

PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

THIS PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), dated as of December 17, 1999, is made by CERWIN-VEGA, INC., a California corporation ("Cerwin-Vega"), and CERWIN-VEGA CANADA, LTD., a California corporation ("C-V Canada") (Cerwin-Vega and C-V Canada being referred to collectively as "Grantors" and each individually as a "Grantor"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, a New York corporation ("Lender").

RECITALS

A. Pursuant to that certain Loan and Security Agreement of even date herewith by and among Grantors, Lender, and the other Credit Parties signatory thereto (including all annexes, exhibits and schedules thereto, and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), Lender has agreed to extend certain financial accommodations to or for the direct or indirect benefit of Grantors.

B. In order to induce Lender to enter into the Loan Agreement and the other Loan Documents and to induce Lender to extend the financial accommodations as provided for therein, Grantors have agreed to execute and deliver this Agreement to Lender.

AGREEMENT

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

1. Definitions. Unless otherwise defined herein, capitalized terms or matters of construction defined or established in Schedule A to the Loan Agreement shall be applied herein as defined or established therein. All other undefined terms contained in this Agreement, unless the context indicates otherwise, shall have the meanings provided for by the Code to the extent the same are used or defined therein.

2. Grant of Security Interest in Intellectual Property Collateral. To secure the prompt and complete payment, performance and observance of all of the Obligations, each Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Lender a Lien upon all its right, title and interest in, to and under the following property, whether now owned by or owing to, or hereafter acquired by or arising in favor of, such Grantor (including under any trade names, styles or derivations or such Grantor), and whether owned by or consigned by or to, or leased from or to, such Grantor, and regardless of where located (collectively, the "Intellectual Property Collateral"):

(a) all of such Grantor's Patents and Patent Licenses to which it is a party, including those referred to in Part A to Schedule I hereto;

(b) all of such Grantor's Trademarks and Trademark Licenses to which it is a party, including those referred to in Part B to Schedule I hereto;

(c) all of such Grantor's Copyrights and Copyright Licenses to which it is a party, including those referred to in Part C to Schedule I hereto;

(d) all Goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists and other General Intangibles with respect to the foregoing; and

(e) all Proceeds of the foregoing, including (i) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to any Person from time to time with respect to any of

the foregoing, (ii) any and all payments (in any form whatsoever) made or due and payable to any Person from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the foregoing by any Governmental Authority (or any Person acting under color of Governmental Authority), (iii) any claim of any Person against third parties for (A) past, present or future infringement of any Patent or Patent License, (B) past, present or future infringement of any Copyright or Copyright License, (C) past, present or future infringement or dilution of any Trademark or Trademark License, or (D) injury to the Goodwill associated with any Trademark or Trademark License, (iv) any recoveries by any Person against third parties with respect to any litigation or dispute concerning any of the foregoing, and (v) any and all other amounts from time to time paid or payable under or in connection with any of the foregoing, upon disposition or otherwise.

3. Covenants Regarding Intellectual Property Collateral.

(a) Each Grantor shall notify Lender immediately if it knows or has reason to know (i) that any application or registration relating to any of its Licenses, Patents, Trademarks or Copyrights that are material to the operation of its business may become abandoned or dedicated, or (B) of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding such Grantor's ownership of any such License, Patent, Trademark or Copyright that is material to the operation of its business, its right to register the same, or to keep and maintain the same.

(b) In no event shall any Grantor, either directly or through any agent, employee, licensee or designee, file an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving Bank prior written notice thereof, and, upon request of Bank, such Grantor shall execute and deliver any and all security documents as Bank may request to evidence Bank's Lien on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.

(c) Each Grantor shall take all actions necessary or requested by Bank to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of its Patents, Trademarks and Copyrights, including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings, unless such Grantor shall determine that (i) such Patent, Trademark or Copyright is not material to the conduct of its business or (ii) in its reasonable judgment, it is not desirable to such Grantor's business to register such Patent, Trademark or Copyright.

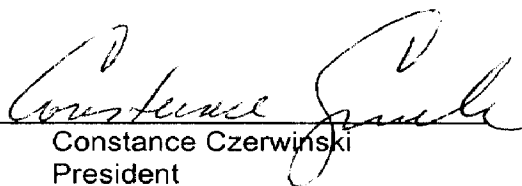
(d) In the event that any of any Grantor's Intellectual Property is infringed upon, or misappropriated or diluted by a third party, such Grantor shall notify Bank promptly after such Grantor learns thereof. Each Grantor shall, unless it shall reasonably determine that such Intellectual Property is in no way material to the conduct of its business or operations, promptly sue for, and seek recovery of any and all damages resulting from, such infringement, misappropriation or dilution, and shall take such other actions as Bank shall deem appropriate under the circumstances to protect such Intellectual Property.

