

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
Ryko Manufacturing Co.		12/28/2007	CORPORATION: IOWA

RECEIVING PARTY DATA

Name:	Roynat Business Capital Inc.
Street Address:	1300 E. 9th Street
Internal Address:	Suite 1210
City:	Cleveland
State/Country:	OHIO
Postal Code:	44114
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
Registration Number:	1598173	CODE-A-WASH
Registration Number:	2160385	SOFTGLOSS XS
Registration Number:	2160384	FOAMBRITE
Registration Number:	1689853	RYKO
Registration Number:	1377882	RYKO
Registration Number:	3253717	RYKO

CORRESPONDENCE DATA

Fax Number: (216)363-4588
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: (216) 363-4418
 Email: trademark@bfca.com
 Correspondent Name: Laura Beresh
 Address Line 1: 200 Public Square
 Address Line 2: Suite 2300
 Address Line 4: Cleveland, OHIO 44114

TRADEMARK

OP \$165.00 1598173

ATTORNEY DOCKET NUMBER:	31342-2
NAME OF SUBMITTER:	Laura Beresh
Signature:	/Laura Beresh/
Date:	02/07/2008

Total Attachments: 22

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, as it may be amended, restated or otherwise modified from time to time (this "Agreement"), is executed and delivered at Cleveland, Ohio as of this 29th day of December 2007, by **RYKO MANUFACTURING CO.**, an Iowa corporation (together with its successors and assigns, "Pledgor"), to **ROYNAT BUSINESS CAPITAL INC.**, a Delaware corporation, as the collateral agent (in such capacity, the "Agent") for the Lenders (as hereinafter defined).

RECITALS:

WHEREAS, certain financial institutions set forth in the Investment Agreement (as hereinafter defined) (the "Lenders") have made financial accommodations to Pledgor and the subsidiaries of Pledgor that may from time to time become parties to the Investment Agreement as guarantors (the "Subsidiary Guarantors"), in the amount of \$8,000,000 in the form of Senior Secured Promissory Notes pursuant to the terms of that certain Investment Agreement dated as of the date hereof (as amended, modified, increased, extended, renewed or replaced, the "Investment Agreement") among Pledgor, the Subsidiary Guarantors, **RYKO HOLDING COMPANY, INC.**, an Iowa corporation (the "Parent"), **RYKO ENTERPRISES, INC.**, an Iowa corporation (the "Ultimate Parent"), the Lenders and the Collateral Agent; and

Pledgor deems it to be in its direct pecuniary and business interests that Pledgor and the Subsidiary Guarantors obtain from Lenders the financial accommodations provided for under the Investment Agreement.

Pledgor understands that the Lenders are willing to enter into the Investment Agreement and to grant such financial accommodations to Pledgor and the Subsidiary Guarantors only upon certain terms and conditions, one of which is that Pledgor grant to Agent, for the benefit of the Lenders, a security interest in, and an assignment of, the Collateral, as hereinafter defined, and this Agreement is being executed and delivered in consideration of the financial accommodations granted to Pledgor and the Subsidiary Guarantors by the Lenders under the Investment Agreement and for other valuable considerations.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

"Assignment" shall mean an Assignment in the form of Exhibit A hereto.

"Collateral" shall mean, collectively, all of Pledgor's existing and future (a) Patents; (b) Trademarks; (c) Licenses; (d) all of the goodwill of Pledgor's business, including, but not

limited to, all goodwill connected with and symbolized by the Trademarks; and (e) proceeds of any of the foregoing.

“Debt” shall mean, the Obligations as defined in the Investment Agreement.

“Investment Agreement” shall have the meaning given to such term in the Recitals hereto.

“Licenses” shall mean any license agreement with any other party, whether Pledgor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule C attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale, all inventory now or hereafter owned by Pledgor and now or hereafter covered by such licenses.

“Obligor” shall mean a Person whose credit or any of whose property is pledged to the payment of any portion of the Debt and includes, without limitation, any guarantor.

