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6-9-03

Tab settings →

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

1. Name of conveying party(ies):

MDI Entertainment, Inc.

- Individual(s)
- General Partnership
- Corporation-State (DE)
- Other _____
- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other _____
- Merger
- Change of Name

Execution Date: March 5, 2003

2. Name and address of receiving party(ies):

Name: The Bank of New York, as Administrative Agent

Internal Address: _____

Street Address: One Wall Street

City: New York State: NY ZIP: 10286

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other New York banking corporation

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designation must be a separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,667,167 ; 2,667,166

Additional number(s) attached? Yes No

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

Name: Robyn Rahbar, Esq.

Internal Address: Simpson Thacher & Bartlett LLP

Street Address: 425 Lexington Avenue

City: New York State: NY ZIP: 10017

6. Total number of applications and registrations involved: _____

7. Total fee (37 CFR 3.41): _____

\$ 65.00

- Enclosed
- Authorized to be charged to ~~deposit account~~ credit card

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.

Robyn Rahbar, Esq.
Name of Person Signing

[Signature]
Signature

6/6/03
Date

06/09/2003 6TOM11 00000147 2667167

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

06/09/2003 6TOM11

23:08 06

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

TRADEMARK
REEL: 002748 FRAME: 0614

GRANT OF
SECURITY INTEREST IN TRADEMARK RIGHTS

THIS GRANT OF SECURITY INTEREST IN TRADEMARK RIGHTS ("Agreement"), dated as of March 5, 2003 is made by MDI Entertainment, Inc., a Delaware corporation (the "Additional Grantor"), in favor of The Bank of New York, as Administrative Agent (the "Administrative Agent") for the several banks and other financial institutions or entities (the "Lenders") from time to time parties to the Credit Agreement, dated as of December 19, 2002 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Scientific Games Corporation (the "Borrower"), the Lenders, Bear, Stearns & Co. Inc., as sole lead arranger and sole bookrunner (in such capacity, the "Lead Arranger"), BNY Capital Markets, Inc., as co-arranger (in such capacity, the "Co-Arranger"), Bear Stearns Corporate Lending Inc., as syndication agent (in such capacity, the "Syndication Agent"), and the Administrative Agent. Capitalized terms not defined herein shall have the meanings ascribed to them in the Credit Agreement and the Guarantee and Collateral Agreement (as defined below).

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, the Lenders have severally agreed to make Loans and other extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, in connection with the Credit Agreement, the Borrower and certain of its subsidiaries have executed and delivered a Guarantee and Collateral Agreement, dated as of December 19, 2002, in favor of the Administrative Agent (together with all amendments and modifications, if any, from time to time thereafter made thereto, the "Guarantee and Collateral Agreement");

WHEREAS, pursuant to the Guarantee and Collateral Agreement, the Borrower and certain of its subsidiaries (each party thereunder, a "Grantor") pledged and granted to the Administrative Agent for the benefit of the Administrative Agent and the Lenders a continuing security interest in all Intellectual Property, including the Trademarks;

WHEREAS, pursuant to Section 8.9(c) of the Credit Agreement and in connection with the Borrower's acquisition of the Additional Grantor, the Additional Grantor executed an Assumption Agreement, dated as of March 5, 2003, in favor of the Administrative Agent, in order to become a party to the Guarantee and Collateral Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor; and

WHEREAS, the Additional Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Lenders to make Loans and other financial accommodations to the Borrower pursuant to the Credit Agreement, the Additional Grantor agrees, for the benefit of the Administrative Agent and the Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Credit Agreement and the Guarantee and Collateral Agreement.

SECTION 2. Grant of Security Interest. The Additional Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the ratable benefit of the Agents and the Lenders (and any affiliates of any Lender to which Borrower Hedge Agreement Obligations are owing), a security interest in the Trademarks (including, without limitation, those items listed on Schedule A hereto) now owned or at any time hereafter acquired by the Additional Grantor or in which the Additional Grantor now has or at any time in the future may acquire any right, title or interest, and to the extent not otherwise included, all Proceeds, Supporting Obligations and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing, as collateral security for the prompt and complete payment and performance when due of the Additional Grantor's Obligations.

SECTION 3. Purpose. This Agreement has been executed and delivered by the Additional Grantor for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted to the Lenders in connection with the Guarantee and Collateral Agreement and is expressly subject to the terms and conditions thereof. The Guarantee and Collateral Agreement (and all rights and remedies of the Lenders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Acknowledgment. The Additional Grantor does hereby further acknowledge and affirm that the rights and remedies of the Lenders with respect to the security interest in the Trademarks granted hereby are more fully set forth in the Credit Agreement and the Guarantee and Collateral Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 5. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

MDI ENTERTAINMENT, INC.

By: Martin E. Schloss

Name: Martin E. Schloss

Title: Vice President

THE BANK OF NEW YORK
as Administrative Agent for the Lenders


By: _____

Name:

Title:

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

On the 21st day of May, 2003, before me personally came Martin E. Schloss, who is personally known to me to be the Vice President of MDI Entertainment, Inc., a Delaware corporation, who, being duly sworn, did depose and say that he is the Vice President in such corporation, the corporation described in and which executed the foregoing instrument; that he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that he acknowledged said instrument to be the free act and deed of said corporation.


Notary Public **CAROL L. GILMORE**
Notary Public, State of New York
No. 31-01Gi4906183
Qualified in New York County
Commission Expires September 21, 2005

(PLACE STAMP AND SEAL ABOVE)

SECTION 5. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

MDI ENTERTAINMENT, INC.

By: _____

Name:

Title:

THE BANK OF NEW YORK
as Administrative Agent for the Lenders

By: 

Name: Gordon Smith

Title: Vice President

SCHEDULE A

U.S. Trademarks Registrations and Applications

<u>Trademarks</u>	<u>Serial or Registration Number</u>
Second Chance Bonus Zone	2,667,167
Lottery Bonus Zone	2,667,166