4. Loan Agreement. The Liens granted pursuant to this Agreement are granted in conjunction with, and restate the Liens granted to Lender pursuant to the Loan Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the Liens granted under this Agreement are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

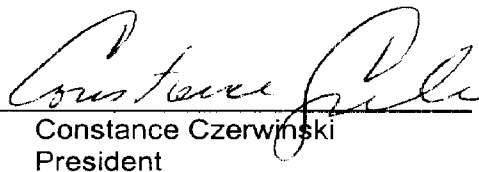
IN WITNESS WHEREOF, the parties have executed this Patent, Trademark and Copyright Security Agreement as of the date first set forth above.

"Grantors"

CERWIN-VEGA, INC.

By: 
Constance Czerwinski
President

CERWIN-VEGA CANADA, LTD.

By: 
Constance Czerwinski
President

Agreed to and Acknowledged by:

"Lender"

GENERAL ELECTRIC CAPITAL
CORPORATION

By: 
Guy K. Fuchs
Duly Authorized Signatory

SCHEDULE I

INTELLECTUAL PROPERTY

COUNTRY	TRADEMARK	TRADEMARK REG. #	DATE ISSUED	EXPIRATION / RENEWAL DATE	COMMENTS
Argentina	Cerwin-Vega	1,712,227	12/23/98	12/23/08	
Australia	CERWIN-VEGA	297,385	6/1/76	6/1/07	
Australia	CERWIN	297,384	6/1/76	6/1/07	
Australia	C V logo	297,386	6/1/76	6/1/07	
Austria	CERWIN VEGA	137,254	8/27/91	8/27/01	Assignment of Registered Trademark dated 11/23/93 transferred from Koubaton to CV
Belgium	CERWIN-VEGA	357,954	4/3/79	4/3/89	Renewal letter 4/99, no docs found
Belgium	Logo	358,439	4/3/79	4/3/09	Renewal letter 4/99, no docs found
Brazil	None				Ron James correspondence dated 12/30/96, suggesting we do not pursue trademark in Brazil.
Canada	Cerwin	222,271	8/5/77	8/5/07	
Canada	LOGO	224,876	12/16/77	15 yrs.	Application # 399,824 - filing date 7/5/76, priority filing date 4/5/76 - Used in Canada since 3/15/73 - No renewal date
Canada	CERWIN-VEGA	224,306	11/25/77	15 yrs	Application # 399,203 - filing date 6/18/76, priority filing date 4/6/76 - Used in Canada since 9/15/72. No renewal date
Canada	HEED	228,035	5/26/78	15 yrs	Application # 401,190 filing date 8/16/76, priority filing date 6/15/76 - Used in Canada since 2/25/75. No renewal date
Canada	MONGOOSE	228,840	7/7/78	15 yrs	Application # 401,189 - filing date 8/16/76, priority filing date 6/15/76 - Used in Canada since 5/10/76. No renewal date
Chile	Logo	433,672		11/2/04	Jerry Stern correspondence dated 7/25/95, trademark not on file.
Chile	Cerwin			11/2/04	Jerry Stern correspondence dated 9/19/96, trademark not on file.
Chile	Prostax	432,510		10/10/04	Jerry Stern correspondence dated 7/26/95, trademark not on file.
Chile	Cerwin-Vega	461,071	5/15/96	5/15/06	Jerry Stern correspondence dated 7/26/95, trademark not on file.
China	Cerwin-Vega	714085	11/7/94	11/6/04	Renewal date per Jerry Stern letter dated 3/22/95
China	HEED	714084	11/7/94	11/6/04	Renewal date per Jerry Stern letter dated 3/22/95
China	Logo	712986	10/28/94	10/27/04	Renewal date per Jerry Stern letter dated 3/22/95
China	Cerwin	712929	10/28/94	10/27/04	Renewal date per Jerry Stern letter dated 3/22/95
Denmark	Cerwin	VA 3674 1979		12/7/99	Renewal letter dated 6/16/99, reminder 10/4/99
Denmark	Cerwin-Vega	132-1980		1/4/00	Renewal letter dated 7/14/99, check request 8/5/99
Denmark	CV Logo	VA 3669 1979		12/7/99	Renewal letter dated 7/14/99, check request 8/5/99
France	CERWIN	1000534	10/18/76	10/15/86	Jerry Stern correspondence dated 9/19/96 re: Bob Seldon's billing for renewal, no trademark or renewal on file. Ref 1,374,966
France	CERWIN-VEGA	1000535	10/18/76	10/15/86	Jerry Stern correspondence dated 9/19/96 re: Bob Seldon's billing for renewal, no trademark or renewal on file. Ref 1,374,967
France	LOGO	1000533	10/18/76	10/15/86	Jerry Stern correspondence dated 9/19/96 re: Bob Seldon's billing for renewal, no trademark or renewal on file. Ref 1,374,968, CV & Design
Germany	CERWIN	96-1703	10/19/76	10/19/86	No renewal on file.
Greece	LOGO	73886	12/17/85	12/6/93	Expiration date listed as End of Protection