“Patents” shall mean any patent and patent application, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Schedule A attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof; (c) the right to sue for past, present and future infringements thereof; and (d) all rights corresponding thereto throughout the world.

“PTO” shall mean the United States Patent and Trademark Office in Alexandria, VA.

“Trademarks” shall mean any registered trademark, trademark registration, trade name and trademark application, registered service mark, service mark registration, service name and service mark application, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark applications listed on Schedule B attached hereto and made a part hereof, and (a) renewals thereof; (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payment for past or future infringements thereof; (c) the right to sue for past, present and future infringements thereof; and (d) all rights corresponding thereto throughout the world.

Capitalized terms used in this Agreement without definition have the meanings ascribed to such terms in the Investment Agreement.

2. Grant of Security Interest. In consideration of and as security for the full and complete payment of all of the Debt, Pledgor hereby agrees that Agent shall at all times have, and hereby grants to Agent, for the benefit of the Lenders, a security interest in all of the Collateral, including (without limitation) all of Pledgor’s future Collateral, irrespective of any lack of knowledge by Agent or the Lenders of the creation or acquisition thereof.

3. Warranties and Representations. Pledgor represents and warrants to Agent and the Lenders that as of the date hereof:

(a) Pledgor owns all of the Collateral and, whether the same are registered or unregistered, no such Collateral has been adjudged invalid or unenforceable;

(b) except as set forth in Schedule 3.1(f) or 3.1(h) of the Investment Agreement, Pledgor has no knowledge of any claim that the use of any of the Collateral does or may violate the rights of any Person;

(c) except for Permitted Liens, Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Pledgor not to sue third Persons;

(d) Pledgor has full power, authority and legal right to pledge the Collateral and enter into this Agreement and perform its terms;

(e) Pledgor has used, and shall continue to use, for the duration of this Agreement, proper statutory notice in connection with its use of the Collateral;

(f) Pledgor represents and warrants that it is the true and lawful owner or licensee of the Trademarks listed on Schedule B attached hereto and made a part hereof, and that said listed Trademarks constitute all the marks registered in the PTO that such Pledgor now owns or uses in connection with its business, other than any such marks which are (i) owned but not used and (ii) not material to its business. Pledgor represents and warrants that it owns or is licensed to use all Trademarks that it uses, and that it owns all of the registrations listed on Schedule B. Pledgor further warrants that it is not aware of any third party claim that infringes or will infringe on any registered trademark or registered service mark; and

(g) Pledgor represents and warrants that it is the true and lawful owner or licensee of all rights in the Patents listed on Schedule A, attached hereto and made a part hereof, that said Patents constitute all the United States patents and applications for United States patents that Pledgor now owns, other than any such patents, applications and registrations which are (i) owned but not used and (ii) not material to its business. Pledgor represents and warrants that it owns or is licensed to practice under all Patent registrations that it owns, uses or practices under. Pledgor further warrants that it is not aware of any third party claim that infringes or will infringe on any patent.

4. Further Assignment Prohibited. Pledgor shall not enter into any agreement that is inconsistent with Pledgor's obligations under this Agreement and shall not otherwise sell or assign its interest in, or grant any license or sublicense with respect to, any of the Collateral other than in the ordinary course of business consistent with past practice without Agent's prior written consent. Absent such prior written consent, any such attempted sale or license is null and void.

5. Right to Inspect. Pledgor hereby grants to Agent and Lenders and their employees and agents the right to visit any location of Pledgor and to inspect Pledgor's books

and records and to make excerpts therefrom and transcripts thereof at such times and upon such notice as is set forth in Section 4.3 of the Investment Agreement.

6. Standard Patent and Trademark Use. Pledgor shall not knowingly use the Collateral in any manner that would jeopardize the validity or legal status thereof. Pledgor shall comply with all patent marking requirements as specified in 35 U.S.C. §287. Pledgor shall further conform its usage of any trademarks to standard trademark usage, including, but not limited to, using the trademark symbols ®, ™, and SM where appropriate.

