

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	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>
Orange County Drum & Percussion, Inc.		03/01/2009	CORPORATION: CALIFORNIA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Guitar Center Inc.		
<b>Street Address:</b>	5795 Lindero Canyon Road		
<b>City:</b>	Westlake Village		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	91362		
<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:	3503700	OCDP	
<b>CORRESPONDENCE DATA</b>			
Fax Number:	(312)222-6379		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Email:	mhays@agdglaw.com		
Correspondent Name:	Mary Vidal Hays		
Address Line 1:	330 N. Wabash, Ste. 1700		
Address Line 4:	Chicago, ILLINOIS 60611		
<b>NAME OF SUBMITTER:</b>	Mary Vidal Hays		
<b>Signature:</b>	/Mary Vidal Hays/		
<b>Date:</b>	07/30/2009		

Total Attachments: 7  
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## ASSIGNMENT AND GRANTBACK LICENSE AGREEMENT

This ASSIGNMENT AND GRANTBACK LICENSE AGREEMENT (the "Agreement") is made and effective as of the 14th day of December, 2007, by and between Orange County Drum & Percussion, Inc., a California corporation ("OCDP"), and Guitar Center, Inc., a Delaware corporation ("GCI").

WHEREAS, OCDP is the owner of certain Trademarks (as hereinafter defined) and is currently licensing the Trademarks to GCI under that certain License Agreement dated December 14th, 2007 by and between OCDP and GCI ("License Agreement"); and

WHEREAS, OCDP desires to assign all of its interest in the Trademarks to GCI upon the occurrence of certain expressly contingent events as delineated under the License Agreement; and

WHEREAS, GCI desires to receive the assignment of the Trademarks upon the happening of certain express contingencies and to pay a royalty to OCDP during the term of this Agreement as additional consideration for this assignment; and

WHEREAS, OCDP wishes to continue using the Trademarks with respect to the business conducted by OCDP with such goods, and GCI is willing to permit such use of the Trademarks by OCDP on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter set forth, the parties agree to be legally bound as follows:

1. Definitions. The following terms shall have the meanings set forth below when used in this Agreement:

- (a) "Custom Products" mean custom drum and drum accessory products (i) manufactured by OCDP in the United States with the input or at the direction of a particular OCDP customer or (ii) replicas of other Custom Products ordered by another customer of OCDP.
- (b) "Persons" means individuals, corporations, partnerships, limited liability companies and other commercial entities.
- (c) "Products" mean musical instruments, including, but not limited to, acoustic drum sets and acoustic snare drums and related accessories, including, but not limited to, hardware, bags, cases and drum accessories regardless of whether or not such item is currently being supplied by GCI to OCDP for sale under the Trademarks.
- (d) "Territory" means the world.
- (e) "Trademarks" shall be defined to mean the same as the definition of "Trademarks" set forth in the License Agreement.

2. Term. This term of this Agreement shall be perpetual.

3. Assignment and Termination of License Agreement.

(a) If at any time during the Term of the License Agreement, GCI makes full payment to OCDP of the Threshold amount, as such term is defined in Paragraph 12 of the License Agreement, or upon the happening of the provisions of Paragraph 5 of the License Agreement becoming applicable, OCDP hereby assigns, transfers, conveys and delivers to GCI all right, title and interest in and to the Trademarks, including the registration therefor and any common law rights therein, in the United States and throughout the world, and any and all similar designations thereto, together with that part of the goodwill of the business connected with the use of the Trademarks and symbolized by the Trademarks, along with the right to pursue claims and recover damages and profits for past infringements thereof (the "Assignment"). Concurrent with this assignment, the License Agreement is hereby terminated except that the provisions of Paragraphs 6(c) and 11 of the License Agreement shall continue as provided therein.

(b) The assets assigned to GCI in connection with the Assignment, and each of them (including but not limited to the Trademarks), are sold to GCI on an "as is" basis, **WITHOUT WARRANTY OF ANY KIND, AND ALL EXPRESS AND IMPLIED WARRANTIES ARE HEREBY AFFIRMATIVELY DISCLAIMED, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY AND/OR TITLE.**

4. Grant of License. Subject to the terms and conditions of this Agreement, GCI hereby grants to OCDP and OCDP hereby accepts from GCI, the exclusive, nontransferable and nonassignable right and royalty-free license, to use the Trademarks solely upon and in connection with the manufacture, promotion, advertisement, distribution and sale of Custom Products in the Territory. The rights licensed to OCDP shall be nontransferable without the prior written consent of GCI, in its reasonable discretion, provided that a transfer or assignment to an affiliate person or entity of OCDP or heir of any one or more of the owners of OCDP shall be permissible without the consent of GCI, provided that such affiliate person or entity of OCDP or heir of any one or more of the owners of OCDP agrees in writing to be bound by the terms of this Agreement within thirty (30) days of such transfer or assignment and provided further that OCDP shall advise GCI of such transfer or assignment within thirty (30) days of its occurrence.

