

FORM PTO-1594
(Rev. 6-93)

RE

01-20-2000



SHEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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OMB No. 0651-0041 (Exp. 4/94)
12-22-99
Tab settings # = = >

101248453

To the Honorable Commissioner of F

... record the attached original documents or copy thereof.

1. Name of conveying party(ies):
GUITAR CENTER, INC.
MUSICIAN'S FRIEND, INC.
5155 Clareton Drive
Agoura Hills, CA 91301

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

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

3. Nature of conveyance:

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

Execution Date: December 17, 1999

2. Name and address of receiving party(ies)

Name: FOOTHILL CAPITAL CORPORATION, AS AGENT

Internal Address: Suite 1500

Street Address: 11111 Santa Monica Boulevard

City: Los Angeles State: CA ZIP: 90025-3338

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

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

A. Trademark Application No.(s)

Please see attached Schedule A.

B. Trademark Registration No.(s)

Please see attached Schedule A.

Additional numbers attached? Yes No

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

Name: BROBECK, PHLEGER & HARRISON LLP

Internal Address:

Attn: Kimberley A. Lathrop

Street Address: 550 South Hope Street

City: Los Angeles State: CA ZIP: 90071

01/19/2000 JSHABAZZ 00000071 2280874

6. Total number of applications and registrations involved: 18

7. Total fee (37 CFR 3.41).....\$ 465.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

01 FC:481
02 FC:482

40.00 DP
425.00 DP

DO NOT USE THIS SPACE

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.

Kimberley A. Lathrop
Name of Person Signing

Kimberley A. Lathrop
Signature

12-21-99
Date

Total number of pages including cover sheet, attachments, and document: 116

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK
REEL: 002010 FRAME: 0270

SCHEDULE A

to the Trademark Security Agreement

Trademarks of Guitar Center, Inc.

Registered Trademarks

<u>Mark</u>	<u>Date</u>	<u>Registration No.</u>
Guitar Center	renewal: 9/28/09	2280874
Guitar Center (Design)	renewal: 8/14/04	1290481
Guitar Center Logo	renewal: 8/5/07	2085508
Mitchell Guitars	renewal 9/16/07	2097684
Rockwalk	renewal: 1/9/00	1576899

Trademark Applications

<u>Mark</u>	<u>Date</u>	<u>Serial No.</u>
GC Systems	5/3/99	75-696292
Take Your Music Further	5/3/99	75-696291
Sound Percussion	7/13/99	75-749520
Midi By Mail	7/13/99	75-749519

Trade Names of Guitar Center, Inc.

Guitar Center Management Co., Inc.

Trademarks of Musician's Friend, Inc.

Registered Trademarks

<u>Mark</u>	<u>Date</u>	<u>Registration No.</u>
Musician's Friend (Logo)	renewal: 12/20/99	1815269
Musician's Friend	renewal: 1/3/00	1812560
Musician's Friend (Logo)	renewal: 2/2/04	2238700
Rogue	renewal: 2/3/04	2247491
Aluminator	renewal: 6/22/04	2167458
Pulse Percussion	renewal: 7/10/01	1904368
Paradise	renewal 4/28/03	2057272
Guitar Man	renewal: 8/18/03	2089189
Ram	renewal: 4/10/01	1888293

Trademark Applications

<u>Mark</u>	<u>Date</u>	<u>Serial No.</u>
None		

Trademarks of Musician's Choice, Inc.

None

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of December 17, 1999 is made by **GUITAR CENTER, INC.**, a Delaware corporation ("GCI"), **MUSICIAN'S FRIEND, INC.**, a Delaware corporation ("MFI", together with GCI, collectively, jointly and severally, the "Obligors", and individually, an "Obligor"), in favor of **FOOTHILL CAPITAL CORPORATION**, a California corporation, as agent for the Lenders ("Secured Party").

