

MRO 7-20-98

07-23-1998

FORM PTO-1594

(Rev. 6-93)

OMB No. 0051-0011 (exp. 4-94)

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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

Tab settings 000 v

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

NETWORK MUSIC, LLC

- Individual(s)
- General Partnership
- Corporation-State
- Other a Delaware Limited Liability Company

- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

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

Execution Date: July 9, 1998

2. Name and address of receiving party(ies)

Name: Union Bank of California, N.A.

Internal Address:

Street Address: 445 S. Figueroa, 15th Floor

City: Los Angeles State: CA ZIP: 90071

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other National Association

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)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

75/268,920

B. Trademark Registration No.(s)

2,098,885	1,901,566
1,267,749	1,249,731
1,296,973	

Additional numbers attached? Yes No

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

Name: Jill M. Pietrini

Internal Address: Manatt, Phelps & Phillips

Street Address: 11355 West Olympic Blvd.

City: Los Angeles State: CA ZIP: 90064

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41).....\$ 165.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

DA 131

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Jill M. Pietrini

Name of Person Signing

Jill Pietrini
Signature

July 17, 1998

Date

Total number of pages including cover sheet, attachments and instrument: 11

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assign

Washington, D.C. 20231

TRADEMARK

REEL: 1757 FRAME: 0256

TRADEMARK SECURITY AGREEMENT

(TRADEMARKS, TRADEMARK REGISTRATIONS, TRADEMARK APPLICATIONS AND TRADEMARK LICENSES)

WHEREAS, NETWORK MUSIC, LLC, a Delaware limited liability company ("Pledgor"), now owns or holds and may hereafter acquire or hold Trademarks (defined as all of the following: all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, logos, other source of business identifiers and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof or similar property rights, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, and all reissues, extensions or renewals thereof) including, without limitation, the Trademarks listed on Schedule A annexed hereto, as such Schedule may be amended from time to time by the addition of Trademarks subsequently registered or otherwise adopted or acquired;

WHEREAS, the Pledgor is a party to a Loan Agreement dated as of July 10, 1998 (as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time, the "Loan Agreement") between it and Union Bank of California, N.A. ("Agent") (capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement);

WHEREAS, in connection with the Loan Agreement, Pledgor has granted to Agent a security interest in certain personal property of Pledgor including, without limitation, all right, title and interest of Pledgor in, to and under all of Pledgor's Trademarks and Trademark licenses (including, without limitation, those Trademark licenses listed on Schedule B hereto), whether presently existing or hereafter arising, adopted or acquired, together with the goodwill of the business connected with, and symbolized by, the Trademarks and all products and proceeds thereof and all income therefrom, including, without limitation, any and all causes of action which exist now or may exist in the future by reason of infringement or dilution thereof or injury to the associated goodwill, to secure the payment and performance of Pledgor's Obligations (such term being used herein as defined in the Loan Agreement).

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

- (a) each Trademark and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, including, without limitation, each Trademark referred to in Schedule A annexed hereto;
- (b) each Trademark license, including, without limitation, each Trademark license referred to in Schedule B annexed hereto, to the extent such Trademark license

does not prohibit the licensee from assigning or granting a security interest in its rights thereunder; and

- (c) all products and proceeds of, and income from, any of the foregoing, including, without limitation, any claim by Pledgor against third parties for the past, present or future infringement or dilution of any Trademark or any Trademark licensed under any Trademark license, or for injury to the goodwill associated with any Trademark.

Pledgor agrees to deliver updated copies of Schedule A and Schedule B to Agent at the end of any quarter in which Pledgor registers or otherwise adopts or acquires any Trademark not listed on Schedule A hereto or enters into any Trademark license not listed on Schedule B hereto, and to duly and promptly execute and deliver, or have duly and promptly executed and delivered, at the cost and expense of Pledgor and Borrower, such further instruments or documents (in form and substance satisfactory to Agent), and promptly perform, or cause to be promptly performed, any and all acts, in all cases, as may be necessary, proper or advisable from time to time, in the reasonable judgment of Agent, to carry out the provisions and purposes of Section 4 of the Loan Agreement and this Trademark Security Agreement, and to provide, perfect and preserve the Liens of Agent under the Loan Agreement, this Trademark Security Agreement and the other Loan Documents, in the Trademark Collateral or any portion thereof.

Pledgor agrees that if any Person shall do or perform any acts which Agent reasonably believes constitute an infringement of any Trademark, or violate or infringe any right of Pledgor or Agent therein or if any Person shall do or perform any acts which Agent reasonably believes constitute an unauthorized or unlawful use thereof, then and in any such event, Agent may and shall have the right, while an Event of Default is continuing, to take such steps and institute such suits or proceedings as Agent may deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof, and to generally take such steps as may be advisable or necessary or proper for the full protection of the rights of the parties. Agent may take such steps or institute such suits or proceedings in its own name or in the name of Pledgor or in the names of the parties jointly. Agent hereby agrees to give Pledgor notice of any steps taken, or any suits or proceedings instituted, by Agent pursuant to this paragraph.

This security interest is granted in conjunction with the security interests granted to Agent pursuant to the Loan Agreement. Pledgor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are subject to, and more fully set forth in, the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

This Trademark Security Agreement is made for collateral purposes only. At such time as all of the Obligations under the Loan Agreement shall have been indefeasibly repaid in full and all Commitments shall have terminated, Agent shall execute and deliver to Pledgor, at Borrower's or Pledgor's expense, without representation, warranty or recourse, all releases and reassignments, termination statements and other instruments as may be necessary or proper to terminate the security interest of Agent in the Trademark Collateral, subject to any disposition thereof which may have been made by Agent pursuant to the terms hereof or of the Loan Agreement.