TRADEMARK

SCHEDULE I

INTELLECTUAL PROPERTY

COUNTRY	TRADEMARK	TRADEMARK REG. #	DATE ISSUED	EXPIRATION / RENEWAL DATE	COMMENTS
Greece	CERWIN-VEGA	73888	12/17/85	1/26/93	"
Hong Kong	CERWIN	2233 of 1981	4/3/79	4/3/86	No renewal request
Hong Kong	LOGO	B2234/1981	4/3/79	4/3/00	Renewal letter 10/4/99, check request 10/20/99
Italy	CERWIN	369405	4/6/79	4/6/99	In Italian - Filed 4/6/79, Ron James memo dated 5/5/99, do not renew
Italy	CERWIN-VEGA	369406	4/6/79	4/6/99	Renewal letter 10/14/98, reminder 2/25/99, no renewal on file
Italy	LOGO	369404	4/6/79	4/6/99	Renewal letter 11/11/98, check request 12/11/98
Mexico	Prostax	461,021	4/12/94	4/12/04	Renewal date per Jerry Stern letter, no renewal on file
Mexico	CERWIN	237057	7/2/79	5 years	All in Spanish - interpreted with help from Ruth, no renewal on file
Mexico	LOGO	294436	3/28/80	3/28/05	All in Spanish - interpreted with help from Ruth, renewal date per Jerry Stern letter, no renewal on file
Mexico	CERWIN-VEGA	235992	7/3/79	7/3/84	All in Spanish - interpreted with help from Ruth, no renewal on file
Mexico	AV Systems	497,744	7/20/96	2/6/05	
Philippines	Cerwin	102494			Jerry Stern correspondence, applications filed in 1995. John May correspondence dated 9/2/98, authorizing Philippine attorney to pay trademark fee. 10/9/99 copy of Notice of Issuance and Publication, no renewal on file
Philippines	Logo	102995			"
Philippines	Vega	105600			"
Russia	Cerwin				Jerry Stern correspondence dated 8/5/94, trademarks have been granted, will be issued in
Russia	Cerwin-Vega				3-4 months. No trademarks on file.
Russia	IIED				"
Russia	Logo				"
Singapore	Logo Cerwinvega	79754	5/30/79	5/30/00	
Spain	LOGO	885678	7/20/79		Cannot find renewal date. 9/9/99 signed Power of Attorney
Spain	Cerwin-Vega	885,679			Renewal letter dated 9/9/99
Spain	Cerwin	1,946,031			Renewal letter dated 9/9/99
Sweden	CERWIN-VEGA	189,445	12/23/83		Best guess - not in English. No renewal on file.
Sweden	LOGO	174,253	11/7/80		"
Sweden	CERWIN				
Sweden	CV Logo	168,984		8/24/99	Renewal letter dated 3/17/99, check request 4/28/99
Switzerland	Cerwin-Vega	P 300,471	5/9/79	5/9/09	
Switzerland	CV Logo	P 399,507	5/9/79	5/9/09	
Thailand	Logo Cerwin-Vega!	Kor 5003	5/9/95	10 yrs	Application # 247971 - Issued to Superior Audio instead of Cerwin-Vega. Changing of Registration 5/9/95. Date Issued is August 16 B.E. 2536. Jerry Stern correspondence dated 8/25/95 suggesting we calendar renewal for 12/04.
U.K.	CERWIN-VEGA!	B1063773	6/2/76	6/2/07	

SCHEDULE IINTELLECTUAL PROPERTY

COUNTRY	TRADEMARK & Device	TRADEMARK REG. #	DATE ISSUED	EXPIRATION / RENEWAL DATE	COMMENTS
U.K.	CERWIN	B1063772	6/2/76	6/2/07	
U.K.	C V logo	B1063771	6/2/76	6/2/07	
USA	Cerwin-Vega	1,072,135	8/30/97	8/30/07	
USA	Cerwin	1,061,564	3/22/77	3/22/07	Used primarily in Europe
USA	Logo	1,060,670	3/8/77	3/8/07	
USA	Mongoose	1,068,453	6/28/77		
Venezuela	Cerwin-Vega				Registered to Sound Power, no trademark on file.

PATENTS

<u>Patent Number</u>	<u>Date of Patent</u>	<u>Type</u>
4,619,342	10/28/86	Multiple Sound Transducer System
4,239,943	12/16/80	Adjustable Dual Spider
5,325,439	6/28/94	Loudspeaker Apparatus
4,101,736	7/18/78	Device for Increased Compliance