RECITALS

A. The Obligors and the Lender Group have entered into that certain Loan and Security Agreement, of even date herewith (as amended, restated, modified, renewed or extended from time to time, the "Loan Agreement"), pursuant to which the Lender Group has agreed to make certain financial accommodations to the Obligors, and pursuant to which the Obligors have granted to Secured Party for the benefit of the Lender Group security interests in (among other things) all or substantially all of the general intangibles of the Obligors.

B. Pursuant to the Loan Agreement and as one of the conditions precedent to the obligations of the Lender Group under the Loan Agreement, each of the Obligors have agreed to execute and deliver this Agreement to Secured Party for filing with the PTO and with any other relevant recording systems in any domestic jurisdiction, and as further evidence of and to effectuate Secured Party's existing security interests in the trademarks and other general intangibles described herein.

ASSIGNMENT

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, each Obligor hereby agrees in favor of Secured Party as follows:

1. Definitions; Interpretation.

(a) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"GCI" shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

"Lender Group" means, individually and collectively, each of the Lenders, BankBoston Retail Finance Inc., as documentation agent for the Lenders, and Secured Party.

"Lenders" means, individually and collectively, each of the financial institutions identified on the signature pages of the Loan Agreement, and any other Person

made a party thereto in accordance with the provisions of Section 14 thereof (together with their respective successors and assigns).

“MFI” shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

“Obligor” shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

“Proceeds” means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Trademark Collateral, including “proceeds” as defined at UCC Section 9306, all insurance proceeds and all proceeds of proceeds. Proceeds shall include (i) any and all accounts, chattel paper, instruments, general intangibles, cash and other proceeds, payable to or for the account of a Obligor, from time to time in respect of any of the Trademark Collateral, (ii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of any Obligor from time to time with respect to any of the Trademark Collateral, (iii) any and all claims and payments (in any form whatsoever) made or due and payable to any Obligor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Trademark Collateral by any Person acting under color of governmental authority, and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Trademark Collateral or for or on account of any damage or injury to or conversion of any Trademark Collateral by any Person.

“PTO” means the United States Patent and Trademark Office and any successor thereto.

“Secured Party” shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

“Secured Obligations” means the Obligations.

“Trademark Collateral” has the meaning set forth in Section 2.

“Trademarks” has the meaning set forth in Section 2.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of California.

“United States” and “U.S.” each mean the United States of America.

(b) Terms Defined in UCC. Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(c) Interpretation. In this Agreement, except to the extent the context otherwise requires:

(i) Any reference to a Section or a Schedule is a reference to a section hereof, or a schedule hereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears.

(ii) The words “hereof,” “herein,” “hereto,” “hereunder” and the like mean and refer to this Agreement as a whole and not merely to the specific Section, subsection, paragraph or clause in which the respective word appears.

(iii) The meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined.

(iv) The words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation.”

(v) References to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto.

(vi) References to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation referred to.

(vii) Any captions and headings are for convenience of reference only and shall not affect the construction of this Agreement.

(viii) Capitalized words not otherwise defined herein shall have the respective meanings assigned to them in the Loan Agreement.

(ix) In the event of a direct conflict between the terms and provisions of this Agreement and the Loan Agreement, it is the intention of the parties hereto that both such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of the Loan Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of any Obligor and supplemental rights and remedies in favor of Secured Party for the benefit of the Lender Group (whether under federal law or applicable California law), in each case in respect of the Trademark Collateral, shall not be deemed a conflict in the Loan Agreement.

2. Security Interest.

(a) Assignment and Grant of Security in respect of the Secured Obligations. To secure the Secured Obligations, each Obligor hereby grants, assigns, transfers and conveys to Secured Party, for the benefit of the Lender Group, a continuing security interest in certain of each such Obligor's right, title and interest in and to the following property, whether now existing or hereafter acquired or arising and whether registered or unregistered (collectively, the "Trademark Collateral"):

(i) all state (including common law) and federal trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by such Obligor, and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the PTO, any State of the United States and all extensions or renewals thereof, including without limitation any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in the name of the applicable Obligor or in the name of Secured Party or in the name Secured Party for the benefit of the Lender Group for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(ii) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(iii) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Obligor's business symbolized by the Trademarks or associated therewith; and

(iv) all Proceeds of any and all of the foregoing.