7. Event of Default.

(a) Pledgor expressly acknowledges that Agent may record this Agreement with the PTO. Contemporaneously herewith, Pledgor shall also execute and deliver to Agent the Assignment, which Assignment shall have no force and effect and shall be held by Agent, in escrow, until the occurrence of an Event of Default that is continuing; provided that, anything herein to the contrary notwithstanding, the security interest granted herein shall be effective as of the date of this Agreement. After the occurrence and during the continuance of an Event of Default, the Assignment shall take effect immediately upon certification of such fact by an authorized officer of Agent in the form attached as Exhibit A and upon written notice to Pledgor and thereafter Agent may, in its sole discretion, record the Assignment with the PTO.

(b) If an Event of Default shall occur and be continuing, Pledgor irrevocably authorizes and empowers Agent, on behalf of the Lenders, to terminate Pledgor's use of the Collateral and to exercise such rights and remedies as allowed by law. Without limiting the generality of the foregoing, Agent may immediately sell at public or private sale, in a commercially reasonable manner, or otherwise realize upon all or, from time to time, any of the Collateral, together with the associated goodwill, or any interest that Pledgor may have therein, and, after deducting from the proceeds of sale or other disposition of the Collateral all reasonable expenses (including all reasonable expenses for attorneys' and brokers' fees and other legal services), Agent shall apply such proceeds against payment of the Debt. Any remainder of the proceeds, after payment in full of the Debt, shall be distributed in accordance with Chapter 1309 of the Ohio Revised Code. Notice of any sale or other disposition of the Collateral shall be given to Pledgor at least ten (10) business days before the time of any intended public or private sale or other disposition of the Collateral is to be made, which Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Agent or any Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Pledgor, which right is hereby waived and released.

8. Termination. At such time as the Debt has been irrevocably paid in full and the Investment Agreement terminated and not replaced by any other credit facility with Agent and the Lenders, this Agreement shall terminate and Agent shall, upon Pledgor's request, execute and deliver to Pledgor, at Pledgor's expense, all deeds, assignments, and other instruments as Pledgor shall reasonably request to evidence the release of Agent's and the Lenders' security interest in the Collateral in connection with such termination, subject to any disposition thereof that may

have been made by Agent pursuant hereto; provided, however that the provisions of Sections 9, 11, 22, 23, 24, 25, 26, 27 and 28 shall survive any termination of this Agreement.

9. Maintaining Collateral, Attorneys' Fees, Costs and Expenses. Pledgor shall have the obligation and duty to perform all acts reasonably necessary to maintain or preserve the Collateral. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by Agent and the Lenders in connection with the amendment and enforcement of this Agreement, all renewals, required affidavits and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by Pledgor, within ten (10) days of demand by Agent, and, until so paid after demand, shall be added to the principal amount of the Debt.

10. Pledgor's Obligations to Prosecute. Except as otherwise agreed to by Agent in writing, Pledgor shall have the duty to prosecute diligently any patent application or trademark application pending as of the date of this Agreement or thereafter until the Debt shall have been paid in full, and to do any and all acts that are reasonably necessary or desirable to preserve and maintain all rights in the Collateral, including, but not limited to, payment of any maintenance fees. Any expenses incurred by Agent in connection with the Collateral shall be borne by Pledgor. Pledgor shall not abandon any Collateral without the prior written consent of Agent.

11. Agent's Rights to Enforce. Pledgor shall have the right but not the obligation to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Collateral. Agent and the Lenders shall have the right, but shall have no obligation, to join in any such action during the existence of an Event of Default. Pledgor shall promptly, and in any event within ten (10) days of demand, reimburse and indemnify Agent and the Lenders for all damages, costs and expenses, including reasonable attorneys' fees incurred by Agent in connection with the provisions of this Section 11, in the event Agent and the Lenders elect to join in any such action commenced by Pledgor.