5. Royalties.

(a) As consideration for this Agreement and the Assignment, GCI shall pay to OCDP a royalty, in perpetuity, equal to two percent (2%) of the F.O.B. cost (based on the average cost of the previous calendar quarter) of the Purchases (as such term is defined in the License Agreement) of all Products made after the Assignment, whether such Purchases are of domestic or imported goods (the "Post Assignment Royalty"). For domestic goods or goods purchased by or through an affiliate of GCI, the purchase price of the Products shall include all associated overhead and

broker/middleman charges, as if such goods were sold at their "full package" F.O.B. cost based on the average cost of the previous calendar quarter at arms length from the manufacturer of the Products to a third party buyer. There shall be no deduction for Products purchased but unsold by GCI.

- (b) Royalty statements based on amount of sales by Product due hereunder shall be sent by GCI to OCDP on or before the thirtieth (30<sup>th</sup>) day following the end of each calendar quarter during which GCI sold Products, together with payment of all sums due to OCDP for that quarter. Royalty statements based on amount of sales by Products due hereunder shall be sent by Licensee to Licensor with payment of royalties on or before the thirtieth (30th) day following the end of each calendar quarter of the term of this Agreement, regardless of whether any purchases were made during such, together with payment of all sums due to Licensor during that quarter. Such sales reports shall be certified as true and complete by an authorized officer of Licensee, and shall indicate, separately for each Product category, the identity and address of each supplier of the licensed Products.

6. Ownership.

- (a) OCDP acknowledges that after the Assignment, the Trademarks and all rights therein and the goodwill associated therewith throughout the Territory belong to GCI. OCDP's use of the Trademarks after the Assignment pursuant to this Agreement inures to the benefit of GCI, and nothing in this Agreement conveys to OCDP any right, title or interest in or to the Trademarks other than the right to use the Trademarks in accordance with the provisions of this Agreement.
- (b) OCDP agrees that, after the Assignment, it will not challenge or attack GCI's right to the Trademarks or the validity of this Agreement, will not take or fail to take any action which, by the taking or failure to take such action, has a result of impairing such rights of GCI, will not use the Trademarks on goods or services other than the Products or Custom Products and will not do anything else inconsistent with the rights of GCI.

7. Quality Standards and Maintenance; Promotion.

- (a) OCDP agrees that the nature and quality of all goods and services rendered by OCDP in connection with the Trademarks shall conform to the reasonable standards prescribed by GCI, and that OCDP will not materially depart from such reasonably prescribed standards without GCI's advance written permission. The foregoing notwithstanding, use by OCDP of the Trademarks that is reasonably consistent with the uses made

by OCDP of the Trademarks prior to the Assignment (the "Past Practices") shall for purposes of this Agreement be deemed approved by GCI.

- (b) With the exception of any use that is consistent with Past Practices, OCDP shall provide to GCI specimens of OCDP's use of the Trademarks, including, without limitation thereto, descriptions of Products and Custom Products and quality control standards actually applied by OCDP, and promotional and other business literature for reasonable approval by GCI. Failure of GCI to disapprove any submission within fourteen (14) business days of receipt shall be deemed approval for all purposes hereunder. OCDP shall permit inspection by GCI's representatives at reasonable intervals during regular business hours, for the sole purpose of verifying that OCDP's quality control measures are consistent with Past Practices or the reasonably prescribed standards of GCI, as applicable. OCDP shall comply with all laws and regulations applicable to the sale, rendering or promotion of Custom Products.

8. Responsibility, Relationship and Indemnity.

- (a) OCDP is an independent contractor, responsible for the supply of all goods and services to its customers and for development of all associated materials and information other than the quality standards prescribed by GCI, and OCDP shall have no power or right to make any commitment binding or obligating GCI in any manner. Nothing herein shall be construed as placing the parties in an agency, partnership or joint venture relationship, and OCDP shall not represent itself as having any such relationship with GCI or that OCDP is in any other way associated with GCI except as an independent contractor under this Agreement. Nothing herein shall be deemed to constitute a marketing plan with respect to the Products or Custom Products.
- (b) OCDP hereby agrees to indemnify, defend and hold GCI and its officers, directors, employees and agents harmless from any and all liability, loss, expense (including reasonable attorneys' fees and disbursements) or claim made against GCI based upon, arising out of, or in any way related to claims of third Persons involving the manufacture, sale, use, advertisement or promotion of the Products and Custom Products by OCDP.