Anything in this Agreement and the other Loan Documents to the contrary notwithstanding, the foregoing grant, assignment, transfer, and conveyance of a security interest shall not extend to, and the term "Trademark Collateral" shall not include, any item of Trademark Collateral described in Section 2(a) above that is now or hereafter held by an Obligor as licensee or otherwise, solely in the event and to the extent that: (i) as the proximate result of the foregoing grant, assignment, transfer, or conveyance of a security interest, such Obligor's rights in or with respect to such item of Trademark Collateral would be forfeited or would become void, voidable, terminable, or revocable, or if such Obligor would be deemed to have breached, violated, or defaulted the underlying license or other agreement that governs such item of Trademark Collateral pursuant to the restrictions in the underlying license or other agreement that governs such item of Trademark Collateral; (ii) any such restriction shall be

effective and enforceable under applicable law, including Section 9318(4) of the Code; and (iii) any such forfeiture, voidness, voidability, terminability, revocability, breach, violation, or default cannot be remedied by such Obligor using its best efforts (but without any obligation to make any material expenditures of money or to commence legal proceedings); provided, however, that the foregoing grant, assignment, transfer, and conveyance of security interest shall extend to, and the term "Trademark Collateral" shall include, (y) any and all Proceeds of such item of Trademark Collateral to the extent that the assignment or encumbering of such Proceeds is not so restricted, and (z) upon any such licensor or other applicable party's consent with respect to any such otherwise excluded item of Trademark Collateral being obtained, thereafter such item of Trademark Collateral as well as any Proceeds thereof that might theretofore have been excluded from such grant, assignment, transfer, and conveyance of a security interest and the term "Trademark Collateral."

(b) Continuing Security Interest. Each Obligor hereby agrees that this Agreement shall create a continuing security interest in the Trademark Collateral which shall remain in effect until terminated in accordance with Section 18.

(c) Incorporation into Loan Agreement. Without limiting the foregoing, the Trademark Collateral described in this Agreement shall constitute part of the Collateral in the Loan Agreement.

(d) Licenses. Anything in the Loan Agreement or this Agreement to the contrary notwithstanding, each Obligor may grant non-exclusive licenses of the Trademark Collateral (subject to the security interest (if any) of Secured Party therein) in the ordinary course of business consistent with past practice.

3. Further Assurances: Appointment of Secured Party as Attorney-in-Fact.

Each Obligor at its expense shall execute and deliver, or cause to be executed and delivered, to Secured Party any and all documents and instruments, in form and substance reasonably satisfactory to Secured Party, and take any and all action, which Secured Party, in the exercise of its Permitted Discretion, may request from time to time, to perfect and continue the perfection or to maintain the priority of, or provide notice of the security interest in the Trademark Collateral held by Secured Party for the benefit of the Lender Group and to accomplish the purposes of this Agreement. If any Obligor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Secured Party in accordance with the foregoing, Secured Party shall have the right, in the name of such Obligor, or in the name of Secured Party or otherwise, without notice to or assent by such Obligor, and each Obligor hereby irrevocably constitutes and appoints Secured Party (and any of Secured Party's officers or employees or agents designated by Secured Party) as such Obligor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of such Obligor on all or any of such documents or instruments and perform all other acts that Secured Party in the exercise of its Permitted Discretion deems necessary in order to perfect or continue the perfection of, maintain the priority or enforceability of or provide notice of the security interest in the Trademark Collateral held by Secured Party for the benefit of the Lender Group, and (ii) to execute any

and all other documents and instruments, and to perform any and all acts and things for and on behalf of such Obligor, which Secured Party, in the exercise of its Permitted Discretion, may deem necessary or advisable to maintain, preserve and protect the Trademark Collateral and to accomplish the purposes of this Agreement, including (A) after the occurrence and during the continuance of any Event of Default, to defend, settle, adjust or institute any action, suit or proceeding with respect to the Trademark Collateral, (B) after the occurrence and during the continuation of any Event of Default, to assert or retain any rights under any license agreement for any of the Trademark Collateral, and (C) after the occurrence and during the continuance of any Event of Default, to execute any and all applications, documents, papers and instruments for Secured Party to use the Trademark Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Trademark Collateral, and to assign, convey or otherwise transfer title in or dispose of the Trademark Collateral. The power of attorney set forth in this Section 3, being coupled with an interest, is irrevocable so long as this Agreement shall not have terminated in accordance with Section 18.

