

09-18-2000



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**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

75747443

- Individual General Partnership Limited Partnership Corporation Association
- Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership
- Corporation Association
- Other

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

09/18/2000 MTHAI1 00000016 75747443

01 FC:481
02 FC:482

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25.00 OP

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002137 FRAME: 0007

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.) #

Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

ERIC M. REUBEN, ESQ.

7/20/02

Name of Person Signing

Signature

Date Signed

TRADEMARK SECURITY AGREEMENT, dated as of July 21, 2000, between PRODUCTION RESOURCE GROUP, INC. (the "Grantor") and THE BANK OF NEW YORK, as Agent under the Credit Agreement (hereinafter defined) (in such capacity and together with its successors and assigns, the "Secured Party") (the "Trademark Agreement").

I. The Grantor, the Lenders and the Secured Party entered into a Credit Agreement, dated as of July 31, 1997, as amended by Amendment No. 1, dated as of December 12, 1997, Amendment No. 2, dated as of June 18, 1998, Amendment No. 3, dated as of September 25, 1998, Amendment No. 4, dated as of November 17, 1998, Amendment No. 5, dated as of June 15, 1999, Amendment No. 6, dated as of September 30, 1999 and Amendment No. 7, dated as of January 13, 2000 (as so amended, the "Credit Agreement").

II. The Secured Party, the Lenders and Grantor entered into a Forbearance Agreement, dated as of March 31, 2000, as amended by the First Amendment to Forbearance Agreement, dated as of May 31, 2000, the Waiver and Second Amendment to Forbearance Agreement, dated as of June 30, 2000 and the Second Waiver and Third Amendment to Forbearance Agreement, dated as of July 31, 2000 (as so amended, the "First Forbearance Agreement").

III. The Grantor has now requested that the Secured Party and the Lenders enter into that certain Second Forbearance Agreement, dated as of July 15, 2000 (the "Second Forbearance Agreement").

IV. Pursuant to the terms of the Second Forbearance Agreement, the Grantor is required to grant the Secured Party a security interest in the Trademarks (as hereinafter defined) to secure the obligations of Grantor under the PRGI Guaranty, dated as of June 15, 1999, by Grantor in favor of the Secured Party (the "Guaranty").

NOW, THEREFORE, in order to induce the Secured Party to enter into that certain Second Forbearance Agreement, the parties agree as follows:

1. Definitions. Except as otherwise set forth below, defined terms used herein but not otherwise defined herein shall have the meaning ascribed to such term in the Credit Agreement or the First Forbearance Agreement. The following terms used herein shall have the following meanings:

"Obligations" shall mean (i) all obligations of the Borrower to the Secured Party and the Lenders, now or hereafter existing, whether under the Credit Agreement, the First Forbearance Agreement, the Second Forbearance Agreement, the Revolving Credit Notes or otherwise, including, without limitation, Interest Rate Protection Agreements with Rate Protection Lenders, whether for principal, interest, fees, expenses or otherwise, (ii) all indebtedness, obligations and liabilities of Grantor arising under the Guaranty and any renewals, extensions, amendments or modifications thereof, including, without limitation, reasonable fees, costs and expenses incurred in connection with the administration and the enforcement of the Guaranty or this Trademark Agreement and in connection with the

collection of Grantor's Obligations under the Guaranty or this Trademark Agreement, whether prior to or after the institution of any legal proceedings (iii) all obligations of Grantor and all reasonable costs incurred of whatever nature by the Secured Party in the exercise of any rights hereunder or under the Guaranty.

"PTO" The United States Patent and Trademark Office.

"Trademarks" Trademarks and/or service marks listed on Schedule A hereto, including any: (a) registrations thereof and applications to register therefor and all renewals, modifications, and extensions thereof; (b) license rights and/or rights to use applicable thereto; (c) proceeds of, and rights associated with any claim the Grantor has or may have against third parties for past, present or future infringement or dilution thereof, or for any injury to the goodwill associated therewith or for breach or enforcement of any license thereof; (d) goodwill associated therewith or symbolized thereby; and (e) assets, rights and interests related thereto or connected therewith.