9. Infringement; Indemnity.

- (a) OCDP agrees to promptly notify GCI of any infringement or similar third party claims alleged against OCDP based on OCDP's use of the Trademarks, as soon as any such use or claim may come to OCDP's attention. GCI shall have the sole right and discretion to take action to obtain relief from such unauthorized use or claim, and, at the request and expense of GCI, OCDP agrees that it will cooperate with GCI in any enforcement or defense action or effort

which GCI may take to protect or to defend its rights in the Trademarks and/or OCDP's right to use the Trademarks under this Agreement.

(b) GCI shall indemnify, defend and hold OCDP and its officers, directors, shareholders, employees and agents harmless from any liability, loss, expense (including reasonable attorneys' fees and disbursements) resulting from or arising out of a claim made against OCDP based upon, arising out of, or in any way related a claim that OCDP's use of the Trademarks after the Assignment infringes or violates any valid trademark or property right of any third Person.

10. Obligations on Termination.

(a) GCI shall have the right to terminate the license granted by this Agreement to OCDP (but not any obligation to continue to pay the Post Assignment Royalty, which shall continue indefinitely) upon thirty (30) days prior written notice to OCDP in the event of: (i) any filing of bankruptcy by OCDP or an involuntary filing of bankruptcy against OCDP that is not dismissed within sixty (60) days of filing, or (ii) upon OCDP's breach of any material provision of this Agreement unless OCDP cures such breach within thirty (30) days of receiving notice of such breach from GCI, or (iii) in the event of the dissolution of OCDP or (iv) in the event of a prohibited assignment of the rights licensed hereunder in breach of this Agreement that is not set aside within thirty (30) days of receiving notice of such prohibited assignment from OCDP, or (v). in the event of OCDP's failure to report a prohibited assignment to GCI within ten (10) days of its occurrence.

(b) Upon expiration or termination of this Agreement, all rights in and to the Trademarks and the goodwill associated therewith licensed to OCDP shall remain with GCI, and OCDP, its receivers, trustees, successors or assigns shall have no right to continue using the Trademarks and immediately shall discontinue all use of the Trademarks and any trade symbol or designation confusingly similar thereto.

11. Force Majeure. Whenever performance by a party of any of its obligations hereunder, other than the payment of money due, is substantially or completely interrupted or prevented by reason of an act of God, strike, lockout, labor trouble or other industrial disturbance, transportation dislocation, shortage of supply, casualty, civil strife or a circumstance beyond the reasonable and good faith control of the party required to act, such performance shall be excused for the period during which such state of affairs continues.

12. Notices. Any notice, payment, report or communication given pursuant to this Agreement shall be in writing and shall be sent by facsimile (with original to be sent certified mail, postage prepaid) or by commercial courier service (e.g., Federal Express), postage prepaid, to the party intended to receive such notice at address as set forth below. Notices shall be deemed given when sent.

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If to OCDP:

Orange County Drum & Percussion, Inc.  
1609 E. McFadden  
Santa Ana, CA 92705  
Attention: \_\_\_\_\_

With a copy of notices (but not submissions) be sent at the same time to:

Silver & Freedman, PLC  
2029 Century Park East, 19th Floor  
Los Angeles, California 90067-3005  
Attention: Gregory N. Weisman

If to GCI:

Guitar Center, Inc.  
5795 Lindero Canyon Road  
Westlake Village, CA 91362  
Attention: General Counsel

13. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties and supersedes and cancels all prior agreements with respect to the subject matter hereof. No change or modification of any of the provisions of this Agreement shall be effective unless in writing signed by the duly authorized representatives of the parties and any such change or modification shall not be effective until executed by GCI and OCDP.

14. No Waiver. Any failure by any party hereto to exercise any of its rights hereunder shall not be construed as a waiver of such rights, nor shall any such failure preclude exercise of such rights at any later time.

15. Governing Law. This Agreement is entered into in the State of California and the validity, construction and effect of this Agreement and any other agreement or contract between the parties with respect to the subject matter hereof (and all performance related thereto) shall be governed, enforced and interpreted under the laws of the State of California applicable to agreements made and to be performed therein. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party hereto.

16. Legal Proceedings. In the event any legal proceeding is initiated by any party regarding the construction or enforcement of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and expenses incurred in such proceeding.



17. Headings. The headings contained in this Agreement are not to be used for interpretation of this Agreement, but rather have been placed herein solely for the convenience of the parties.

18. Authority. Each party represents and warrants to the other that it has full power and authority to enter into this Agreement and that execution and performance of this Agreement shall not conflict with any existing agreements with other parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized representatives as of the date first written above.


GCI:

OCDP:

GUITAR CENTER, INC.

ORANGE COUNTY DRUM & PERCUSSION,  
INC.

By:   
Title: EVP

By:   
Title: \_\_\_\_\_

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