

MPD 7-13-98

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100770762

the attached original documents or copy thereof.

1. Name of conveying party(ies):

GIBSON GUITAR CORP.

- Individual(s)
- General Partnership
- Corporation-State Delaware
- Other

- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: June 23, 1998

2. Name and address of receiving party(ies)

Name: FLEET CAPITAL CORPORATION

Internal Address: Attn: Roland Robinson

Street Address: 6060 J.A. Jones Drive

City: Charlotte State: NC ZIP: 28287

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

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

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,135,313
2,150,184

Additional numbers attached? Yes No

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

Name: Carruthers & Roth, P.A.

Internal Address: Attn: Linda K. Sullivan

Street Address: 235 N. Edgeworth Street

City: Greensboro State: NC ZIP: 27401

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41) \$ 65.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

07/17/1998 DCDATES 00000072 2135333

019 FCC 301 Statement and signature. 40.00 DP

02 FCC 782 25.00 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.

CARRUTHERS & ROTH, P.A.

Linda K. Sullivan
Name of Person Signing

By: *[Signature]*
Signature

7/9/98
Date

10

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

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

Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

TRADEMARK

REEL: 1755 FRAME: 0735

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") made this 23rd day of June, 1998, by GIBSON GUITAR CORP., a Delaware corporation, having its chief executive office at 1818 Elm Hill Pike, Nashville, Tennessee 37210 (hereinafter referred to as "Borrower"), and FLEET CAPITAL CORPORATION, a Rhode Island corporation, having its executive offices at 6060 J. A. Jones Drive, Suite 200, Post Office Box 669200, Charlotte, North Carolina 28266 (hereinafter referred to as "Lender"):

WITNESSETH:

WHEREAS, Borrower and Lender are parties to a certain Consolidated Amendment No. 1 to Second Amended and Restated Loan and Security Agreement, dated December 4, 1997, as amended (the Consolidated Amendment No. 1 Second Amended and Restated Loan and Security Agreement, as it has heretofore and may hereafter be amended from time to time, being referred to as the "Loan Agreement"), which Loan Agreement provides (i) for Lender to extend credit to or for the account of Borrower and (ii) for the grant by Borrower to Lender of a security interest in substantially all of Borrower's assets, including, without limitation, its trademarks, trademark applications, trade names and goodwill;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. Incorporation of Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

2. Grant of Security Interest. To secure the complete and timely payment and satisfaction of all of the "Obligations" (as defined in the Loan Agreement), Borrower hereby grants to Lender a first and valid security interest in all of Borrower's right, title and interest, in the United States and throughout the world, in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

(i) trademarks, trademark registrations, trade names and trademark applications, including without limitation,

the trademarks and applications listed on Schedule A, attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and trademark applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(ii) The goodwill of Borrower's business connected with and symbolized by the Trademarks.

3. Restrictions on Future Agreements. Borrower agrees that until the Obligations shall have been paid and satisfied in full and the Loan Agreement shall have been terminated in writing, Borrower will not, without Lender's prior written consent, enter into any agreement (for example, a license agreement) which is inconsistent with Borrower's obligations under this Agreement and Borrower further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights granted to Lender under this Agreement.

4. New Trademarks. Borrower represents and warrants that the Trademarks listed on Schedule A constitute all of the Trademarks registered or acquired by Borrower since September 9, 1997. If, before the Obligations shall have been satisfied in full, Borrower shall (i) obtain rights to any new trademarks, trademark registrations or trade names, or (ii) become entitled to the benefit of any trademark application, trademark, trademark registration or license renewal, the provisions of paragraph 2 above shall automatically apply thereto and Borrower shall give the Lender prompt written notice thereof. Borrower hereby authorizes Lender to modify this Agreement by amending Schedule A to include any future trademark applications, trademarks, trademark registrations and trade names which are Trademarks, as under paragraph 2 above or under this paragraph 4.

