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RESEARCH

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FORM PTO-1594 (Rev. 8-83) OMB No. 0651-0011 (exp. 4/94)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCIAL Patent and Trademark Office

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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):

Front Row Entertainment, Inc

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State NJ, Other

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

2. Name and address of receiving party(ies)

Name: LaSalle Business Credit (Inc Street

Internal Address: 135 South LaSalle

Street Address: Suite 400

City: Chicago State: IL ZIP: 60603

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

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

3. Nature of conveyance:

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

Execution Date: May 6 1999

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

A. Trademark Application No.(s)

See Schedule to Agreement

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Robert Stein Esq

Return To National Corporate Research, LTD. 225 W. 34th St., Suite 910 New York, N.Y. 10122 (800) 221-0102 (212) 947-7200

City: NY State: NY ZIP: 10117

6. Total number of applications and registrations involved:

5

7. Total fee (37 CFR 3.41)

40.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

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

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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.

Lyn Stieber Name of Person Signing

Lyn Stieber Signature

5/10/99 Date

Total number of pages including cover sheet, attachments, and document: 12

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

**Schedule A**  
**(Trademarks)**

<u>Mark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
FRONT ROW ENTERTAINMENT INC.	1,898,610	June 13, 1995
PALM BEACH ENTERTAINMENT	1,917,715	September 12, 1995
FRONT ROW ENTERTAINMENT	1,928,851	October 24, 1995
PALM BEACH ENTERTAINMENT logo	1,954,207	February 6, 1996
LEO THE LION, KING OF THE JUNGLE	1,957,677	February 20, 1996

**TRADEMARK SECURITY AGREEMENT**

**THIS TRADEMARK SECURITY AGREEMENT** (this "Agreement") is made and entered into as of May 6, 1999 between FRONT ROW ENTERTAINMENT, INC., a New Jersey corporation having an office at 135 Fieldcrest Avenue, Edison, New Jersey 08837-3910 (the "Grantor") and LASALLE BUSINESS CREDIT, INC., a Delaware corporation with its principal office at 135 South LaSalle Street, Suite 400, Chicago, Illinois 60603 ("LaSalle").

**WITNESSETH:**

WHEREAS, the Grantor has entered into a Loan and Security Agreement dated as of the date hereof (as amended, modified, supplemented or restated from time to time, the "Loan Agreement") with LaSalle, providing for the extension of credit by LaSalle to the Grantor (capitalized terms used herein without definitions shall have the meanings ascribed to such terms in the Loan Agreement); and

WHEREAS, LaSalle has required, as a condition to the extension of credit under the Loan Agreement, that the Grantor grant to LaSalle a security interest in and to the Trademarks and Trademark Licenses (as hereinafter described).

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor and LaSalle hereby agree as follows:

1. Defined Terms

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Loan Agreement shall have the meaning ascribed to such term in the Loan Agreement.

(b) The words "hereof", "herein", and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural and vice versa, unless otherwise specified.

2. Incorporation of Recitals. The recitals above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Security Interest in Trademarks and Trademark Licenses, etc. To secure the complete and timely payment and performance when due of all of the Liabilities, the Grantor hereby grants to LaSalle a first priority lien on and security interest in, with power of sale to the extent permitted by applicable law, all of the Grantor's now owned or existing and hereafter acquired or arising:

(a) trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of the Grantor's business symbolized by the foregoing and connected therewith, and (v) all of the Grantor's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, trade names, and service marks, registered service marks and service mark applications, together with the items described in clauses (i)-(v) in this paragraph 3(a), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(b) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether the Grantor is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all assets now or hereafter owned by the Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

4. Restrictions on Future Agreements. The Grantor will not, without LaSalle's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and the Grantor further agrees that it will not take any action, and will use reasonable commercial efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to LaSalle under this Agreement or the rights associated with the Trademarks or Trademark Licenses.

5. New Trademarks and Trademark Licenses. The Grantor represents and warrants that to the best of its knowledge, from and after the date hereof, (a) the Trademarks listed on Schedule A include all of the trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications now owned or held by the Grantor, (b) the Trademark Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which the Grantor is the licensee or licensor, and (c) no liens, claims or security interests in such Trademarks and Trademark Licenses have been

granted by the Grantor to any Person other than LaSalle, except that the Grantor's rights in the Trademarks and Trademark Licenses are subject to the liens and other restrictions set forth on Schedule C attached hereto. If, prior to the termination of this Agreement, the Grantor shall (i) obtain rights to any new Trademarks, registered Trademarks, trademark applications, tradenames, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trade names, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals, whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of paragraph 3 above shall automatically apply thereto. The Grantor shall give to LaSalle written notice of each event described in clause (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof. The Grantor hereby authorizes LaSalle to modify this Agreement unilaterally (i) by amending Schedule A to include any future Trademarks and by amending Schedule B to include any future Trademark Licenses which are Trademarks or Trademark Licenses under paragraph 3 above or under this paragraph 5, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A or B thereto, as the case may be, such future Trademarks and Trademark Applications.

