

Form PTO-1594 (Rev. 07/05)

OMB Collection 0651-0027 (exp. 6/30/2008)

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

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

18103-342

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

Klipsch Group, Inc.

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

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) August 14, 2006

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: JPMorgan Chase Bank, N.A. as agent

Internal Address: _____

Street Address: 1 E. Ohio St.

City: Indianapolis

State: IN

Country: US Zip: 46277

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other _____ Citizenship _____

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Laura Konrath

Internal Address: Winston & Strawn LLP

Street Address: 35 W. Wacker Dr.

City: Chicago

State: IL Zip: 60601

Phone Number: 312-558-6352

Fax Number: 312-558-5700

Email Address: lkonrath@winston.com

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 40

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

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 232428
Authorized User Name Laura Konrath

9. Signature:

Signature

2/22/07
Date

Laura Konrath

Name of Person Signing

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

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

CH \$40.00 232428 0867849

TRADEMARK

REEL: 003489 FRAME: 0358

700312080

Continuation
Item 7

Schedule 1

TRADEMARKS:

<u>Mark</u>	<u>Registration #</u>	<u>Registration Date</u>
Cornwall II	867,849	4/8/69

TRADEMARKS PENDING:

-None

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of August 14, 2006, is between Klipsch Group, Inc., an Indiana corporation ("Grantor"), and JPMorgan Chase Bank, N.A. (the "Secured Party"), as agent for the benefit of the "Lenders" (as such term is hereinafter defined).

WITNESSETH:

WHEREAS, Grantor has entered into a Security Agreement of even date herewith (as amended, restated, modified or supplemented from time to time, the "Security Agreement") with Secured Party, for itself and the lenders referred to therein ("Lenders"), pursuant to which Grantor has granted to Secured Party a security interest in substantially all the assets of Grantor, including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks and Trademark Licenses, together with the goodwill of the business symbolized by Grantor's Trademarks, and all products and proceeds thereof, to secure the payment of the Liabilities;

WHEREAS, capitalized terms used but not defined herein are used in the manner provided in the Security Agreement;

WHEREAS, Grantor owns the Trademarks listed on Schedule 1 annexed hereto, and is a party to the Trademark licenses listed on Schedule 1 annexed hereto; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Secured Party a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

- (1) each Trademark, including without limitation, each Trademark referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark;
- (2) each Trademark license, including, without limitation, each Trademark license listed on Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark license; and
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement of any Trademark, including, without limitation, any Trademark referred to in

Schedule 1 annexed hereto and any Trademark licensed under any Trademark license listed on Schedule 1 annexed hereto, or (b) injury to the goodwill associated with any Trademark or Trademark licensed under any Trademark license.

This security interest is granted in conjunction with the security interests granted to Secured Party pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral made and 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.

[signature page follows]

AUG-10-2006 THU 05:06 PM

FAX NO.

P. 23

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of this 10th day of August, 2006.

KLIPSCH GROUP, INC.

X By: Fred S. Klipsch

Title: Chairman & CEO

Acknowledged:

JPMORGAN CHASE BANK, N.A.,
as Agent for Lenders

By: _____

Title: _____

ACKNOWLEDGMENT

State of Indiana
County of Marion ss.

On the date first set forth above before me personally appeared the above-indicated person who executed the foregoing instrument as the above-indicated officer of Klipsch Group, Inc., who being by me duly sworn, did depose and say that he is such officer of such corporation; that the foregoing instrument was executed on behalf of said corporation by order of its Board of Directors; and that he acknowledged said instrument to be the free act and deed of said corporation.

{Seal}

Melanie L. Falahce
Notary Public
Melanie L. Falahce
My Commission Expires 7-19-2012

Signature Page to Trademark
Security Agreement

TRADEMARK

REEL: 003489 FRAME: 0362

Schedule 1**TRADEMARKS:**

<u>Mark</u>	<u>Registration #</u>	<u>Registration Date</u>
Cornwall II	867,849	4/8/69

TRADEMARKS PENDING:

-None