12. Power of Attorney. Pledgor hereby authorizes and empowers Agent, on behalf of the Lenders, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, after the occurrence of an Event of Default that is continuing, with the power to endorse Pledgor's name on all applications, documents, papers and instruments reasonably necessary for Agent to use the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third party, or reasonably necessary for Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral, together with associated goodwill to a third party or parties. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

13. Agent's Right to Perform Obligations. If Pledgor fails to comply with any of its obligations under this Agreement, Agent, on behalf of the Lenders, may after notice to Pledgor,

but is not obligated to, do so in Pledgor's name or in Agent's name, but at Pledgor's expense, and Pledgor hereby agrees to reimburse Agent on demand in full for all expenses, including reasonable attorneys' fees, incurred by Agent in protecting, defending and maintaining the Collateral.

14. Additional Documents. Pledgor shall, upon the written request of Agent, enter into such additional documents or instruments as may be required by Agent in order to effectuate, evidence or perfect Agent's, for the benefit of Lenders, interests in the Collateral as evidenced by this Agreement.

15. New Collateral. If, before the Debt shall have been satisfied in full, Pledgor shall obtain rights to any new Collateral, the provisions of Sections 2 and 7 hereof shall automatically apply thereto as if the same were identified on Schedules A, B or C attached hereto and made a part hereof as of the date hereof, and Pledgor shall give Agent prompt written notice thereof.

16. Modification for New Collateral. Pledgor hereby authorizes Agent to modify this Agreement by amending Schedules A, B and/or C to include any future Collateral as contemplated by Sections 2 and 15 hereof and, at Agent's request, Pledgor shall execute any documents or instruments reasonably required by Agent in order to modify this Agreement as provided in this Section 16, provided that any such modification to Schedules A, B and/or C shall be effective without the signature of Pledgor. Pledgor hereby acknowledges that Agent may refile or re-record this Agreement with the PTO, together with any such modification to Schedules A, B and/or C.

17. No Waiver. No course of dealing between Pledgor and Agent and the Lenders, nor any failure to exercise, nor any delay in exercising, on the part of Agent or the Lenders, any right, power or privilege hereunder or under any of the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

18. Remedies Cumulative. All of the rights and remedies of Agent and the Lenders with respect to the Collateral, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be executed singularly or concurrently.

19. Severability. The provisions of this Agreement are severable, and, if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

20. Modifications. Except as provided in Section 16 hereof, this Agreement may be amended or modified only by a writing signed by Pledgor and Agent, on behalf of the Lenders. In the event that any provision herein is deemed to be inconsistent with any provision of any other document, other than the Investment Agreement, the provisions of this Agreement shall control.

21. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, except that Pledgor may not assign any of its rights or duties hereunder without the prior written consent of Agent. Any attempted assignment or transfer without the prior written consent of Agent shall be null and void.

22. Notice. All notices required or permitted to be given under this Agreement shall be given as provided in Section 8.9 of the Investment Agreement.

23. Governing Law; Submission to Jurisdiction; Venue.

(a) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OHIO. Any legal action or proceeding with respect to this Agreement may be brought in the United States District Court for the Northern District of Ohio, Eastern Division, and all Ohio state courts sitting in Cuyahoga County, Ohio, and, by execution and delivery of this Agreement, Pledgor hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such courts. Pledgor further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at the address for notices pursuant to Section 8.9 of the Investment Agreement, such service to become effective three days after such mailing. Nothing herein shall affect the right of Agent to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against Pledgor in any other jurisdiction.

(b) Pledgor hereby irrevocably waives any objection that it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement brought in the courts referred to in subsection (a) hereof and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

24. Indemnity: Administration and Enforcement. Pledgor will reimburse each Lender, on that Lender's demand from time to time, and Agent, on Agent's demand from time to time, for any and all reasonable fees, costs, and expenses (including, without limitation, the reasonable fees and disbursements of legal counsel) incurred by such Lender or Agent, as the case may be, in administering this Agreement and in protecting, enforcing, or attempting to protect or enforce its rights under this Agreement, together with interest thereon, following notice received by Pledgor, at a rate per annum equal to the Default Rate (as provided for in the Notes).