4. Representations and Warranties. Each Obligor represents and warrants to Secured Party and the Lender Group, in each case to the best of its knowledge, information, and belief, as follows:

(a) No Other Trademarks. Schedule A sets forth, as of the Closing Date, a true and correct list of all of the existing Trademarks that are registered, or for which any application for registration has been filed with the PTO or any corresponding or similar trademark office of any other U.S. jurisdiction, and that are owned or held (whether pursuant to a license or otherwise) and used by such Obligor.

(b) Trademarks Subsisting. Each of the Trademarks listed in Schedule A is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and, to the best of such Obligor's knowledge, each of the Trademarks set forth on Schedule A is valid and enforceable.

(c) Ownership of Trademark Collateral; No Violation. (i) such Obligor has rights in and good and defensible title to the existing Trademark Collateral in all material respects taken as a whole, (ii) with respect to the Trademark Collateral shown on Schedule A hereto as owned by it, such Obligor is the sole and exclusive owner thereof, free and clear of any Liens and rights of others (other than the security interest created hereunder and other than Permitted Liens or as otherwise permitted by the Loan Agreement), including licenses, registered user agreements and covenants by such Obligor not to sue third persons, and (iii) with respect to any material Trademarks for which such Obligor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademark, each such license or licensing agreement is in full force and effect, such Obligor is not in material default of any of its obligations thereunder and, (i) other than the parties to such licenses or licensing agreements, or (ii) in the case of any non-exclusive license or license agreement entered into by such Obligor or any such licensor regarding such Trademark, the parties to any other such non-exclusive licenses or license agreements entered into by such Obligor or

any such licensor with any other Person, no other Person has any rights in or to any of the Trademark Collateral. To the best of each Obligor's knowledge, the past, present and contemplated future use of the Trademark Collateral by such Obligor has not, does not and will not infringe upon or violate any right, privilege or license agreement of or with any other Person.

(d) No Infringement. To the best of such Obligor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademark Collateral by any Person.

(e) Powers. Each such Obligor has the unqualified right, power and authority to pledge and to grant to Secured Party security interests in the Trademark Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

5. Covenants. So long as any of the Secured Obligations (other than contingent reimbursement obligations) remain unsatisfied, each Obligor agrees: (i) that it will comply with all of the covenants, terms and provisions of this Agreement, and (ii) that it will promptly give Secured Party written notice of the occurrence of any event that could have a material adverse effect on any of the Trademarks and the Trademark Collateral, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Trademarks for which such Obligor is a licensee.

6. Future Rights. For so long as any of the Secured Obligations (other than contingent indemnification obligations) shall remain outstanding, or, if earlier, until Secured Party shall have released or terminated, in whole but not in part, its interest in the Trademark Collateral, if and when any Obligor shall obtain rights to any new Trademarks, or any reissue, renewal or extension of any Trademarks, the provisions of Section 2 shall automatically apply thereto and GCI shall give to Secured Party prompt notice thereof. Each Obligor shall do all things reasonably deemed necessary by Secured Party in the exercise of its Permitted Discretion to ensure the validity, perfection, priority and enforceability of the security interests of Secured Party in such future acquired Trademark Collateral.

7. Duties of Secured Party and the Lender Group. Notwithstanding any provision contained in this Agreement, neither Secured Party nor any member of the Lender Group shall have any duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to the Obligors or any other Person for any failure to do so or delay in doing so. Except for the accounting for moneys actually received by Secured Party or any other member of the Lender Group hereunder or in connection herewith, neither Secured Party nor any member of the Lender Group shall have any duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Trademark Collateral.

