

FORM PTO-1618A
Expires 06/30/09
OMB 0651-0027

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

**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
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name **NAPSTER, INC.**

2000

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other

Citizenship/State of Incorporation/Organization

DELAWARE

Receiving Party

Mark if additional names of receiving parties attached

Name **BERTELSMANN AG**

DBA/AK/A/T/A

Composed of

Address (line 1) **CARL-BERTELSMANN-STRASSE 270**

Address (line 2)

Address (line 3) **33311 GUETERSLOH**

GERMANY

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

GERMANY

FOR OFFICE USE ONLY

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Mail documents to be recorded with required cover sheet(s) information to:

700002662

TRADEMARK
REEL: 002140 FRAME: 0962

Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

FORM PTO-1618B
Expires 06/30/99
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U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

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

650-493-9300

Name **KATHLEEN HURYN, ESQ.**

Address (line 1) **650 PAGE MILL ROAD**

Address (line 2) **PALO ALTO, CA 94304-1050**

Address (line 3)

Address (line 4)

Pages

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

3

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)

| | | |
|----------------------|----------------------|----------------------|
| 78014821 | 76137086 | 76137325 |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
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Number of Properties

Enter the total number of properties involved.

3

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$ 90.00

Method of Payment:
Deposit Account

Enclosed Deposit Account

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

Deposit Account Number:

23-2415 Attn: 23848.000

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.

Kathleen Huryn, Esq.

Name of Person Signing

Kathleen Huryn
Signature

10/31/00

Date Signed

GRANT OF SECURITY INTEREST

TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of October 30, 2000 is executed by Napster, Inc., a Delaware corporation ("Debtor"), in favor of Bertelsmann AG ("Secured Party").

A. Pursuant to a Security Promissory Note (the "Note"), dated as of October 30, 2000, issued by Debtor to Secured Party, Secured Party has agreed to extend certain credit facilities to Debtor upon the terms and subject to the conditions set forth therein. Debtor has granted a security interest to Secured Party in certain assets of Debtor to secure Debtor's obligations under the Note pursuant to a Security Agreement dated as of October 30, 2000 between Debtor and Secured Party (the "Agreement").

B. Debtor has adopted, used and is using the trademarks, more particularly described on Schedule 1-A annexed hereto as part hereof, which trademarks are registered or subject to an application for registration in the United States Patent and Trademark Office (the "Trademarks");

C. Schedule 1-A hereof constitutes a complete list, as of the date hereof, of registrations or applications for registrations of Trademarks in or to which Debtor has any right, title, interest, claim or demand. After the date of the Agreement, the terms and provisions of which are hereby incorporated herein as if fully set forth herein, Debtor shall provide written notice to Secured Party, in accordance with the provisions of Section 6(c) of the Agreement, of any addition or change which is necessary to be made to Schedule 1-A in order to maintain such schedule completeness or accuracy.

D. Debtor hereby grants to Secured Party a security interest in all right, title and interest of Debtor in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the customer lists and records related to the Trademarks and the applications and registrations thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Obligations, as defined in the Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Debtor does hereby further grant to Secured Party a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

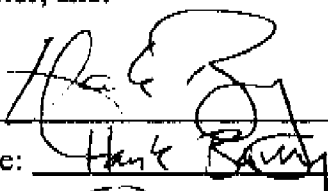
Debtor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Collateral granted hereby are more fully set forth in the Agreement.

Secured Party's address is: BERTELSMANN AG
 Carl-Bertelsmann-Strasse 270
 33311 Guetersloh, Germany

[Signature page follows]

IN WITNESS WHEREOF, Debtor has caused this instrument to be executed as of the day and year first above written.

Napster, Inc.

By: 
Name: Hank Barry
Title: CEO

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST
TRADEMARK APPLICATIONS

| <u>Mark</u> | <u>Application No.</u> |
|--------------------|------------------------|
| Napster | 78/014,821 |
| Design | 76/137,086 |
| Napster and Design | 76/137,325 |