25. Unconditional and Continuing Security Interest. Pledgor's obligations under this Agreement and the granting of a security interest to Agent, for the benefit of Lenders, pursuant to this Agreement are unconditional and effective immediately, and (except for obligations surviving indefinitely pursuant to Section 8) those obligations and the security interest so granted shall continue in full effect until the Debt shall have been paid in full, regardless of the lapse of

time, regardless of the fact that there may be a time or times when no Debt is outstanding, regardless of any act, omission, or course of dealing whatever on the part of Agent and the Lenders, or any of them, and regardless of any other event, condition, or thing. Without limiting the generality of the foregoing, neither the amount of the Debt for purposes of this Agreement, nor Pledgor's obligations under this Agreement, nor the security interest granted pursuant to this Agreement shall be diminished or impaired by:

(a) the granting by Agent or any Lender of any credit to any Obligor, whether or not liability therefor constitutes Debt, or any failure or refusal of Agent or any Lender to grant any other credit to any Obligor even if Agent or any Lender thereby breaches any duty or commitment to Pledgor or any other Person,

(b) the application by Agent or any Lender of credits, payments, or proceeds to any portion of the Debt,

(c) any extension, renewal, or refinancing of the Debt in whole or in part,

(d) any amendment, restatement, or other modification of any kind in, to, or of any Loan Document or any document related to any Loan Document, or any consent or other indulgence granted to any Obligor, or any waiver of any Event of Default (under this Agreement or the Investment Agreement),

(e) any acceptance of security for or any other Obligor on the Debt or any part thereof, or any release of any security or other Obligor, whether or not Agent or any Lender receive consideration for the release,

(f) any discharge of the Debt in whole or in part under any bankruptcy or insolvency law or otherwise,

(g) the failure of Agent or any Lender to make any presentment or demand for payment, to assert or perfect any claim, demand, or interest, or to enforce any right or remedy, or any delay or neglect by Agent or any Lender in respect of the Debt or any part thereof or any security therefor,

(h) any failure to give Pledgor notice of (i) the making of any loan or other credit extension or the terms, conditions, and other provisions applicable thereto, (ii) any dishonor by Pledgor or any other Obligor, or (iii) the inaccuracy or incompleteness of any representation, warranty, or other statement made by any Obligor, or

(i) any defense that may now or hereafter be available to any Obligor, whether based on suretyship, impairment of collateral, accord and satisfaction, breach of warranty, breach of contract, failure of consideration, tort, lack of capacity, usury, or otherwise, or any illegality, invalidity, or unenforceability of the Debt or any part thereof or of any Loan Document or any document related to any Loan Document.

26. No Setoff; Rights Against Other Obligors. Pledgor hereby (a) waives all now existing or hereafter arising rights to recoup or offset any obligation of Pledgor under this

Agreement against any claim or right of Pledgor against Agent or any Lender, (b) waives all rights of exoneration now or hereafter arising out of or in connection with this Agreement, and (c) agrees that unless and until all of the Debt shall have been paid in full, Pledgor will not assert against any other Obligor or any other Obligor's property any rights (including, without limitation, contribution, indemnification, reimbursement, and subrogation) now or hereafter arising (whether by contract, operation of law, or otherwise) out of or in connection with this Agreement.


27. Intercreditor Agreement. This Agreement is subject to the terms of that certain Intercreditor Agreement, dated as of the date hereof, among National City Bank (in its capacity as collateral agent and administrative agent for the Senior Lenders under the Credit Agreement), Agent, Pledgor, each Subsidiary Guarantor, Parent and Ultimate Parent, as the same may from time to time be amended, restated, or otherwise modified.

[Remainder of page intentionally left blank.]