Agent agrees that there will be no assignment of the Trademark Collateral, other than the security interest described herein, unless and until there shall occur an Event of Default and Agent gives written notice to Pledgor of its intention to enforce its rights against any of the Trademark Collateral.


So long as no Event of Default shall have occurred and be continuing, and subject to the various provisions of the Loan Agreement and the other Loan Documents to which it is a party, Pledgor may use, license and exploit the Trademark Collateral in any lawful manner.

THIS TRADEMARK SECURITY AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN THE STATE OF CALIFORNIA.

[remainder of page intentionally left blank; signatures follow]

IN WITNESS WHEREOF, Pledgor has caused this Trademark Security Agreement to be duly executed as of the date first set forth above by its officer thereunto duly authorized.

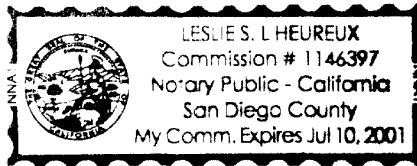
NETWORK MUSIC, LLC
a Delaware limited liability company

By 
Name: Robert Skoman
Title: President & CEO

STATE OF California)
) ss.:
COUNTY OF San Diego)

On the 9th day of July, in the year 1998, before me personally came Robert M. Skomer, to me known, who, being by me sworn, did say that ~~he~~ is an Authorized Signatory of Network Music, LLC, which entity is described in, and which entity executed, the above instrument, and that he signed his name by order of the Board of Directors of Network Music, LLC Members

Leslie S. Heureux
Notary Public



SCHEDULE A

U.S. TRADEMARK REGISTRATIONS

1. Mark: NETWORK
Registration No.: 2,098,885 U.S. Patent and Trademark Office
Registration Date: September 23, 1997
Registered By: Network Music, Inc.
Currently Registered to: Network Music, Inc.
Expiration Date: September 23, 2007

2. Mark: NETWORK'
Registration No.: 1,267,749 U.S. Patent and Trademark Office
Registration Date: February 21, 1984
Registered By: Network Production Music Library, Inc.
Currently Registered to: Network Music, Inc. as of March 1990
Expiration Date: February 21, 2004

3. Mark: NETWORK (stylized)
Registration No.: 1,296,973, U.S. Patent and Trademark Office
Registration Date: September 18, 1984
Registered By: Network Production Music Library, Inc.
Currently Registered to: Network Music, Inc. as of April 1990
Expiration Date: September 18, 2004

4. Mark: SHOCKWAVE
Registration No.: 1,901,566, U.S. Patent and Trademark Office
Registration Date: June 27, 1995
Registered By: Network Music, Inc.
Currently Registered to: Network Music, Inc.
Expiration Date: June 27, 2005

5. Mark: SHORT TRAX (stylized)
Pending App. Serial No.: 75/268920, U.S. Patent and Trademark Office
Application Filing Date: April 3, 1997
Application Filed By: Network Music, Inc.

SCHEDULE A (cont)

6. Mark: WHISPERDISC
Registration No.: 1,249,731, U.S. Patent and Trademark Office
Registration Date: August 30, 1983
Registered By: Network Production Music Library
Currently Registered to: Network Music, Inc. as of July 1990
Expiration Date: August 30, 2003

SCHEDULE A

CALIFORNIA TRADEMARK REGISTRATIONS

1. Mark: NETWORK
TM Registration No.: 64,889, State of California
Registration Date: November 12, 1981
Registered By: Network Production Music Library, Inc.
Currently Registered to: Network Music, Inc. as of June 1991
Expiration Date: November 13, 2001

2. Mark: NETWORK (stylized)
SM Registration No.: 12,842, State of California
Registration Date: November 19, 1981
Registered By: Network Production Music Library, Inc.
Currently Registered to: Network Music, Inc. as of June 1991
Expiration Date: November 20, 2001

3. Mark: SHOCKWAVE
TM Registration No.: 98,983, State of California
Registration Date: June 14, 1994
Registered By: Network Music, Inc.
Currently Registered to: Network Music, Inc.
Expiration Date: June 15, 2004

4. Mark: SHORT TRAX (stylized)
TM Registration No.: 102,425, State of California
Registration Date: April 15, 1997
Registered By: Network Music, Inc.
Currently Registered to: Network Music, Inc.
Expiration Date: April 16, 2007

SCHEDULE A

CANADA TRADEMARK REGISTRATIONS

1. Mark: NETWORK
Registration No.: 321,571 Canada
Registration Date: December 12, 1986
Registered By: Network Production Music, Inc.
Currently Registered to: Network Music, Inc. as of April 1995
Expiration Date: December 12, 2001

2. Mark: NETWORK'(stylized)
Registration No.: 320,046 Canada
Registration Date: October 31, 1986
Registered By: Network Production Music, Inc.
Currently Registered to: Network Music, Inc. as of April 1995
Expiration Date: October 31, 2001

Schedule B
Trademark Security Agreement

TRADEMARK LICENSES

1. License Agreement entered into on March 19, 1995, by and between Zoological Society of San Diego, a California corporation, and Network Music, Inc.

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RECORDED: 07/20/1998

TRADEMARK
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