"Trademark Agreement" This Trademark Security Agreement, as amended and in effect from time to time.

2. GRANT OF SECURITY INTEREST.

(a) As security for the payment or performance, as applicable, in full of the Obligations, the Grantor hereby grants, bargains, sells, conveys, assigns, sets over, mortgages, pledges, and hypothecates to the Secured Party a security interest in, all of the right, title and interest of the Grantor in, to and under the Trademarks (the "Security Interest"). Without limiting the foregoing, the Secured Party is hereby authorized to file one or more financing statements, continuation statements, or other documents for the purpose of perfecting, granting, confirming, continuing, enforcing or protecting the Security Interest granted by the Grantor, without the signature of the Grantor, and naming the Grantor, as debtor and the Secured Party as secured party and filings with the PTO (or any successor office or any similar office in any other country).

(b) The Security Interest is granted as security only and shall not subject the Secured Party to, or in any way alter or modify, any obligation or liability of the Grantor with respect to or arising out of the Collateral.

(c) The Grantor hereby covenants that upon the occurrence of a Termination Event, the Grantor shall, upon prior written request of the Secured Party, cooperate with the Secured Party and execute any instrument reasonably necessary to perfect, preserve, validate, or otherwise protect the Secured Party's rights in the Trademarks and enable the Secured Party to exercise and enforce its rights and exercise its remedies with respect to the Trademarks, including but not limited to (i) executing an assignment of the Trademark in favor of the Secured Party and (ii) recording such an assignment with the PTO.

(d) Pursuant to the Security Agreement, the Borrower and its Subsidiaries have granted to the Secured Party a continuing security interest in and lien on the Collateral. The Security Agreement, and all rights and interests of the Secured Party in and to the Collateral thereunder, are hereby ratified and confirmed in all respects. In no event shall this Trademark Agreement, the grant, pledge and mortgage of the Trademarks hereunder, or the recordation of this Trademark Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Secured Party in the Collateral pursuant to the Security Agreement and this Trademark Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code (including the security interest in the Trademarks), or any present or future rights and interests of the Secured Party in and to the Collateral under or in connection with the Security Agreement, this Trademark Agreement or the Uniform Commercial Code. Any and all rights and interests of the Secured Party in and to the Trademarks (and any and all obligations of the Grantor with respect to the Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Secured Party in, to or with respect to the Collateral provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

3. REPRESENTATIONS AND WARRANTIES. The Grantor represents and warrants that: (a) the Trademarks have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks material to its business; (b) each of the Trademarks is valid and enforceable; (c) the Grantor has the unqualified right to enter into this Trademark Agreement and to perform its terms; (d) the Grantor has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use of the Trademarks material to its business; and (e) the Grantor has used, and will continue to use for the duration of this Trademark Agreement, consistent standards of quality with respect to services sold or provided under the Trademarks.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS. Without the Secured Party's prior written consent, the Grantor will not (a) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Trademarks, or (b) enter into any agreement that is inconsistent with the Grantor's obligations under this Trademark Agreement.

5. TRADEMARK PROSECUTION.

(a) The Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Trademarks for so long as it owns the Trademarks.

(b) The Grantor shall have the right and to the extent deemed appropriate by the Grantor in his judgment the duty to prosecute diligently any trademark registration applications of the Trademarks pending as of the date of this Trademark Agreement or

thereafter, to the extent deemed appropriate by the Grantor in his judgment to preserve and maintain all rights in the Trademarks, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks. Any expenses incurred in connection with such applications and actions shall be borne by the Grantor. The Grantor shall not abandon any material filed Trademark registration application without the consent of the Secured Party, which consent shall not be unreasonably withheld, unless abandonment is consistent with the Grantor's judgment.

(c) The Grantor shall have the right and, to the extent consistent with his own judgment, the duty to bring suit or other action in the Grantor's own name to maintain and enforce the Trademarks.

(d) In general, the Grantor shall take any and all such actions in his judgment (including, institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Trademarks. To the extent consistent with the Grantor's judgment the Grantor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would materially adversely affect the validity, grant or enforcement of the Trademarks.

