

08-28-2002

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

102203129

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Directed Audio, Inc.

Individual(s)

General Partnership

Corporation

Other

Association

Limited Partnership

Other

2-15-02

8/1/02

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

1. Nature of conveyance:

Assignment

Security Agreement

Corporation-State

Merger

Change of Name

Other: Grant of Trademark Security Interest

Execution Date: February 4, 2002

2. Name and address of receiving party(ies)

Name: Canadian Imperial Bank of Commerce

Internal

Address:

Street Address: 425 Lexington Avenue

City: New York State: NY

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

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

OFFICE OF PATENT AND TRADEMARKS FINANCE SECTION

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

A. Trademark Application No.(s) 74/903,383; 75/141,453; 75/741,839; 75/712,954; 75/712,955; 75/712,659; 75/712,997; 75/786,720; 76/075,720; 76/075,721; 74/260,632; 75/085,825; and 74/492,684

B. Trademark Registration No.(s) 1,578,706; 2,154,226; 1,918,036; 1,856,633; 1,846,616; 1,844,241; 1,841,845; 1,811,968; 1,769,823; 1,769,819; 1,846,616; 1,595,043; 2,324,714; 1,339,028; 1,560,581; 1,231,758; and 1,170,974

Additional number(s) attached Yes No

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

Name: Christine H. Suh, Esq.

Internal Address:

Street Address: O'MELVENY & MYERS LLP

400 South Hope Street

City: Los Angeles State: CA Zip: 90071-2899

6. Total number of applications and registrations involved: 30

7. Total fee (37 CFR 3.41) \$265.00

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

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.

Christine H. Suh Name of Person Signing

Christine H. Suh Signature

February 15, 2002 Date

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

Empty box for page count

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

03/28/2002 JJALLAH2 00000029 74903383

01 FC:482 40.00 DP 02 FC:482 225.00 DP

06/28/2002 TDIAZ1 00000039 74903383

01 FC:482 500.00 DP

## GRANT OF TRADEMARK SECURITY INTEREST

**WHEREAS**, Directed Audio, Inc., a California corporation ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

**WHEREAS**, Directed Electronics, Inc., as successor to Directed Acquisition Corp., a California corporation ("**Borrower**"), has entered into a Credit Agreement, dated as of December 21, 1999 (said Credit Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Credit Agreement**"), with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the "**Lenders**"), Canadian Imperial Bank of Commerce, as Administrative Agent for the Lenders (in such capacity, "**Secured Party**"), and CIBC World Markets Corp., as Lead Arranger and Bookrunner, pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Borrower; and

**WHEREAS**, Borrower may from time to time enter, or may from time to time have entered, into one or more Interest Rate Agreements (collectively, the "**Lender Interest Rate Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Interest Rate Agreements are entered into (in such capacity, collectively, "**Interest Rate Exchangers**"); and

**WHEREAS**, pursuant to the terms of a Security Agreement, dated as of December 21, 1999 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

- (i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the

**“Trademarks”**), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the **“Trademark Registrations”**), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the **“Trademark Rights”**), and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith (the **“Associated Goodwill”**); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term **“proceeds”** includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor’s rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Trademark Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

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IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of February 4 \_\_\_\_\_, 2002.

**DIRECTED AUDIO, INC.**

By: James E. Minarik  
Name: James E. Minarik  
Title: President & CEO

**SCHEDULE A  
TO  
GRANT OF TRADEMARK SECURITY INTEREST**

<u>Name</u>	<u>Registration/ Application Number</u>	<u>Registration Date</u>
Design Logo	1,578,706	January 23, 1990
Power Class	2,154,226	April 28, 1998
Precision Power	74/903,383	Not Applicable
P and Design	75/141,453	Not Applicable
P and Design	75/141,839	Not Applicable
Precision Link	75/712,954	Not Applicable
PPI	75/712,955	Not Applicable
Studio Driver	75/712,659	Not Applicable
Tube Driver	75/712,997	Not Applicable
Design Only	75/786,720	Not Applicable
Orion Team Extreme	1,918,036	September 12, 1995
XTR	1,856,633	October 4, 1994
Xtreme	1,846,616	July 26, 1994
Design Only	1,844,241	July 12, 1994
Silencer	1,841,845	June 28, 1994
Solu	1,811,968	December 21, 1993
Cobalt	1,769,823	May 11, 1993
Cobalt	76/075,720	Not Applicable
Xtreme	1,769,819	May 11, 1993
Xtreme	76/075,721	Not Applicable
Xtreme	1,846,616	July 26, 1994
Orion	74/260,632	Not Applicable
The Hott Set-Up	1,595,043	May 8, 1990
Rion	75/085,825	Not Applicable
Wired	2,324,714	February 29, 2000

<u>Name</u>	<u>Registration/ Application Number</u>	<u>Registration Date</u>
Rion	74/492,684	Not Applicable
Scintilla	1,339,028	June 4, 1985
A/d/s stylized	1,560,581	October 17, 1989
ADS	1,231,758	March 22, 1983
COMPU-TUNER	1,170,974	September 29, 1981