

89-20-01

D B



12-12-2001

RECORDA
Tri



10191375Q

9-20-01

1. **Name of conveying party:** DMX Music, Inc., a Delaware corporation
2. **Name and address of receiving party:**
 Royal Bank of Canada, as Administrative Agent
 One Liberty Plaza
 2nd Floor
 New York, NY 10006-1404
3. **Nature of conveyance and execution date:** Grant of security interest to receiving party by conveying party pursuant to Trademark Security Agreement dated and executed as of May 17, 2001

Re
12-5-01

4. **Application Number(s) or Registration Number(s):**

Trademark Application Numbers:

Trademark Numbers:

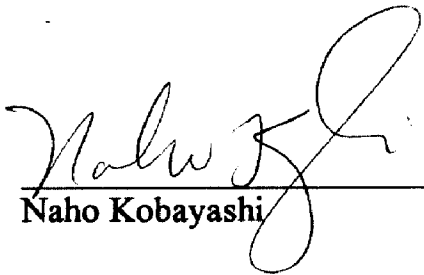
75/684707
 75/770936
 75/829792
 75/829791
 75/599716
 75/728647
 75/682336

1719992
 1819726
 1736237
 1739570
 1901499
 2086618
 2420736
 2445947

[end of list of numbers]

09/26/2001 DBYRNE 00000062 75684707
 01 FC:481 40.00 OP
 02 FC:482 350.00 OP

5. **Mail correspondence concerning document to:**
Naho Kobayashi, Esq.
Powell, Goldstein, Frazer & Murphy LLP
191 Peachtree Street, N.E.
Sixteenth Floor
Atlanta, GA 30303
6. **Total number of applications and registrations involved:** fifteen (15)
7. **Total fee (37 CFR 3.41), enclosed:** \$390.00
8. **Deposit account number:**
N/A
9. **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.



Naho Kobayashi

9/17/01

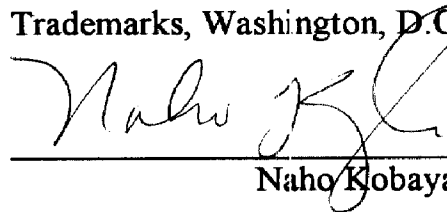
Date

Total Number of Pages for Cover Sheet: 2

Certificate of Express Mailing-37 C.F.R. 1.10

Express Mail mailing label number: EK012882197US

I hereby certify that this is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 C.F.R. 1.10 on September 17, 2001 and is addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.



Naho Kobayashi



TRADEMARK SECURITY AGREEMENT

This Agreement is made as of the 17th day of May, 2001, by and between DMX MUSIC, INC., a Delaware corporation (referred to on the signature page as the "Borrower"; otherwise referred to herein as the "Pledgor"), and ROYAL BANK OF CANADA, as administrative agent (in such capacity, the "Administrative Agent") for itself and on behalf of the Lenders (as defined in the Loan Agreement defined below).

W I T N E S S E T H:

WHEREAS, Maxide Acquisition, Inc., as borrower, the Lenders and the Administrative Agent are all parties to that certain Loan Agreement dated as of even date herewith (as the same may be amended, modified, restated or supplemented from time to time, the "Loan Agreement"); and

WHEREAS, pursuant to the terms of the Loan Agreement, the Pledgor is required to execute and deliver this Agreement; and

NOW, THEREFORE, in consideration of the foregoing and to secure the payment and performance of, among other things, the Obligations (as defined in the Loan Agreement) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All capitalized terms used herein without definition shall have the meanings ascribed thereto in the Loan Agreement. For purposes hereof, "Secured Parties" shall mean, collectively, the Lenders, the Administrative Agent and any Affiliate of any Lender party to an Interest Rate Hedge Agreement, and "Secured Party" shall mean any one of the foregoing.

2. Grant of Security Interest. The Pledgor hereby grants and assigns to the Administrative Agent, on behalf of the Secured Parties, a continuing security interest in the entire right, title and interest in and to the registered trademarks, service marks and trade names together with the associated trademark, service mark and trade name applications and registrations, as listed in Schedule 1 attached hereto and by reference made a part hereof, as collateral security for such Obligations; together with a security interest in that part of the Pledgor's business connected with the use of and symbolized by such registered trademarks, service marks and trade names, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, and all rights corresponding thereto throughout the world (all of which registered trademarks, service marks, trade names and trademark, service mark and trade name applications and registrations, goodwill, proceeds, and other rights are collectively called the "Trademarks").

Until the occurrence and during the continuance of an Event of Default (and only during the periods when this Agreement is effective as set forth above), it is the intention of the parties hereto that full legal and equitable title to the Trademarks shall remain in the Pledgor.