(e) Promptly upon obtaining knowledge thereof, the Grantor will notify the Secured Party in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks or the Grantor's rights, title or interests in and to the Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Trademarks, the ability of the Grantor or the Secured Party to dispose of any of the Trademarks or the rights and remedies of the Secured Party in relation thereto (including but not limited to the levy of any legal process against any of the Trademarks).

6. REMEDIES. Upon the occurrence and during the continuance of a Termination Event, the Secured Party shall have, in addition to all other rights and remedies given it by this Trademark Agreement and the Guaranty, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of New York, and, without limiting the generality of the foregoing, the Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Grantor, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any of the Trademarks, or any interest that the Grantor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses incurred by the Secured Party in attempting to enforce this Trademark Agreement (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such

proceeds toward the payment of the Obligations in accordance with the Credit Agreement. Notice of any sale, license or other disposition of the Trademarks shall be given to the Grantor at least ten (10) Business Days before the time that any intended public sale or other public disposition of the Trademarks is to be made or after which any private sale or other private disposition of the Trademarks may be made, which the Grantor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Secured Party may, to the extent permitted under applicable law, purchase or license the whole or any part of the Trademarks or interests therein sold, licensed or otherwise disposed of. Notwithstanding anything contained in any document, there shall be no assignment of intent to use rights, until those rights mature to registration.

7. COLLATERAL PROTECTION. If Grantor shall fail to do any act that he has covenanted to do hereunder, or if any representation or warranty of the Grantor hereunder shall be breached, the Secured Party, in its own name or that of the Grantor (in the sole discretion of the Secured Party), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Grantor agrees promptly to reimburse the Secured Party for any cost or expense incurred by the Secured Party in so doing.

8. SECURED PARTY APPOINTED ATTORNEY-IN-FACT. Effective upon the occurrence and during the continuance of a Termination Event, the Grantor hereby irrevocably appoints the Secured Party the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Trademark Agreement, including, without limitation:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Trademarks, and to receive, indorse, and collect any drafts or other chattel paper, instruments and documents in connection therewith,

(b) to file any claims or take any action or institute any proceedings which the Secured Party may deem necessary or desirable for the collection of any of the Trademarks or otherwise to enforce the rights of the Secured Party or any of the Lenders with respect to any of the Trademarks, and

(c) to receive, indorse and collect all instruments made payable to the Grantor representing any dividend, principal payment, interest payment or other distribution in respect of the Trademarks or any part thereof and to give full discharge for the same. The powers granted to the Secured Party under this Section constitute a power coupled with an interest which shall survive until all of the Obligations have been indefeasibly paid in full in cash.

9. THE SECURED PARTY MAY PERFORM. If the Grantor fails to perform any agreement contained herein, the Secured Party may itself perform, or cause performance of, such agreement, and the reasonable expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor under Section 11.

10. THE SECURED PARTY'S DUTIES. The powers conferred on the Secured Party hereunder are solely to protect its interest in the Trademarks and shall not impose any duty upon it to exercise any such powers. Except for the accounting for moneys actually received by it hereunder, the Secured Party shall have no duty as to any of the Trademarks.

11. EXPENSES. The Grantor agrees to pay on demand to the Secured Party any and all reasonable sums, costs and expenses which the Secured Party may pay or incur pursuant to the provisions of this Trademark Agreement or the Guaranty or in negotiating, executing, perfecting, defending, protecting or enforcing this Trademark Agreement or the Guaranty or the security interests granted therein or in enforcing payment of the Obligations or otherwise in connection with the provisions hereof, including, but not limited to court costs, reasonable collection charges, reasonable travel expenses, and reasonable attorneys' fees and disbursements, all of which, together with interest at the highest rate then payable on any of the Obligations, shall be part of the Obligations.

12. NO SEGREGATION OF MONEYS; NO INTEREST. No moneys or any other Property received by the Secured Party hereunder need be segregated in any manner except to the extent required by law, and any such moneys or other Property may be deposited under such general conditions as may be prescribed by law applicable to the Secured Party, and the Secured Party shall not be liable for any interest thereon.

