respect to the Collateral are subject to the rights of the NHL under the NHL Constitution and Agreements (as such term is defined in the NHL Consent).

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the date first above written.

NASHVILLE HOCKEY CLUB LIMITED PARTNERSHIP

By: Nashville Predators, LLC,
as General Partner

By: Craig Leipold
Name: Craig Leipold
Title: Manager

POWERS MANAGEMENT, L.L.C., a Tennessee limited liability company

By: Craig Leipold
Name: Craig Leipold
Title: Chief Manager

NASHVILLE PREDATORS ENTERPRISES COMPANY, a Nova Scotia unlimited liability company

By: Craig Leipold
Name: Craig Leipold
Title: Chairman

**NATIONSBANK OF TENNESSEE, N.A.,
as Agent**

By: *William H. Dinkel*
Name: *William H. Dinkel*
Title: *Sr. VP*

156080.04-D.C.S1A

**TRADEMARK
REEL: 1729 FRAME: 0078**

Filing Offices for UCC Financing Statements

Filings to perfect re: Nashville Hockey Club Limited Partnership

<u>Jurisdiction</u>	<u>Fixtures*</u>	<u>Other Collateral</u>
Tennessee	Register of Deeds of Davidson County	Office of Secretary of State Register Deeds of Davidson County

Filings to Perfect re: Powers Management, L.L.C.

<u>Jurisdiction</u>	<u>Fixtures</u>	<u>Other Collateral</u>
Tennessee	Register of Deeds of Davidson County	Office of Secretary of State Register of Deeds of Davidson County

** Tennessee fixture filing must include following statement: "This is a fixture filing. File in real estate records." Note also that the local filing on non-fixture collateral is likely not required (unless collateral includes farm products, consumer goods, etc.) but may be made for additional certainty.

Filings to perfect re: Nashville Predators Enterprises Company

<u>Jurisdiction</u>	<u>Fixtures</u>	<u>Other Collateral</u>
Tennessee	N/A	Office of Secretary of State

**Schedule II to
Security Agreement**

List of Instruments

None

**TRADEMARK
REEL: 1729 FRAME: 0080**

Chief Executive Office and Other Control Locations

Chief executive office of Nashville Hockey Club Limited Partnership:

501 Broadway
Nashville, TN 37203

Chief executive office of Powers Management, L.L.C.:

501 Broadway
Nashville, TN 37203

Chief executive office of Nashville Predators Enterprises Company

501 Broadway
Nashville, TN 37203

**Schedule IV to
Security Agreement**

Locations of Inventory and Equipment

Location of inventory and equipment of Nashville Hockey Club Limited Partnership:

**501 Broadway
Nashville, TN 37203**

Location of inventory and equipment of Powers Management, L.L.C.:

**501 Broadway
Nashville, TN 37203**

Location of inventory and equipment of Nashville Predators Enterprises Company

**501 Broadway
Nashville, TN 37203**

**TRADEMARK
REEL: 1729 FRAME: 0082**

Schedule V to
Security Agreement

Permits

None

TRADEMARK
REEL: 1729 FRAME: 0083

Intellectual Property Collateral

Item A: Copyrights

None

Item B: Copyright Licenses

None

Item C: Patents

None

Item D: Patent Licenses

None

Item E: Trademarks

I. U.S. Trademark Registrations and Applications

<u>Mark</u>	<u>Reg. No./ (App. No.)</u>	<u>Date Reg./ (Date Filed)</u>	<u>Record Owner</u>
Nashville Predators	(75-395,000-ITU)	(Nov. 24, 1997)	Nashville Hockey Club Limited Partnership
Nashville Predators	(75-374,859-ITU) Misassigned Serial No.	(Oct. 17, 1997)	Nashville Hockey Club Limited Partnership
Nashville Predators	(75-374,858-ITU)	(Oct. 17, 1997)	Nashville Hockey Club Limited Partnership
Design Only	(75-357,055-ITU)	(Sept. 15, 1997)	Nashville Hockey Club Limited Partnership

Design Only	(75-356,742-ITU)	(Sept. 15, 1997)	Nashville Hockey Club Limited Partnership
Ice Tigers	(75-348,423-ITU)	(Aug. 28, 1997)	Nashville Hockey Club Limited Partnership
Predators	(75-348,407-ITU)	(Aug. 28, 1997)	Nashville Hockey Club Limited Partnership
Street Pride	(75-412,737-ITU)	(Dec. 31, 1997)	Nashville Hockey Club Limited Partnership

II. Foreign Trademark Registrations and Applications

<u>Country</u>	<u>Mark</u>	<u>Reg. No./ (App.No.)</u>	<u>Date Reg./ (Date Filed)</u>	<u>Record Owner</u>
Canada	Nashville Predators	(858,943) Hockey	(Oct. 17, 1997)	Nashville Hockey Club Limited Partnership
Canada	Nashville Predators (logo design only)	(858,942)	(Oct. 17, 1997)	Nashville Hockey Club Limited Partnership
European Community	Nashville Predators	in process	--	NHL Enter- prises B.V.
European Community	Nashville Predators (logo design only)	in process	-	NHL Enter- prises B.V.

Item F: Trademark Licenses

None

Item G: Trade Secret Licenses



None

Item H: Intellectual Property Collateral Matters

All intellectual property rights of the Granting Parties are subject to the rights of the NHL and the members thereof pursuant to the Interim License Agreement, the Joinder Agreement and the transactions contemplated thereby, copies of which have been delivered to the Agent.

Additionally, the Granting Parties and/or the NHL have received the following notices of possible claims against the intellectual property rights of the Granting Parties: (i) Letter with attachments, dated September 18, 1997, by Nashville Ice Flyers to Mr. Gary Bettman and (ii) Letter with attachments, dated February 4, 1998, by Niro, Scavone, Haller & Niro on behalf of Gridiron Enterprises, Inc. to Craig Leipold, copies of which have been delivered to the Agent.

RECORDED: 05/08/1998

TRADEMARK
REEL: 1729 FRAME: 0086