

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Charles Darrell Stout		03/07/2005	INDIVIDUAL: UNITED STATES
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Capitol Records, Inc.		
<b>Doing Business As:</b>	DBA Blue Note Records		
<b>Street Address:</b>	150 Fifth Avenue		
<b>City:</b>	New York		
<b>State/Country:</b>	NEW YORK		
<b>Postal Code:</b>	10011		
<b>Entity Type:</b>	CORPORATION: DELAWARE		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2493592	BLUE NOTE	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(212)786-8874		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	212-786-8896		
<b>Email:</b>	pamela.gurley@emicap.com		
<b>Correspondent Name:</b>	Pamela L. Gurley, Director Legal Affairs		
<b>Address Line 1:</b>	EMI Music North America		
<b>Address Line 2:</b>	150 Fifth Avenue		
<b>Address Line 4:</b>	New York, NEW YORK 10011		
<b>NAME OF SUBMITTER:</b>	Pamela Gurley, Director Legal Affairs		
<b>Signature:</b>	/Pamela Gurley/		
<b>Date:</b>	03/17/2005		

OP \$40.00 2493592

**Total Attachments: 9**

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**AGREEMENT AND ASSIGNMENT OF RIGHTS**

This agreement (the "Agreement") effective on execution is made this \_\_\_\_ day of March 2005 between Capitol Records, Inc., doing business as Blue Note Records ("Capitol"), 150 Fifth Avenue, New York, New York 10011, and Charles Darrell Stout, individually and on behalf of Patrician Furniture (collectively, "Stout"), 1124 NC 62, West High Point, North Carolina 27263.

WHEREAS

A. Capitol is the owner of the BLUE NOTE trademark and related logos, which are registered with the United States Patent and Trademark Office ("USPTO") for use in connection with sound recordings, as evidenced by U.S. Reg. Nos. 1928363 and 1972271.

B. Stout registered BLUE NOTE for furniture with the USPTO, as evidenced by U.S. Reg. No. 2493592, and has sold furniture under such mark from December 31, 2000 to the present date.

C. Capitol has objected to Stout's use of BLUE NOTE for furniture.

D. Stout has agreed to discontinue use of BLUE NOTE for furniture effective March 1, 2006.

E. The parties desire to settle and resolve any and all claims and disputes between them concerning the BLUE NOTE trademark upon the terms set forth herein.

NOW THEREFORE in consideration of the covenants, promises, representations, warranties and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Representations and Warranties

Stout represents and warrants that:

1.1 Stout has continuously used the BLUE NOTE trademark in commerce since December 31, 2000 and has not abandoned the trademark.

1.2 As of the date of Stout's execution of this Agreement (i) there is no conflicting claim to or registration by a third party of BLUE NOTE; and (ii) Stout has the sole, exclusive right and authority to transfer, assign or sell the BLUE NOTE trademark and by doing so will not violate any right of or any agreement with any third party.

1.3 Stout owns no trademark applications or registrations in any state trademark registry, the USPTO or any foreign trademark registry for BLUE NOTE or any variant or phonetic or foreign language equivalent thereof other than U.S. Reg. No. 2493592.

1.4 As of the date of Stout's execution of this Agreement, Stout has not pledged, transferred, assigned or encumbered any rights in the BLUE NOTE trademark.

1.5 There are no decisions, judgments, orders or claims against Stout relating in any way to the BLUE NOTE trademark.

1.6 Stout has the right, power, authority and legal capacity to enter into this Agreement and to carry out all obligations and requirements herein and has the sole, exclusive right and authority to transfer and assign the rights transferred and assigned pursuant hereto.

1.7 Entry into this Agreement and the transfer and assignment of all intellectual property rights of Stout in the BLUE NOTE trademark do not violate any other agreements executed or entered into by or on behalf of Stout or otherwise violate any rights of any third party.

## 2. Assignment

2.1 Stout hereby irrevocably assigns and transfers to Capitol all of Stout's right, title

and interest in and to the BLUE NOTE mark together with the goodwill of the business symbolized thereby and all claims arising out of or relating to the use or ownership thereof. Stout shall execute any and all further documents necessary to effectuate such assignment and transfer.

2.2 Simultaneously with the execution of this Agreement, Stout shall execute the assignment annexed hereto as **Exhibit A**.

3. Recognition of Assignee's Rights

3.1 Stout acknowledges that as of the effective date of this Agreement Capitol or its successors, assigns or transferees will have unfettered, worldwide, perpetual right to use BLUE NOTE as a trademark for furniture, including but not limited to in connection with any advertising or promotional materials. Until March 1, 2006, Capitol agrees to use BLUE NOTE as a trademark for residential furniture only. Thereafter, Capitol may use BLUE NOTE for residential and/or commercial furniture.

3.2 Capitol agrees that Stout may continue to sell or otherwise exhaust its current inventory of BLUE NOTE furniture until March 1, 2006 and, until such time, shall be permitted to use the term BLUE NOTE for advertising and promotional materials. Stout will thereafter discontinue any and all use of the term BLUE NOTE and/or any mark confusingly similar thereto, as well as all other indicia of the Capitol owned BLUE NOTE mark and related logos, including but not limited to the use of album titles for furniture and/or similar trade dress for advertising or promotional materials.

3.3 Stout shall not take any action or cause or assist any third party in taking any action, or ask any third party to take any action on its behalf, to interfere with any use or

exploitation of the BLUE NOTE trademark by Capitol or by any of Capitol's successors, assigns, transferees or licensees on or in connection with any goods, business or service or any advertising or promotion thereof.

