

12/9/00

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

03-03-2000

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK



101280446

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger Effective Date
Month Day Year
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

03/02/2000 DCOATES 00000401 74507215

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 OP
50.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 002029 FRAME: 0233

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="74/507215"/>	<input type="text" value="74/510000"/>	<input type="text" value="75/330978"/>
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Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

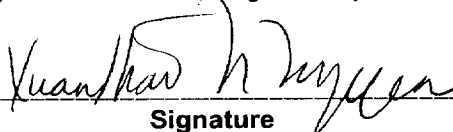
No

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. Charges to deposit account are authorized, as indicated herein.

Xuan-Thao N. Nguyen, Esq.

Name of Person Signing



Signature

January 28, 2000

Date Signed

TRADEMARK SECURITY AGREEMENT

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

WHEREAS, Music Plus Inc., a New York corporation with its principal office at 1 Plaza Road, Greenvale, New York, NY 11548 ("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 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, Pledgor has entered into a Loan and Security Agreement dated as of January 1, 1999 (as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time, the "Loan Agreement") with Tudor Trust, whose address is c/o Braverman, Cordon & Company, 450 N. Roxbury Drive, 4th Floor, Beverly Hills, CA 90210 ("Lender") (any capitalized term used herein without definition herein shall have the meaning ascribed to it in the Loan Agreement);

WHEREAS, in connection with the Loan Agreement, Pledgor has granted to Agent a security interest in certain personal property of Pledgors 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 the 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 of any kind from, any of the foregoing, including, without limitation, any claim by either 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.

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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 such Pledgor, 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 reasonably 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 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 an Event of Default shall occur and be continuing and Agent gives written notice to Pledgor of its intention to enforce its rights against any of the Trademark Collateral.

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 except as Agent may otherwise require if an Event of Default shall have occurred and be continuing.

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

IN WITNESS WHEREOF, Pledgor has caused this Trademark Security Agreement to be duly executed as of January 1st, 1999, by its officer thereunto duly authorized.

Music Plus, Inc. ("Pledgor")

By: 

Printed Name: MARK VINEIS

Title: PRESIDENT

STATE OF NEW YORK)

: ss.:

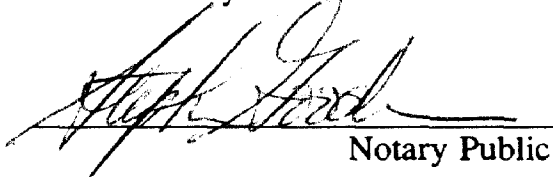
COUNTY OF NEW YORK)

On this the ^{25th} 4th day of June, 1999, before me,
STEPHEN GOODMAN, the undersigned Notary
Public, personally appeared Mark Vineis,

personally known to me,

[] proved to me on the basis of satisfactory evidence, to be the
President of the corporation known as Music Plus, Inc. who
executed the foregoing instrument on behalf of the corporation,
and acknowledged that such corporation executed it pursuant to a
resolution of its Board of Directors.

WITNESS my hand and official seal.



Notary Public

STEPHEN GOODMAN
Notary Public, State of New York
No. 02GO4718089
Qualified in Westchester County
Commission Expires June 30, 2000

TRADEMARKS

REGISTERED TRADEMARKS

TRADEMARK	CLASS	DATE OF FILING	SERIAL NO.
MONDO	016 - Children's Books, Teachers Guides, and Student Activity Books	3/31/94	74/507215
BOOKSHOP BEANBAG BOOKS (Registration Pending)	009 - Sound Recordings of Children's Music in the form of Tapes and Compact Discs	4/7/94	74/510000
	016 - Children's Books, Teachers Guides, and Student Activity Books	7/14/97	75/330978

TRADEMARK LICENSES

None.