127605.00090

::ODMA\PCDOCS\ATL\480656\1

3. No Liens. The Pledgor shall refrain from encumbering the Trademarks by selling, transferring, assigning, licensing or otherwise encumbering the Trademarks, unless permitted by the terms of this Agreement or the Loan Agreement.

4. Covenants and Warranties. The Pledgor covenants and warrants that:

(a) to the Pledgor's knowledge, the registrations of the Trademarks, as listed in Schedule 1 attached hereto, are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the Pledgor's knowledge, each of the Trademarks is valid and enforceable; and

(c) the Pledgor has the unqualified right to enter into this Agreement and to perform its terms.

5. Licenses. The Pledgor agrees that, until all of the Obligations shall have been satisfied in full and the Secured Parties shall have no obligation to advance funds under the Loan Agreement, it will not enter into any agreement (for example, a license agreement) which is inconsistent with the Pledgor's obligations under this Agreement, without the prior written consent of the Administrative Agent. Notwithstanding the foregoing, the granting of a license for use of a Trademark, in the ordinary course of Pledgor's business, shall not require such consent.

6. Future Marks. If, before the Obligations shall have been satisfied in full, the Pledgor shall obtain rights to any new registered trademark, service mark or trade name registration, or shall file any application for any such registration, the provisions of Section 2 hereof shall automatically apply thereto and the Pledgor shall give to the Administrative Agent (on behalf of the Secured Parties) prompt written notice of any material marks or registration.

7. Amendment of Schedule. The Pledgor authorizes the Administrative Agent to modify this Agreement by amending Schedule 1 to include any future registered trademarks, service marks, trade names, and trademark, service mark or trade name applications or registrations which are Trademarks under Section 2 or Section 6 hereof and to record such modifications (or notice thereof) in the United States Patent and Trademark Office at the expense of the Pledgor. The Pledgor agrees to execute any and all instruments (including individual conditional assignments or security agreements) necessary to confirm such amendment or to enable such recording.

8. Registration to Remain in Force. To the extent that a material Trademark is in use by the Pledgor or a licensee thereof, the Pledgor shall take all action necessary, in each case if consistent with reasonably responsible business practices, to maintain in force the registration thereof, in the United States Patent and Trademark Office and in any other jurisdiction, including

127605.00090

::ODMA\PCDOCS\ATL\480656\1

(without limitation) any filing, to the extent permitted and authorized by law, any declarations under Sections 8 and 15 of the Trademark Act of 1946 (Lanham Act) and any renewals thereunder, with respect to the Trademarks.

9. Default and Remedies. Upon the occurrence of and during the continuance of an Event of Default (at any time that this Agreement is effective in accordance with Section 1 hereof), the Administrative Agent (on behalf of the Secured Parties) may, in its discretion:

(a) upon thirty (30) days' prior written notice to the Pledgor, sell or otherwise dispose of the Trademarks, together with the goodwill of the business associated therewith, at public or private sale (which sale the Administrative Agent may postpone from time to time by announcement at the time and place of sale stated in the notice of sale or by announcement at any adjourned sale so long as the Administrative Agent thereupon gives a new notice of sale), for cash or credit, with or without representations or warranties and upon such other terms as the Administrative Agent (on behalf of the Secured Parties) in its reasonable discretion deem appropriate; and the Administrative Agent (on behalf of the Secured Parties) may bid or become a purchaser in any such sale, free from any right of redemption which is hereby expressly waived by the Pledgor, and the Secured Parties shall have the right in their discretion to apply or credit the amount of all or any part of the Obligations owing to the Secured Parties against the purchase price bid by such Person at any such sale; and

(b) upon ten (10) Business Days' prior written notice, exercise any and all rights and remedies provided by this Agreement, by the Loan Agreement, by any other document or instrument executed in connection therewith (including, without limitation, any security agreement to which the Pledgor is a party) and by the Uniform Commercial Code to a secured party, as well as under any other Applicable Law.

10. Release of Security Interest. Upon compliance with the terms and conditions in the Loan Agreement and upon the payment in full of the Obligations and the performance and satisfaction in full of all covenants and undertakings of the Pledgor under the Loan Agreement and cancellation of the Commitments, the Liens granted hereunder shall automatically terminate and the Administrative Agent shall take any actions reasonably necessary to permanently terminate and release the security interest in the Trademarks granted to the Secured Parties hereunder and any financing statements filed in connection therewith, and to cause the Trademarks and any instrument of transfer previously delivered to the Administrative Agent to be delivered to the Pledgor, all at the cost and expense of the Pledgor.