5. Payments Under Trademarks. During the term of this Agreement, all income, royalties, payments and damages due and

payable to Borrower under the Trademarks shall be payable to Borrower; provided, however, upon the occurrence of an "Event of Default" (as such term is defined in the Loan Agreement) under the Loan Agreement, all income, royalties, payments and damages received thereafter shall be paid directly to Lender and shall be applied by Lender on account of Borrower's Obligations owed under the Loan Agreement. Lender shall have the right to notify payors to make their payments directly to Lender upon the occurrence of an Event of Default under the Loan Agreement.

6. Duties of Borrower. Except for those Trademarks which Borrower reasonably determines are no longer necessary or desirable to maintain in force, Borrower shall have the duty (i) to prosecute diligently any trademark application of the Trademarks pending as of the date hereof or thereafter until the Obligations shall have been paid and satisfied in full, (ii) to make application on trademarks and trade names, as appropriate, and (iii) to preserve and maintain all rights in trademark applications, trademarks and trademark registrations of the Trademarks. Any expenses incurred in connection with such applications shall be borne by Borrower.

7. Waivers. No course of dealing between Borrower and Lender, or any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

8. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

9. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraph 4 hereof or by a writing signed by the parties hereto.

10. Release of Security Interest. Upon full and complete payment and performance of Borrower's Obligations under the Loan Agreement, this Agreement and the power of attorney granted herein shall automatically terminate and Lender shall release the Trademarks from this Agreement and the Loan Agreement, and shall execute and deliver (at Borrower's sole cost and expense, either directly or in reimbursement of costs and expenses reasonably incurred by Lender) all documents as may be reasonably necessary to render the Trademarks free and clear of any security interest created pursuant to this Agreement or the Loan Agreement.

11. Power of Attorney. Subject to any other express provision of this Agreement, upon the occurrence of an Event of Default or upon the failure, neglect or refusal by Borrower to file, prosecute, defend, issue, maintain, enforce or otherwise take action in respect to the Trademarks as required hereby, or to carry out any other obligation or duty of Borrower under this Agreement, then Borrower hereby appoints and designates Lender its sole attorney to take any such action as Lender reasonably deems necessary under the circumstances, including, without limitation, the employment of counsel, and Borrower shall pay all fees and expenses, including attorneys' fees and expenses, incurred by Lender in connection with such action.

12. Notices. Borrower shall promptly notify Lender, in writing, of any suit, action, proceeding or counterclaim brought against Borrower relating to, concerned with, or affecting the Trademarks, and shall, on request, deliver to Lender a copy of all pleadings, papers, orders or decrees theretofore and thereafter filed in any such suit, action or proceeding, and shall keep Lender fully advised in writing of the progress of any such suit.

13. Cumulative Remedies; Effect on Loan Agreement. All of Lender's rights and remedies with respect to the Trademarks whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies.

14. Binding Effect; Benefits. This Agreement shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of lender and its successors and assigns.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina and the laws of the United States.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date first above written.

GIBSON GUITAR CORP.

By: _____

Title: _____

[CORPORATE SEAL]

Agreed and accepted this 6
day of July, 1998.

FLEET CAPITAL CORPORATION

By: _____

Title: _____

STATE OF TENNESSEE

COUNTY OF DAVIDSON

I, Renee Pierce, a Notary Public of the County and State aforesaid, certify that David H. Derryman personally appeared before me this day and acknowledged that he is President of GIBSON GUITAR CORP., a Delaware corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by himself as its President and sealed with its corporate seal.

WITNESS my hand and official stamp or seal, this 29th day of June, 1998.

Renee Pierce
Notary Public

My commission expires:

11-24-01

STATE OF North Carolina

COUNTY OF Mecklenburg

I, Cindy Hart, a Notary Public of the County and State aforesaid, certify that Roland Robinson personally appeared before me this day and acknowledged that ~~(s)he~~ is Senior Vice President of FLEET CAPITAL CORPORATION, a Rhode Island corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by herself/himself as its Senior Vice President.

WITNESS my hand and official stamp or seal, this 14th day of July, 1998.

Cindy Hart
Notary Public


My commission expires:

8/26/2002

SCHEDULE A TO
TRADEMARK SECURITY AGREEMENT

<u>Registration No.</u>	<u>Registration Date</u>	<u>Description</u>
2,135,333	February 10, 1998	STUDIO KING
2,150,184	April 14, 1998	Design Cloud