6. Royalties. The Grantor hereby agrees that LaSalle's rights to use the Trademarks and Trademark Licenses as authorized hereunder in connection with LaSalle's exercise of its rights and remedies under paragraph 14 or under the Loan Agreement shall be coextensive with the Grantor's rights thereunder and with respect thereto and LaSalle shall have no liability for royalties or other related charges on account of any such use.

7. Right to Inspect; Further Assignments and Security Interests. LaSalle may at all reasonable times during normal business hours and with reasonable frequency (and at any time after the occurrence and during the continuation of an Event of Default) have access to, examine, audit, make copies and extracts from and inspect the Grantor's books, records and operations relating to the Trademarks and Trademark Licenses, provided, however, that in conducting such inspections and examinations, LaSalle shall use reasonable efforts not to disturb unnecessarily the conduct of the Grantor's ordinary business operations. From and after the occurrence and during the continuation of an Event of Default, the Grantor agrees that LaSalle, or a conservator appointed by LaSalle, shall have the right to establish such reasonable additional product quality controls as LaSalle or such conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold or services rendered by the Grantor under the Trademarks and the Trademark Licenses or in connection with which such Trademarks and Trademark Licenses are used. The Grantor agrees (a) not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Trademark Licenses without the prior written consent of LaSalle, (b) to maintain the quality of such products as of the date hereof, and (c) not to change the quality of such products in any material respect without LaSalle's prior written consent.

8. Nature and Continuation of LaSalle's Security Interest; Termination of LaSalle's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Trademark Licenses and shall terminate only when the Liabilities have been paid in full and the Loan Agreement has been

terminated. When this Agreement has terminated, LaSalle shall promptly execute and deliver to the Grantor, at the Grantor's expense, all termination statements and other instruments as may be reasonably necessary or proper to terminate LaSalle's security interest in the Trademarks and the Trademark Licenses, subject to any disposition thereof which may have been made by LaSalle in accordance with applicable law and the terms of this Agreement and the Loan Agreement.

9. Duties of the Grantor. The Grantor shall have the duty to: (a) prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make application for material trademarks or material service marks, but only to the extent the Grantor determines that the actions under subparagraphs (a) and (b) are in the best business interests of the Grantor. The Grantor further agrees (a) not to abandon any material Trademark or material Trademark License which is used in or useful to its business, in Grantor's judgment, without the prior written consent of LaSalle, and (b) to use its reasonable efforts to maintain in full force and effect the Trademarks and Trademark Licenses that are or shall be reasonably necessary or economically desirable in the operation of the Grantor's business. Any expenses incurred in connection with the foregoing shall be borne by the Grantor. LaSalle shall not have any duty with respect to the Trademarks and Trademark Licenses. Without limiting the generality of the foregoing, LaSalle shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks or Trademark Licenses against any other parties, but LaSalle may do so at its option from and after the occurrence (and during the continuance) of an Event of Default, and all reasonable and, in the commercially reasonable business judgment of LaSalle, necessary, expenses incurred in connection therewith shall be for the sole account of the Grantor and shall be added to the Liabilities secured hereby.

10. LaSalle's Right to Sue. From and after the occurrence and during the continuation of an Event of Default, LaSalle shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Trademark Licenses and, if LaSalle shall commence any such suit, the Grantor shall, at the request of LaSalle, do any and all lawful acts and execute any and all proper documents required in aid of such enforcement and requested by LaSalle. The Grantor shall, upon demand, promptly reimburse LaSalle for all reasonable and, in the commercially reasonable business judgment of LaSalle, necessary, reasonable out-of-pocket costs and expenses incurred by it in the exercise of its rights under this paragraph 10 (including, without limitation, reasonable and, in the commercially reasonable business judgment of LaSalle, necessary, reasonable out-of-pocket fees and expenses of attorneys for LaSalle). In the event LaSalle shall commence any such enforcement action, LaSalle shall use its commercially reasonable efforts to provide the Grantor with ten (10) days prior written notice thereof, and shall provide the Grantor with an opportunity to participate in any such action, at the Grantor's expense.