28. JURY TRIAL WAIVER. PLEDGOR, AGENT AND THE LENDERS, TO THE EXTENT PERMITTED BY LAW, EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG AGENT, THE LENDERS AND PLEDGOR, OR ANY OF THEM, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG PLEDGOR, AGENT AND THE LENDERS, OR ANY OF THEM.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the 28th day of December, 2007.

RYKO MANUFACTURING CO.

By: 
Print Name: James A. Nelson
Title: President

ROYNAT BUSINESS CAPITAL INC.

By: _____
Print Name: _____
Title: _____

[Signature Page – IP Security Agreement – Roynat/Ryko – Borrower]


28. JURY TRIAL WAIVER. PLEDGOR, AGENT AND THE LENDERS, TO THE EXTENT PERMITTED BY LAW, EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG AGENT, THE LENDERS AND PLEDGOR, OR ANY OF THEM, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG PLEDGOR, AGENT AND THE LENDERS, OR ANY OF THEM.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the 28th day of December, 2007.

RYKO MANUFACTURING CO.

By: _____
Print Name: _____
Title: _____

ROYNAT BUSINESS CAPITAL INC.

By: 
Print Name: Robert UHLIR
Title: MANAGING DIRECTOR

[Signature Page – IP Security Agreement – Roynat/Ryko – Borrower]

SCHEDULE A
Patents

Schedule A – Ryko Manufacturing Co.

Patents

Active Patents owned by Ryko Manufacturing Co.

<u>U.S. Patent No.</u>	<u>Title/Inventor</u>	<u>Issue Date</u>
6,718,216 B2	Variable Speed Automatic Car Wash / Grier	Apr. 6, 2004
5,730,061	Automatic Conveyor System with Damage-Free Guide Rails / Stufflebeam	Mar. 24, 1998

Expired or Lapsed Patents owned by Ryko Manufacturing Co.

<u>U.S. Patent No.</u>	<u>Title/Inventor</u>	<u>Issue Date</u>
5,226,436	Wheel Position Sensor For Car Wash Sizing / Kirby	Jul. 13, 1993
5,093,951	Top Brush Interrupt System For a Car Wash / Smith, Grier	Mar. 10, 1992
4,998,547	Vehicle Washer Communication System / Klein	Mar. 12, 1991
Re. 33,334	Vehicle Wash and Dryer / Nelson	Sept. 18, 1990
4,878,262	Automotive Scrubber / Stufflebeam, Nelson	Nov. 7, 1989
Des. 298,373	Vehicle Wash and Dryer / Nelson	Nov. 1, 1988
4,685,169	Vehicle Wash and Dryer / Nelson	Aug. 11, 1987
Re. 32,601	Automatic Vehicle Washer / Klein, Nelson, Smith	Feb. 16, 1988
4,527,578	Automatic Vehicle Washer / Klein, Nelson, Smith	Jul. 9, 1985
Des. 247,437	Vehicle Wash Machine / Nelson	Mar. 7, 1978

Provisional Patents owned by Ryko Manufacturing Co.

<u>Provisional Patent Application Serial No.</u>	<u>Title/Inventor</u>	<u>Filing Date</u>
60/580,031	Apparatus & Method for Positioning a Vehicle in the Wash Area of a Vehicle Wash System / Grier, Smith	June 16, 2004
11/100,274	Drive-Up Dispensing Device for Car Wash Facility	April 6, 2005

SCHEDULE B
Trademarks

Schedule B

Trademarks owned by Ryko Manufacturing Co.

Code-A-Wash

Registration No.: 1,598,173

Registration Date: 5/29/90

Expires: 5/29/10

Softgloss XS

Registration No.: 2,160,385

Registration Date: 5/26/98

Expires: 5/26/18

Foambrite

Registration No.: 2,160,384

Registration Date: 5/26/98

Expires 5/26/18

RYKO

Registration No.: 1,689,853

Registration Date: 6/2/92

Expires: 6/2/12

RYKO design

Registration No.: 1,377,882

Registration Date: 1/14/86

RYKO & Design

Registration No. 3,253,717

Registration date: 6-19-07

Expires: 6-19-17

Trade Names owned by Ryko Manufacturing Co.