11. Expenses. Subject to the provisions of Section 11.2 of the Loan Agreement, any and all reasonable fees, costs and expenses, of whatever kind or nature, including the ordinary and reasonable counsel fees and legal expenses, incurred by the Administrative Agent (on behalf of the Secured Parties) in connection with protecting, maintaining or preserving the Trademarks or the interest of the Administrative Agent (on behalf of the Secured Parties) therein, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks,

shall be borne and paid by the Pledgor as provided in Section 11.2 of the Loan Agreement and until so paid shall be added to the principal amount of the Obligations.

12. Enforcement of Trademark. The Pledgor shall, upon reasonable request of the Administrative Agent (on behalf of the Secured Parties), bring suit in its own name to enforce the Trademarks against any infringement deemed by the Administrative Agent (on behalf of the Secured Parties), in its reasonable discretion, to substantially impair the value thereof as collateral security under this Agreement.

13. Indemnification. The Pledgor shall indemnify and hold harmless the Secured Parties, and each of them, and any other Person acting hereunder for all losses, costs, damages, fees and expenses whatsoever associated with the exercise of the powers of attorney granted herein and shall release the Secured Parties and any other Person acting hereunder from all liability whatsoever for the exercise of the foregoing powers of attorney and all actions taken pursuant thereto, except in the case of gross negligence or willful misconduct by any of Secured Parties and such other Person or Persons acting hereunder.

14. Remedies Cumulative. The Pledgor agrees that the rights of the Secured Parties under this Agreement, the Loan Agreement or the Loan Documents shall be cumulative, and that the Secured Parties, or any of them, may from time to time exercise such rights and such remedies as the Secured Parties, or any of them, may have thereunder and under the laws of the United States and any state, as applicable, in the manner and at the time that the Secured Parties, or any of them, in its or their sole discretion desire. The Pledgor further expressly agrees that the Administrative Agent shall not in any event be under any obligation to resort to any Collateral prior to exercising any other rights that the Secured Parties, or any of them, may have against the Pledgor or its properties, or to resort to any other collateral for the Obligations prior to the exercise of remedies hereunder.

15. Waiver. No transfer or renewal, extension, assignment or termination of this Agreement or of the Loan Agreement, any other Loan Document, or any other instrument or document in connection therewith executed and delivered by the Pledgor to the Secured Parties, or any of them, nor any additional Advances made by the Lenders, nor the taking of further security, nor the retaking or re-delivery of the Collateral to the Pledgor by any of the Secured Parties, nor any other act of any of the Secured Parties shall release the Pledgor from any Obligation, except a release or discharge executed in writing by the Secured Parties, with respect to such Obligation or payment of such Obligation or upon full payment to the Secured Parties and satisfaction of all the Obligations. None of the Secured Parties shall by any act, delay, omission or otherwise, be deemed to have waived any of their rights or remedies hereunder, unless such waiver is in writing and signed by the Secured Parties. A waiver by the Secured Parties, of any right or remedy on any occasion shall not be construed as a bar to the exercise of any such right or remedy which any of the Secured Parties would otherwise have had on any other occasion.

16. Assignments. The Pledgor agrees that this Agreement and rights of the Secured Parties hereunder may in the discretion of such Person be assigned in whole or in part by such

127605.00090

::ODMA\PCDOCS\ATL\480656\1

TRADEMARK

REEL: 002406 FRAME: 0601

of any claims the Pledgor may have against the assignor or assignors. In the event this Agreement is so assigned by any of the Administrative Agent and the Lenders, the terms "Administrative Agent" and "Lenders" wherever used herein shall be deemed to refer to and include any such assignee or assignees, as appropriate. The Pledgor shall not assign its rights or obligations under this Agreement without the consent of all the Secured Parties.

17. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be given in a manner prescribed in Section 11.1 of the Loan Agreement.

18. Jurisdiction and Venue. If any action or proceeding shall be brought by the Administrative Agent in order to enforce any right or remedy under this Agreement, the Pledgor hereby consents to the jurisdiction of any state or federal court of competent jurisdiction sitting within the area comprising the Southern District of New York on the date of this Agreement. The Pledgor hereby agrees, to the extent permitted by Applicable Law, that service of the summons and complaint and all other process which may be served in any such suit, action or proceeding may be effected by mailing by registered mail a copy of such process to the offices of the Pledgor, as set forth in or otherwise provided pursuant to Section 11.1 of the Loan Agreement, and that personal service of process shall not be required. Nothing herein shall be construed to prohibit service of process by any other method permitted by law, or the bringing of any suit, action or proceeding in any other jurisdiction. The Pledgor agrees that final judgment in such suit, action or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by Applicable Law.