13. NOTICES. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or when deposited in the mail, first-class postage prepaid, or, in the case of notice by fax, when sent, addressed to each Grantor, in care of the Borrower, at the address of the Borrower as set forth in the Credit Agreement.

14. CONTINUING SECURITY INTEREST; TRANSFER OF NOTES; TERMINATION. This Trademark Agreement shall create a continuing security interest in the Trademarks and shall (i) remain in full force and effect until the cash payment in full of the Obligations (on or after the termination of the Credit Agreement), (ii) be binding upon the Grantor, its successors and assigns and (iii) inure, together with the rights and remedies of the Secured Party hereunder, to the benefit of the Secured Party and any successor Secured Party. Nothing set forth herein or in any other Loan Document is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of this Trademark Agreement, any other Loan Document, or any of the Trademarks. The Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession thereof or therefor.

15. OTHER PROVISIONS.

(a) The Grantor and the Secured Party acknowledge that certain provisions of the Credit Agreement, including, without limitation, Sections 11.1 (Amendments and Waivers), 11.3 (No Waiver; Cumulative Remedies), 11.7 (Bank Assignments and Participations), 11.10 (Counterparts), 11.13 (Governing Law), 11.15 (Severability), 11.16 (Integration), 11.17 (Consent to Jurisdiction) 11.18 (Service of Process), 11.19 (No Limitation on Service or Suit), and 11.20 (WAIVER OF TRIAL BY JURY), thereof, are made applicable to this Trademark Agreement and all such provisions are incorporated by reference herein as if fully set forth herein.

(b) All Schedules hereto shall be deemed to be a part hereof.

(c) Each and every right, remedy and power granted to the Secured Party hereunder or allowed at law or by any other agreement shall be cumulative and not exclusive, and may be exercised by the Secured Party from time to time.

(d) The Grantor acknowledges that it has received a copy of the Loan Documents and has approved of the same. In addition, the Grantor acknowledges having read each Loan Document and having had the advice of counsel in connection with all matters concerning its execution and delivery of this Trademark Agreement, and, accordingly, waives any right it may have to have the provisions of this Trademark Agreement strictly construed against the Secured Party.

(e) This Trademark Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of laws rules, except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any of the Trademarks is governed by the laws of a jurisdiction other than the State of New York. Unless otherwise defined herein, terms used in Articles 8 and 9 of the UCC are used herein as therein defined.

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

PRODUCTION RESOURCE GROUP, INC.

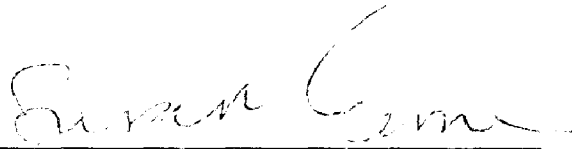
By: Robert Manners
Name: Robert A Manners
Title: Sr. V.P.

THE BANK OF NEW YORK, as Administrative Agent, as Secured Party

By: Richard P Hebner
Name: RICHARD P HEBNER
Title: V.P.

STATE OF NEW YORK)
) ss.
COUNTY OF Orange)

On the 25th day of July, 2000 before me, the undersigned, a notary public in and for said state, personally appeared ROBERT MANNERS personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

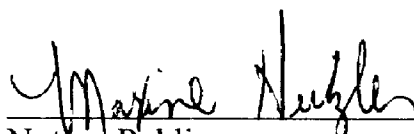


Notary Public

SUSAN EISNER
Notary Public, State of New York
No. 02E15084468
Qualified in Rockland County
Commission Expires Sep 2, 2001

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 21 day of July, 2000 before me, the undersigned, a notary public in and for said state, personally appeared Richard Hebner personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

MAXINE HEITZLER
Notary Public, State of New York
No. 41-4676749
Qualified in Queens County
Commission Expires July 31, 2002

Exhibit 1

Financing Statements to be filed
in connection with
this Trademark Security Agreement

Schedule A

<u>Name of Trademark</u>	<u>Trademark No.</u>	<u>Issue Date</u>	<u>Status</u>
PRG (and Design)	75-829603	10/22/99	Pending-Initialized
Entolo	75-747443	7/2/99	Pending-Passed by Examiner-Publication Review Complete