8. Events of Default. The occurrence of any "Event of Default" under the Loan Agreement shall constitute an Event of Default hereunder.

9. Remedies. From and after the occurrence and during the continuation of an Event of Default, Secured Party shall have all rights and remedies available to it under the Loan Agreement and applicable law (which rights and remedies are cumulative) with respect to the security interests in any of the Trademark Collateral. Each Obligor hereby agrees that such rights and remedies include the right of Secured Party as a secured party to sell or otherwise dispose of the Trademark Collateral after default, pursuant to UCC Section 9504. Each Obligor hereby agrees that Secured Party shall at all times have such royalty-free licenses, to the extent permitted by law and the Loan Documents, for any Trademark Collateral that is reasonably necessary to permit the exercise of any of Secured Party's rights or remedies upon or after the occurrence of (and during the continuance of) an Event of Default with respect to (among other things) any tangible asset of such Obligor in which Secured Party has a security interest, including Secured Party's rights to sell inventory, tooling or packaging which is acquired by such Obligor (or its successor, assignee or trustee in bankruptcy). In addition to and without limiting any of the foregoing, upon the occurrence and during the continuance of an Event of Default, Secured Party shall have the right but shall in no way be obligated to bring suit, or to take such other action as Secured Party, in the exercise of its Permitted Discretion, deems necessary, in the name of any Obligor or Secured Party, to enforce or protect any of the Trademark Collateral, in which event any such Obligor shall, at the request of Secured Party, do any and all lawful acts and execute any and all documents required by Secured Party necessary to such enforcement. To the extent that Secured Party shall elect not to bring suit to enforce such Trademark Collateral, the applicable Obligor, in the exercise of its reasonable business judgment, agrees to use all reasonable measures and its diligent efforts, whether by action, suit, proceeding or otherwise, to prevent the infringement, misappropriation or violation thereof by others and for that purpose agrees diligently to maintain any action, suit or proceeding against any Person necessary to prevent such infringement, misappropriation or violation.

10. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by each of the Obligors and Secured Party for the benefit of the Lender Group and their respective successors and assigns.

11. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Loan Agreement.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the federal laws of the United States of America and the laws of the State of California.

13. Entire Agreement; Amendment. This Agreement and the Loan Agreement, together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersede all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties to this Agreement. Notwithstanding the foregoing, Secured Party may reexecute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof.

14. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

15. 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 but one and the same agreement.

16. Loan Agreement. Each Obligor acknowledges that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Loan Agreement and all such rights and remedies are cumulative.

17. No Inconsistent Requirements. Each Obligor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and such Obligor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms. Each Obligor agrees that, to the extent of any conflict between the provisions of this Agreement and the Loan Agreement, the provisions of the Loan Agreement shall govern.

18. Termination. Upon the payment and performance in full in cash of the Secured Obligations (other than contingent indemnification obligations), including the cash collateralization, expiration, or cancellation of all Secured Obligations (other than contingent indemnification obligations), if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Loan Agreement, this Agreement shall terminate, and Secured Party shall execute and deliver such documents and instruments and take such further action reasonably requested by Obligors, at Obligors' expense, as shall be necessary to evidence termination of the security interest granted by Obligors to Secured Party for the benefit of the Lender Group hereunder, including cancellation of this Agreement by written notice from Secured Party to the PTO.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

GUITAR CENTER, INC.,
a Delaware corporation

By: Bruce L. Ross
Name: BRUCE L. ROSS
Title: CHIEF FINANCIAL OFFICER

MUSICIAN'S FRIEND, INC.,
a Delaware corporation

By: Bruce L. Ross
Name: BRUCE L. ROSS
Title: SECRETARY

FOOTHILL CAPITAL CORPORATION,
a California corporation, as agent

By: William Shiao
Name: William Shiao
Title: Vice President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of LOS ANGELES } ss.

On 12/17/99, before me, Kai R. Williamson
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Bruce L. Ross and William Shiab
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she~~ they executed the same in ~~his/her~~ their authorized capacity(ies), and that by ~~his/her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Kai R. Williamson
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

