

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Hollywood Theaters, Inc.		08/09/2004	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	Wachovia Bank, National Association, as First Lien Collateral Agent
Street Address:	201 South College Street
Internal Address:	8th Floor
City:	Charlotte
State/Country:	NORTH CAROLINA
Postal Code:	28288
Entity Type:	National banking association:

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Registration Number:	2262226	HOLLYWOOD THEATERS
Registration Number:	2198438	

CORRESPONDENCE DATA	
Fax Number:	(212)455-2502
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(212) 455-2254
Email:	LLevy@stblaw.com
Correspondent Name:	Robyn Rahbar, Esq.
Address Line 1:	Simpson Thacher & Bartlett LLP
Address Line 2:	425 Lexington Avenue
Address Line 4:	New York, NEW YORK 10017

ATTORNEY DOCKET NUMBER:	029551/0023
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NAME OF SUBMITTER:	Lea B. Levy
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Total Attachments: 7
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**GRANT OF SECURITY INTEREST
IN TRADEMARK RIGHTS**

THIS GRANT OF SECURITY INTEREST IN TRADEMARK RIGHTS (“Agreement”), dated as of August 9, 2004 is made by HOLLYWOOD THEATERS, INC., a Delaware corporation (“Grantor”), in favor of WACHOVIA BANK, NATIONAL ASSOCIATION, a national banking association, as Administrative Agent and First Lien Collateral Agent (the “Agent”) for the several banks and other financial institutions (the “Lenders”), parties to the Credit Agreement, dated as of April 23, 1999, as Amended and Restated as of December 31, 2001 and as Further Amended and Restated as of August 9, 2004 (collectively, as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among Hollywood, Hollywood Theater Holdings, Inc. (“Holdings”), a Delaware corporation, Lois Business Development Corporation, an Hawaii corporation, Pacific Rim Business Development Corporation, an Hawaii corporation, and Wallace Theater Corporation, a California corporation (collectively, the “Borrowers”), the Lenders and the Agent.

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 Borrowers upon the terms and subject to the conditions set forth therein; and

WHEREAS, in connection with the Credit Agreement, Grantor, Holdings and certain subsidiaries have executed and delivered a First Lien Guarantee and Collateral Agreement, dated as of August 9, 2004, in favor of the Agent (together with all amendments and modifications, if any, from time to time thereafter made thereto, the “First Lien Agreement”);

WHEREAS, pursuant to the First Lien Agreement, Grantor pledged and granted to the Agent for the benefit of the Agent and the Lenders a continuing security interest in all Intellectual Property, including the Trademarks; and

WHEREAS, 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 Borrowers pursuant to the Credit Agreement, Grantor agrees, for the benefit of the 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 First Lien Agreement.

SECTION 2. Grant of Security Interest. Grantor hereby grants a security interest in the Trademarks (including, without limitation, those items listed on Schedule A hereto), to the Agent for the benefit of the Agent and the Lenders as collateral security for the prompt and complete payment and performance when due of Grantor's obligations.

SECTION 3. Purpose. This Agreement has been executed and delivered by 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 First Lien Agreement and is expressly subject to the terms and conditions thereof. The First Lien 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. 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 First Lien Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. Grantor does hereby further acknowledge that all grants of security interest are subject to the terms of the Intercreditor Agreement, dated as of August 9, 2004.

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.

HOLLYWOOD THEATERS, INC.

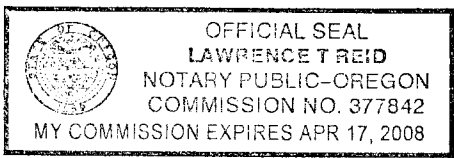
By: John Hunter
Name:
Title:

WACHOVIA BANK, NATIONAL ASSOCIATION
as Administrative Agent and First Lien Collateral Agent for
the Lenders

By: _____
Name:
Title:

STATE OF Oregon)
) ss
COUNTY OF Multnomah)

On the 3rd day of August, 2004, before me personally came John Hunter, who is personally known to me to be the COO of Wallace Theater Corporation, a California corporation; who, being duly sworn, did depose and say that she/he is the COO in such corporation, the corporation described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that she/he acknowledged said instrument to be the free act and deed of said corporation.



Lawrence Reid
Notary Public

(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.

HOLLYWOOD THEATERS, INC.

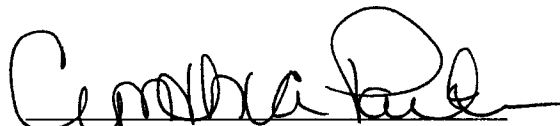
By: _____
Name:
Title:

WACHOVIA BANK, NATIONAL ASSOCIATION
as Administrative Agent and First Lien Collateral Agent for
the Lenders

By: Kevin P. Shea
Name: KEVIN P. SHEA
Title: VICE PRESIDENT

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

On the 9th day of August, 2004, before me personally came Kevin P. Shea, who is personally known to me to be the Vice President of Wachovia Bank, National Association, a national banking association; who, being duly sworn, did depose and say that she/he is the Vice President in such association, the association described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such association; and that she/he acknowledged said instrument to be the free act and deed of said association.





Notary Public **CYNTHIA PARKER**
NOTARY PUBLIC, State of New York
No. 01PA5055476
Qualified in Dutchess County
Commission Expires Feb. 12, 2006

(PLACE STAMP AND SEAL ABOVE)

SCHEDULE A

U.S. Trademarks Registrations and Applications

<u>Trademark</u>	<u>Registration or Serial Number</u>
HOLLYWOOD THEATERS 	2,262,226
Design 	2,198,438