

04-17-2000

T

Docket No.:



Y

015368/0050

Tab settings

101322391

To the Honorable Commissioner of Patents

attached original documents or copy thereof.

1. Name of conveying party(ies):

KARMALANNE, INC.

3-22-00

- Individual(s)
- General Partnership
- Corporation-State NEVADA
- Other

- Association
- Limited Partnership

Additional names(s) of conveying party(ies) Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other

- Merger
- Change of Name

Execution Date: 03212000

2. Name and address of receiving party(ies):

Name: WILMINGTON TRUST COMPANY

Internal Address: ATTN.: CORPORATE TRUST ADMIN.

Street Address: 1100 NORTH MARKET STREET

City: WILMINGTON State: DE ZIP: 19890

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State DELAWARE

Other

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

SEE ATTACHED SCHEDULE

B. Trademark Registration No.(s)

NONE

Additional numbers

Yes No

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

Name: PAULA A. JUERGENSEN

Internal Address: SCHULTE ROTH & ZABEL LLP

Street Address: 900 THIRD AVENUE

City: NEW YORK State: NY ZIP: 10022

6. Total number of applications and registrations involved:.....

3

7. Total fee (37 CFR 3.41):.....\$ 90.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

SCHULTE ROTH & ZABEL LLP - 500675

04/14/2000 TTOM11 00000188 500675 75281185

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 50.00 CH

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.

PAUL A. JUERGENSEN

Name of Person Signing

Signature

MARCH 22, 2000

Date

Total number of pages including cover sheet, attachments, and

5

SCHEDULE 1A TO ASSIGNMENT FOR SECURITY

(TRADEMARKS AND TRADEMARK APPLICATIONS)

Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
United States	Sound Republic	75/281,185	4/25/97
United States	Sound Republic	75/522,020	7/20/98
United States	Sound Republic Hotel Casino	75/522,019	7/20/98

ASSIGNMENT FOR SECURITY
(TRADEMARKS)

WHEREAS, KARMALANNE, INC. (the "*Assignor*") has adopted, used and is using the trademarks and service marks listed on the annexed Schedule 1A hereto, which trademarks and service marks are registered or applied for in the United States Patent and Trademark Office (the "*Trademarks*");

WHEREAS, the Assignor has entered into a Security Agreement dated on or about the date hereof (the "*Security Agreement*") in favor of WILMINGTON TRUST COMPANY, as the agent for certain purchasers of senior secured notes (the "*Assignee*"); and

WHEREAS, pursuant to the Security Agreement, the Assignor has assigned to the Assignee and granted to the Assignee a security interest in all right, title and interest of the Assignor in, to and under the Trademarks together with the goodwill of the business symbolized by the Trademarks and the applications and registrations thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof (the "*Collateral*"), to secure the payment, performance and observance of the Secured Obligations (as defined in the Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby convey, sell, assign, transfer and set over unto the Assignee and grants to the Assignee a security interest in the Collateral to secure the prompt payment, performance and observance of the Secured Obligations.

The Assignor does hereby further acknowledge and affirm that the rights and remedies of the Assignee with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein; provided, however, that such security interest granted hereby to the Assignee is subordinate and subject to the rights of The CIT Group/Business Credit, Inc. ("*CIT*"), as agent for the benefit of certain financial institutions, as more fully described in that certain Intercreditor and Subordination Agreement, dated on or about the date hereof, among the Assignee, CIT, as agent for the benefit of certain financial institutions, and United States Trust Company of New York, as trustee under a certain PIK indenture, dated on or about the date hereof.

SCHEDULE 1A TO ASSIGNMENT FOR SECURITY

(TRADEMARKS AND TRADEMARK APPLICATIONS)

Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
United States	Sound Republic	75/281,185	4/25/97
United States	Sound Republic	75/522,020	7/20/98
United States	Sound Republic Hotel Casino	75/522,019	7/20/98

Abandoned Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
United States	Soundmine	75/249,313	2/28/97
United States	Sound Institute	75/300,871	5/30/97
United States	Institute of Sound	75/304,374	6/6/97
United States	The Compound	75/090,622	4/18/96
United States	Rock City	75/202,533	11/22/96
United States	Sound Asylum	75/322,795	7/11/97
United States	Sound Asylum	75/365,593	9/30/97

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WRITER'S DIRECT NUMBER:
(212) 756-2451

WRITER'S E-MAIL ADDRESS:
paul.juergensen@srz.com

March 23, 2000

BY HAND

Commissioner of Patents and Trademarks
Box Assignments
Washington, DC 20231

Re: Recordation of
Assignment for Security (Trademarks)
Karmalanne, Inc.
Our ref.: The CIT Group - Wilmington Trust Company 015386/0050

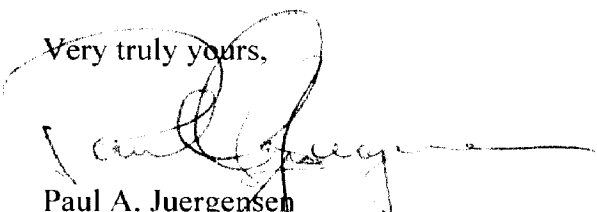
Dear Sir or Madam:

Please record the above-referenced document against the U.S. trademark filings identified in the accompanying Document Cover Sheet.

We authorize the deduction from Schulte Roth & Zabel LLP's Deposit Account No. 500675 of \$90.00, plus any deficiencies therein, to cover recordation fees, and we enclose an extra copy of the Document Cover Sheet for this purpose.

We also enclose an additional copy of this letter, which we request that you date stamp and return to the person submitting the document so that we may have a record of your receipt of this filing.

Very truly yours,


Paul A. Juergensen
Legal Assistant

Enclosures

RECORDED: 03/22/2000

TRADEMARK
REEL: 002052 FRAME: 0233