19. WAIVER OF JURY TRIAL. THE PLEDGOR, LENDERS AND ADMINISTRATIVE AGENT WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF THIS AGREEMENT.

20. Time of the Essence. Time is of the essence with regard to the Pledgor's performance of its obligations hereunder.

21. Governing Law; Entire Agreement. The provisions of this Agreement shall be construed and interpreted, and all rights and obligations of the parties hereto determined, in accordance with the laws of the State of New York. This Agreement, together with all documents referred to herein, constitutes the entire agreement between the parties with respect to the matters addressed herein, and may not be modified except by a writing executed by the Administrative Agent and the Pledgor, and delivered by the Administrative Agent to the Pledgor.

22. Severability. If any paragraph or part thereof shall for any reason be held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such paragraph or part thereof so adjudicated invalid, illegal or unenforceable shall be deemed separate, distinct and independent, and the remainder of this Agreement shall remain in full force and effect and shall not be affected by such holding or adjudication.

127605.00090

::ODMA\PCDOCS\ATL\4806561

22. Severability. If any paragraph or part thereof shall for any reason be held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such paragraph or part thereof so adjudicated invalid, illegal or unenforceable shall be deemed separate, distinct and independent, and the remainder of this Agreement shall remain in full force and effect and shall not be affected by such holding or adjudication.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

24. Administrative Agent. Each reference herein to any right granted to, benefit conferred upon or power exercisable by the "Administrative Agent" shall be a reference to the Administrative Agent, for the benefit of all of the Secured Parties, and each action taken or right exercised hereunder shall be deemed to have been so taken or exercised by the Administrative Agent, for the benefit of all of the Secured Parties.


[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

BORROWER:

DMX MUSIC, INC., a Delaware corporation

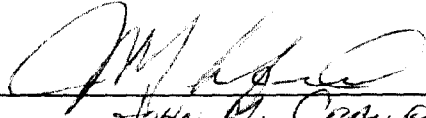
By: 
Name: Mark D. Rozells
Title: Executive Vice President

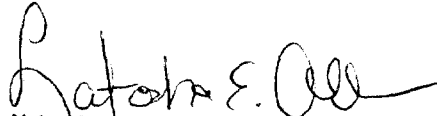
[SIGNATURES CONTINUE ON NEXT PAGE]



ADMINISTRATIVE AGENT:

ROYAL BANK OF CANADA, as Administrative Agent
on behalf of the Secured Parties

By: 
Name: JOHN M. CRAWFORD
Title: SR. MANAGER


Notary Public, Baldwin County, Georgia
My Commission Expires Oct. 3, 2003

127605.00090
::ODMA\PCDOCS\ATL\480656\1

MAXIDE ACQUISITION, INC.
TRADEMARK SECURITY AGREEMENT
Signature Page 2

SCHEDULE 1

DMX MUSIC, INC.

Mark	Registration or Application Number
DIGITAL MUSIC EXPRESS	1719992
DJ	1819726
DMX	1736237
DMX & Design	1739570
DMX AXIS	75/684707
DMX AXIS & Design	75/770936
DMX DJ	1901499
DMX MUSIC (Black and Red Design)	75/829792
DMX MUSIC & Design	75/829791
DMX World Logo	2086618
MALLNET	75/599716
MALLNET & Design	2420736
MISCELLANEOUS (E-Bolt Design)	75/728647
MUSIC, TOO	75/682336
MUSIC, TOO & Design	2445947



ACKNOWLEDGEMENT

STATE OF GEORGIA)
)
COUNTY OF FULTON)

This instrument was acknowledged on this 17th day of May, 2001, by
John Crawford, as Senior Manager of Royal Bank of Canada, on behalf of such
company.

Seal

Notary Public in and for the State of Georgia

Ratona E. Allen
Notary Public

Notary Public, Baldwin County, Georgia
My Commission Expires Oct. 3, 2003

My commission expires: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles } ss.

On 5-17-01, before me, LATANYA FERGUSSON, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Mark D. Pozzills
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature of Notary Public

Place Notary Seal Above

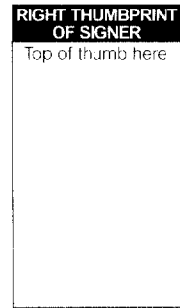
OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Trademark Security Agreement
Document Date: Signature Page 1 NO DATE Number of Pages: 1 (one)

Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer
Signer's Name: Mark D. Pozzills
 Individual
 Corporate Officer — Title(s): Executive Vice President
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other:



Signer Is Representing: DMX Music, Inc.