Ryko Manufacturing Co.

In California:

“Ryko Manufacturing Co. which will do business in California as Iowa Ryko, Inc.”

Ryko Italia s.r.l.

Ryko International

Ryko France S.A.R.L.

Ryko Holding Co.

Ryko Enterprises, Inc.

Ryko UK

Ryko

SCHEDULE C
Licenses

EXHIBIT A

FORM OF ASSIGNMENT

THIS DOCUMENT SHALL BE HELD BY AGENT IN ESCROW PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE INTELLECTUAL PROPERTY SECURITY AGREEMENT, DATED AS OF December ____, 2007 (AS THE SAME MAY FROM TIME TO TIME BE AMENDED, RESTATED OR OTHERWISE MODIFIED, THE "AGREEMENT"), EXECUTED BY RYKO MANUFACTURING CO., AN IOWA CORPORATION (TOGETHER WITH ITS SUCCESSORS AND ASSIGNS, THE "PLEDGOR"), IN FAVOR OF ROYNAT BUSINESS CAPITAL INC., AS AGENT FOR THE LENDERS, AS DEFINED IN THE AGREEMENT (TOGETHER WITH ITS SUCCESSORS AND ASSIGNS, "AGENT"). BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF AGENT CERTIFIES THAT AN EVENT OF DEFAULT (AS DEFINED IN THE AGREEMENT) HAS OCCURRED AND IS CONTINUING AND THAT AGENT HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL (AS DEFINED BELOW) ON BEHALF OF AND FOR THE BENEFIT OF THE LENDERS AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT.

ROYNAT BUSINESS CAPITAL INC.

By: _____
Print Name: _____
Title: _____
Date: _____

ASSIGNMENT

WHEREAS, RYKO MANUFACTURING CO., an Iowa corporation (together with its successors and assigns, the "Pledgor"), is the owner of the Collateral, as hereinafter defined;

WHEREAS, Pledgor has executed an Intellectual Property Security Agreement, dated as of even date herewith (as the same may from time to time be amended, restated or otherwise modified, the "Agreement") in favor of ROYNAT BUSINESS CAPITAL INC., as Agent for the Lenders, as defined in the Agreement ("Agent"), pursuant to which Pledgor has granted to Agent, for the benefit of the Lenders, a security interest in the Collateral as security for the Debt, as defined in the Agreement;

WHEREAS, the Agreement provides that the security interest in and of the Collateral is effective as of the date of the Agreement;

WHEREAS, the Agreement provides that this Assignment shall become effective upon the occurrence and during the continuation of an Event of Default, as defined in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and assigns, subject to the limitations stated in the paragraph immediately following, does hereby transfer, assign and set over until Agent, its successors, transferees and assigns, all of its existing and future Collateral (as defined in the Agreement), including, but not limited to, the Collateral listed on Schedules A, B, and C of the Agreement (which such schedules shall also be deemed schedules hereto) that is registered in the United States Patent and Trademark Office or that is the subject of pending applications in the United States Patent and Trademark Office.

This Assignment shall be effective only upon the certification of an authorized officer of Agent, as provided above, that (a) an Event of Default, as defined in the Agreement, has occurred and is continuing, and (b) Agent has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by its duly authorized officer on December _____, 2007.

RYKO MANUFACTURING CO.

By: _____
Print Name: _____
Title: _____

STATE OF _____)
) SS:
COUNTY OF _____)

BEFORE ME, the undersigned authority, on this day personally appeared _____, _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said RYKO MANUFACTURING CO., an Iowa corporation, and that he/she executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of December, 2007.

Notary Public

***INTELLECTUAL PROPERTY SECURITY AGREEMENT – BORROWER –
ROYNAT/RYKO***