11. Waivers. LaSalle's failure, at any time or times hereafter, to require strict performance by the Grantor of any provisions of this Agreement shall not waive, affect or diminish any right of LaSalle thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Grantor and LaSalle have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Grantor

contained in this Agreement shall be deemed to have been suspended or waived by LaSalle unless such suspension or waiver is in writing signed by an officer of LaSalle and directed to the Grantor specifying such suspension or waiver.

12. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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.

13. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraphs 3 and 5 hereof or by a writing signed by the parties hereto.

14. Power of Attorney; Cumulative Remedies. (a) The Grantor hereby irrevocably designates, constitutes and appoints LaSalle (and all Persons designated by LaSalle in its sole and absolute discretion) as the Grantor's true and lawful attorney-in-fact, and to the extent permitted by applicable law authorizes LaSalle and any of LaSalle's designees, in the Grantor's or LaSalle's name, to take any action and execute any instrument which LaSalle may deem necessary or advisable to accomplish the purposes of this Agreement, if the Grantor fails to take such action or execute such instrument within a reasonable time after LaSalle's written request therefor, from and after the occurrence and during the continuation of an Event of Default and the giving by LaSalle of notice to the Grantor of LaSalle's intention to enforce its rights and claims against the Grantor, including, without limitation, to the extent permitted by applicable law, authorization to (i) endorse the Grantor's name on all applications, documents, papers and instruments necessary or, in the commercially reasonable business judgment of LaSalle, desirable, for LaSalle in the use of the Trademarks or the Trademark Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Trademark Licenses to anyone in a commercially reasonable manner and on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Trademark Licenses, to anyone in a commercially reasonable manner and on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks or the Trademark Licenses as LaSalle, in its commercially reasonable business judgment, deems necessary. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Liabilities shall have been paid in full and the Loan Agreement shall have been terminated. The Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of LaSalle under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

(b) LaSalle shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks or the Trademark Licenses may be located or deemed located. Upon the occurrence and

during the continuation of an Event of Default and the election by LaSalle to exercise any of its remedies under Section 9-504 of the Uniform Commercial Code with respect to the Trademarks and Trademark Licenses, the Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Trademark Licenses to LaSalle or any transferee of LaSalle and to execute and deliver to LaSalle or any such transferee all such agreements, documents and instruments as may be necessary, in the exercise of LaSalle's commercially reasonable judgment, to effect such assignment, conveyance and transfer. All of LaSalle's rights and remedies with respect to the Trademarks and the Trademark Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. It is hereby expressly agreed that upon the occurrence and during the continuation of an Event of Default, LaSalle may exercise any of the rights and remedies provided in this Agreement and any other of the other Loan Documents, in accordance with the terms hereof and thereof and to the extent permitted by applicable law.

15. Successors and Assigns. This Agreement shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of LaSalle and its permitted successors and assigns. The Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for the Grantor; provided, however, that the Grantor shall not voluntarily assign or transfer its rights or obligations hereunder without LaSalle's prior written consent.

16. Governing Law. THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS AND DECISIONS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAW, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

17. Notices. All notices or other communications hereunder shall be given in the manner and delivered to the addresses set forth in the Loan Agreement.

18. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.


19. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

20. Recordation of Agreement. LaSalle intends to record this Agreement with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, the Grantor has duly executed this Agreement as of the day and year first above written.

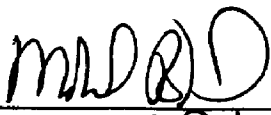


FRONT ROW ENTERTAINMENT, INC.

By:   
Name: David Sutton  
Title: President

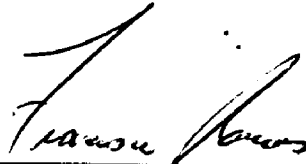
By its acceptance hereof as of the day and year first above written, LaSalle agrees to be bound by the provisions hereof.

LASALLE BUSINESS CREDIT, INC.

By:   
Name: Michael Richmond  
Title: First Vice President

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK )

On the 6<sup>th</sup> day of May, 1999, before me personally came David Sutton, to me known, who being by me duly sworn, did depose and say that he is the President of Front Row Entertainment, Inc., the corporation described in and which executed the foregoing instrument in favor of LaSalle Business Credit, Inc.; and that he signed his name thereto by authority of the board of directors of said corporation.



\_\_\_\_\_  
Notary Public

**FRANCISCO RAMOS**  
Notary Public, State of New York  
No. 01RA6013290  
Qualified in New York County  
Commission Expires Sep. 14, 2000

**Schedule B**  
**(Trademark Licenses)**

None.

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**RECORDED: 05/17/1999**

**TRADEMARK**  
**REEL: 001903 FRAME: 0166**