4. Prohibition on Future Conduct

4.1 Except as otherwise expressly provided herein, Stout shall immediately cease and permanently refrain from any and all use of the BLUE NOTE trademark or any other name or mark confusingly similar to BLUE NOTE on or in connection with any goods, business or service or any advertising or promotion thereof.

4.2 Except as otherwise expressly provided herein, Stout shall not register anywhere in the world, ask any third party to register on its behalf, assist any third party in the registration of, or maintain any registration for the BLUE NOTE trademark or any other name or mark confusingly similar to BLUE NOTE.

5. Additional Documents

Following execution of this Agreement, Stout shall execute such further documents as required by Capitol or any of Capitol's successors, assigns, transferees or licensees and provide such additional assistance to Capitol or any of Capitol's successors as is necessary to effectuate the terms of this Agreement.

6. Remedies For Breach

In the event of a breach of this agreement by either party, the breaching party shall take immediate efforts to remedy such breach upon learning of said breach through written notification by the non-breaching party. The party in breach shall have thirty (30) days after such notification to cure said breach.

7. Territory

This agreement shall have worldwide effect.

8. Persons and Entities Bound

This agreement shall inure to the benefit of and be binding upon the parties hereto, their successors, assigns, transferees, licensees and any related or affiliated companies under their control.

9. Releases

In consideration for Capitol releasing Stout from any and all claims Capitol may have against Stout for Stout's use of the mark to date, Stout, for himself and for his heirs, executors, administrators, successors and assigns (collectively, the "Releasers") does hereby generally release and forever discharge Capitol, its affiliate companies, successors and assigns, partners, licensees, past and present, of and from any and all manner of claims, debts, costs, liens, accounts, demands, actions, suits, causes of action, obligations, expenses, attorneys' fees, damages, judgments, orders and liabilities of every kind and nature, known or unknown, suspected or unsuspected, fixed or contingent, in law or in equity, which the Releasers, or any of them, now have, may have had, or may hereinafter have, including, without limitation, all claims related to the use of the name BLUE NOTE (except for claims for breach of this Agreement) and indemnifies Capitol to this effect.

10. Assignability

Capitol's rights and obligations under this Agreement are freely assignable and Capitol shall be entitled to assign to a third party all rights that it has received or shall receive from Stout under the terms of this Agreement. Stout shall not object to the assignment of Capitol's rights

and shall not interfere with the exercise of rights in the BLUE NOTE trademark by any entity to which Capitol may assign its rights. All obligations of Stout to Capitol under this Agreement shall remain binding on Stout in the case of such an assignment and shall inure to the benefit of Capitol's successors or assigns.

11. Choice of Law

This agreement has been entered into in the State of New York and the validity, interpretation and legal effect of this Agreement will be governed by the laws of the State of New York applicable to contracts entered into and performed entirely within the State of New York, with respect to the determination of any claim, dispute of disagreement, which may arise out of the interpretation, performance or breach of this agreement.

12. Notices

All notices under this Agreement shall be in writing and shall be considered given when delivered to the respective addresses stated below (or at such other address as any party may specify by notice to the other party):

**To Stout:**

Charles Darrell Stout, individually and on behalf of  
Patrician Furniture  
1124 NC 62  
West High Point, North Carolina 27263

**To Capitol:**

Vice President, Legal Affairs  
EMI Music North America  
150 Fifth Avenue  
New York, New York 10011.



13. Severability

If any part, term or provision of this Agreement shall be declared invalid, void or unenforceable, then all remaining parts, terms and provisions shall remain in full force and effect and shall not be invalidated, impaired or affected.

14. Execution in Counterparts

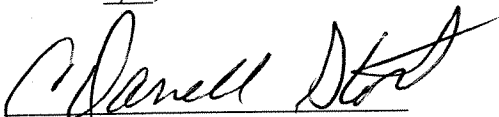
This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one of the same instrument. A faxed copy of a signature page shall be deemed an original until such time as an original can be substituted.

15. Authorization To Sign

Each of the signatories to this Agreement represents and warrants that he or she has the full right, power and authority to execute this Agreement and to bind the party for which he or she is signing and that each party has the power and authority to perform its obligations under this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have hereunto set their hands as of the date below.

Dated: March 7, 2005

By:   
Charles Stout, individually and on behalf of Patrician Furniture


By:   
Capitol Records, Inc.


EXHIBIT A

TRADEMARK ASSIGNMENT

WHEREAS, Charles Darrell Stout with an address at 1124 NC 62, West High Point, North Carolina 27263 ("Assignor") has used the trademark BLUE NOTE in U.S. commerce and has also secured a federal trademark registration, U.S. Reg. No. 2493592 for BLUE NOTE for furniture (the "Mark");

WHEREAS Capitol Records, Inc., a corporation organized and existing under the laws of Delaware, with an address at 150 Fifth Avenue, New York, New York 10011 ("Assignee") is desirous of acquiring all right, title and interest in and to the Mark including the goodwill symbolized by the Mark;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby sells, assigns and transfers to Assignee, its successors and assigns, absolutely and forever, the entire right, title and interest, whether statutory or at common law, in and to the Mark, together with the goodwill of the business symbolized by the Mark, throughout the world, together with all causes of action for previously incurring infringement of the rights assigned, and the right to receive and retain the proceeds relating to those infringements.

By:   
Name: Charles Darrell Stout  
Date: