

04-23-2001



101684782

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

RE  
12/18/00

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 # 101567730A
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

Conveyance Type

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

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name Ryko Corporation

10071994

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name Chase Manhattan Bank, N.A., The

DBA/AKA/TA

Composed of

Address (line 1) 4 Chase Metrotech Center

Address (line 2) Brooklyn, New York 11245

Address (line 3)

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

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.)

FOR OFFICE USE ONLY

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: 002280 FRAME: 0522

**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)

**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.

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

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

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

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name Rykodisc, Inc.

1007 1994

Formerly \_\_\_\_\_

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

Citizenship State of Incorporation/Organization Minnesota

**Receiving Party**

Enter Additional 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

Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization \_\_\_\_\_

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 the Assignment.)

**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)



RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name Rep Sales, Inc.

1007 1994

Formerly \_\_\_\_\_

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

Citizenship State of Incorporation/Organization Minnesota

**Receiving Party**

Enter Additional 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

Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization \_\_\_\_\_

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 the Assignment.)

**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)



RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

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

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

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name Ryko Music, Inc.

1007 1994

Formerly \_\_\_\_\_

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

Citizenship State of Incorporation/Organization Minnesota

**Receiving Party**

Enter Additional 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

Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization \_\_\_\_\_

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 the Assignment.)

**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)



TRADEMARK SECURITY AGREEMENT

Dated as of October 7, 1994

by

RYKO CORPORATION

RYKODISC, INC.

REP SALES, INC.

and

RYKOMUSIC, INC.

in favor of

THE CHASE MANHATTAN BANK, N.A.,

as Agent

## TRADEMARK SECURITY AGREEMENT

**TRADEMARK SECURITY AGREEMENT**, dated as of October 7, 1994 (as amended, supplemented or otherwise modified from time to time, this "Agreement"), made by **RYKO CORPORATION**, a corporation organized under the laws of Delaware ("Ryko"), **RYKODISC, INC.**, a corporation organized under the laws of Minnesota, **REP SALES, INC.**, a corporation organized under the laws of Minnesota, **RYKOMUSIC, INC.**, a corporation organized under the laws of Minnesota (each of the foregoing entities is referred to herein individually as a "Grantor" and collectively as the "Grantors") in favor of **THE CHASE MANHATTAN BANK, N.A.**, a national banking association, as agent (in such capacity, together with its successors in such capacity, the "Agent") for the benefit of each of the banks (the "Banks") signatory to the Credit Agreement dated as of October 7, 1994 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement") among the Grantors, each of the other Subsidiaries of Ryko which is signatory thereto (collectively, together with the Grantors, the "Ryko Entities"), the Agent and the Banks.

### W I T N E S S E T H :

WHEREAS, pursuant to the terms of the Credit Agreement and the other Facility Documents, the Banks have agreed to extend credit to the Ryko Entities upon the terms and subject to the conditions set forth therein to be evidenced by the Notes issued by the respective Borrowers and to be guaranteed by the other Ryko Entities thereunder;

WHEREAS, it is a condition precedent to the obligation of the Banks to make their extensions of credit to the Ryko Entities under the Credit Agreement that each of the Grantors shall have executed and delivered this Agreement to the Agent to secure the obligations of the Ryko Entities under the Notes, the Credit Agreement and the other Facility Documents.

NOW, THEREFORE, in consideration of the premises and to induce the Banks to enter into the Credit Agreement and to induce the Banks to make their loans under the Credit Agreement, each of the Grantors hereby agrees with the Agent, as follows:

### ARTICLE 1. DEFINITIONS.

Unless otherwise defined herein, terms which are defined in the Credit Agreement and used herein are so used as so defined; and the following terms have the following meanings:

"Code" means the Uniform Commercial Code as in effect in the State of New York.

"Collateral" means all of the right, title and interest of each Grantor in, to and under the Trademarks, whether now owned or hereafter acquired, together with all the proceeds thereof and any replacements, additions or substitutions thereof or thereto and all accounts arising from the sale or disposition thereof.

"Secured Obligations" means the unpaid principal of and interest on (including interest accruing on or after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to any Ryko Entity, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Notes and all other obligations and liabilities of any Ryko Entity to the Agent or any Bank, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Credit Agreement, the Notes, any other Facility Document, any Interest Rate Protection Agreement and any other document made, delivered or given in connection therewith or herewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including, without limitation, all fees and disbursements of counsel to the Agent or any Bank) or otherwise.

"Trademarks" means, collectively, all of each Grantor's right, title and interest in and to the trademarks and trademark applications and registrations listed on **Schedule A** hereto, and all other trademarks and trademark applications and registrations in which such Grantor has or shall now or hereafter have any right, title or interest, and all proceeds of the foregoing (including, without limitation, license royalties and proceeds of infringement suits); and all general intangibles associated with the foregoing, including, without limitation, all goodwill associated with the trademarks, the trademark applications and registrations and the business of such Grantor to which such trademarks and trademark applications and registrations relate, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof.

## ARTICLE 2. COLLATERAL

Section 2.01. Grant of Security Interest. As security for the payment by the Ryko Entities of the Secured Obligations and the performance by the Ryko Entities of their other obligations and undertakings under this Agreement and under the other Facility Documents, each Grantor does hereby grant, bargain, convey, assign,



transfer, mortgage, hypothecate, pledge, confirm and grant a continuing security interest to the Agent in and to all right, title and interest of such Grantor (but none of its obligations) in the Collateral.

ARTICLE 3.            REPRESENTATIONS, WARRANTIES AND COVENANTS  
CONCERNING SECURITY

Section 3.01. Trademarks, etc. Each Grantor represents, warrants and covenants that:

(a) Schedule A hereto completely and accurately lists all of the statutory trademarks, trademark applications and registrations in which such Grantor has any right, title or interest as of the Closing Date;

(b) to the Knowledge of each Key Employee, the trademarks, trademark applications and registrations listed on Schedule A are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(c) to the Knowledge of each Key Employee, each of the trademarks, trademark applications and registrations listed on Schedule A is valid and enforceable;

(d) such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the trademarks, trademark applications and registrations listed on Schedule A in which such Grantor holds an interest, free and clear of any Liens, charges and encumbrances, including, without limitation, licenses and covenants by such Grantor not to sue third persons;

(e) such Grantor has properly registered or applied to register each of the trademarks listed on Schedule A in which such Grantor holds an interest that could be registered with the United States Patent and Trademark Office and has not taken any action or failed to take any action which action or failure to act could or might impair or diminish any such trademark and such Grantor has delivered to the Agent true, correct and complete copies of all trademark registration certificates, assignments, renewal certificates, and all other instruments filed with United States Patent and Trademark Office or otherwise relevant to the chain of title of such trademark;

(f) such Grantor has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each its present and future employees, agents and consultants that will enable it to comply with the covenants herein contained;

(g) such Grantor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in the manufacture, promotion, advertisement, sale, distribution or other exploitation of any Master Recordings, any Recorded Product derived therefrom and any copyrights embodied therein with respect to all Recorded Product sold under the trademarks, trademark applications and registrations listed on Schedule A; and

(h) there are no claims against such Grantor asserting the invalidity, misuse, unenforceability or ownership of any trademarks, trademark applications and registrations listed on Schedule A owned or used by such Grantor, and to the knowledge of each Key Employee, no such claims are threatened and there are no viable grounds for the same.

Section 3.02. No Inconsistent Agreements. Until all of the Secured Obligations shall have been satisfied in full and all of the Commitments terminated, no Grantor will, without the Agent's prior written consent, enter into any agreement (including, without limitation, a license agreement) that is inconsistent with such Grantor's obligations under this Agreement.

Section 3.03. After-Acquired Trademarks Subject to this Agreement. (a) If any Grantor shall obtain rights to any new trademark, trademark application or registration or for any renewal of any Trademark, the same shall automatically be deemed subject to this Agreement and included within the term "Trademark," and such Grantor shall give to the Agent prompt notice thereof in writing.

(b) Each Grantor grants the Agent a power-of-attorney, irrevocable so long as any Secured Obligation or Commitment remains outstanding, to modify this Agreement from time to time by amending Schedule A (without requirement of any consent or further action on the part of such Grantor) to include any future statutory trademarks, trademark applications and registrations that are Trademarks under the definition of such term in Section 1.01 or under Section 3.03(a).

Section 3.04. Trademark Applications. Each Grantor shall have the duty to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter and to preserve and maintain whenever reasonably possible all rights in trademark applications. Any expenses incurred in connection with such an application shall be borne by such Grantor. Each Grantor shall not abandon any right to file a trademark application, or a pending trademark application, without the consent of the Agent. Each Grantor shall further enter into such agreements with its employees, and to take such other reasonable measures, as are necessary to insure that such Grantor shall have and enjoy all rights to apply for, register and use,

subject to Section 3.03 of this Agreement, trademarks designed or created by such employees in the ordinary course of their employment.

Section 3.05. Further Assurances. So long as any of the Secured Obligations or any Commitment shall be outstanding, each Grantor, at its expense, will timely execute, acknowledge, deliver, file and record, or will cause to be executed, acknowledged, delivered, filed or recorded, all such further instruments, agreements, assignments and assurances (including, without limitation, all continuations, statements of use and declarations of noncontestability) as may be necessary or appropriate (and, in any event, as may be requested by the Agent):

(a) to preserve and continue in force each of the Trademarks (including the continued use of such Trademarks) and to pay any and all fees and expenses in connection therewith (including, without limitation, payment of such maintenance fees, if any, as may be imposed by the United States Patent and Trademark Office or by any other Governmental Authority in any jurisdiction); and

(b) subject to this Agreement, and to preserve, continue and protect the Lien of this Agreement on, and the right of the Agent in and to, the Trademarks.

#### ARTICLE 4. DEFAULTS -- REMEDIES

Section 4.01. Nature of Events. An "Event of Default" shall exist if any Event of Default under, and as defined in, the Credit Agreement occurs and is continuing.

Section 4.02. Default Remedies. (a) If an Event of Default exists, the Agent may exercise all of the rights and remedies of a secured party under the Code and all of the rights and remedies in this Agreement or in any other Facility Document conferred, it being expressly understood that no such remedy is intended to be exclusive of any other remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given in this Agreement or in any other Facility Document or now or hereafter existing at law or in equity or by statute, and may be exercised from time to time as often as may be deemed expedient by the Agent. Without limiting the foregoing, this Agreement is executed in furtherance of, and supplementary to, the provisions of the Security Agreement, the terms and conditions of which are incorporated hereby as if set forth in full herein.

(b) Each Grantor and the Agent agree that ten (10) days' notice to the Grantors of any public or private sale or other disposition of Collateral shall be reasonable notice thereof, and such sale shall be at such reasonable locations as the Agent shall

designate in such notice. Any other requirement of notice, demand or advertisement for sale is, to the extent permitted by law, waived by any Grantor. Sales for cash, or on credit to a wholesaler, retailer or user of the Collateral, at any public or private sale are all hereby deemed (without limitation) to be commercially reasonable (as defined in the Code). The Agent shall have the right to bid at any such sale on behalf of any one or more Banks (who shall also have the right to bid individually). Proceeds arising from any such sale shall be applied in the manner set forth in the Credit Agreement.

(c) If an Event of Default exists, the Agent shall have the right, but shall in no way be obligated to, bring suit in its own name to enforce the Trademarks and any license thereunder, in which event each Grantor shall at the request of the Agent do any and all lawful acts and execute any and all proper documents reasonably required by the Agent in aid of such enforcement, and each Grantor shall promptly, upon demand, reimburse and indemnify the Agent for all reasonable costs and expenses incurred by the Agent in the exercise of its rights under this Section 4.02(c).

(d) All covenants, conditions, provisions, warranties, guaranties, indemnities and other undertakings of any Grantor contained in this Agreement or any other Facility Document, or in any document referred to in this Agreement or any other Facility Document or contained in any agreement supplementary to this Agreement or any other Facility Document, shall be deemed cumulative to and not in derogation or substitution of any of the terms, covenants, conditions or agreements of any Grantor contained in this Agreement or any other Facility Document.

(e) The Grantors will pay to the Agent all reasonable expenses (including court costs and reasonable attorneys' fees and expenses) of, or incident to, the enforcement of any of the provisions of this Agreement and all other charges due against the Collateral, including, without limitation, taxes, assessments, security interests, Liens or encumbrances upon the Collateral and any expenses, including transfer or other taxes, arising in connection with any sale, transfer or other disposition of Collateral.

Section 4.03. Other Enforcement Rights. The Agent may proceed to protect and enforce this Agreement by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement in this Agreement contained or in execution or aid of any power in this Agreement granted, or for foreclosure under this Agreement, or for the appointment of a receiver or receivers for the Collateral or any part thereof, for the recovery of judgment for the obligations secured by this Agreement or for the enforcement of any other proper, legal or equitable remedy available under applicable law.

Section 4.04. Application of Proceeds. The proceeds of any exercise of rights with respect to the Collateral, or any part thereof, and the proceeds and the avails of any remedy under this Agreement shall be paid to and applied in accordance with the provisions of the Credit Agreement. If there is a deficiency, each Grantor shall, subject always to the other provisions of this Agreement, remain liable therefor and shall forthwith pay the amount of any such deficiency to the Agent.

#### ARTICLE 5. DEFEASANCE

Section 5.01. Satisfaction and Discharge. If any Ryko Entity shall pay and discharge the entire indebtedness on all Secured Obligations outstanding by well and truly paying or causing to be paid the principal of, and interest on, all Secured Obligations outstanding, as and when the same become due and payable; and if any Ryko Entity shall also pay or cause to be paid all other sums payable under this Agreement with respect to the Secured Obligations and all sums payable under any one or more of the other Facility Documents, and fully and faithfully discharges or causes to be discharged every other obligation herein or in any other Facility Document contained or otherwise secured by any of the Facility Documents; and if all Commitments shall have been terminated, then and in that case all of the right, title and interest of the Agent in the Collateral created hereby shall cease and terminate, and thereupon the Agent, upon written request of any Grantor, shall forthwith execute and deliver, without recourse, proper deeds, assignments and other instruments acknowledging satisfaction or and discharging all of the right, title and interest of the Agent in the Collateral created hereby (subject to any disposition thereof that may have been made by the Agent pursuant to any of the Facility Documents).

Section 5.02. Disposal of Assets; Release of Lien. So long as no Default or Event of Default shall exist or be created as a result thereof, if any Grantor shall sell, lease, transfer or otherwise dispose of its Property in accordance with the provisions of the Credit Agreement, then the Agent, upon payment to it of all amounts then owed to it as fees and expenses under this Agreement, shall forthwith execute proper instruments releasing the interests in such Property so disposed of from the Lien of the Agent created under this Agreement.

#### ARTICLE 6. MISCELLANEOUS

Section 6.01. Amendments and Waivers. Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be amended or modified only by an instrument in writing signed by the Grantors, the Agent and the Required Banks, or by the Grantors and the Agent acting with the consent of the

Required Banks and any provision of this Agreement may be waived by the Required Banks or by the Agent acting with the consent of the Required Banks; provided that no amendment, modification or waiver shall, unless by an instrument signed by all of the Banks or by the Agent acting with the consent of all of the Banks: (a) permit the creation of any Lien with respect to any of the Collateral that is prior or equal to the Lien of the Agent; (b) effect the deprivation of any Bank of the benefit of any Lien upon all or any part of the Collateral; (c) create any priority with respect to any portion of the Secured Obligations over any other portion with respect to the Lien upon all or any part of the Collateral; or (d) amend, waive or modify the definition of Secured Obligations.

Section 6.02. Survival. The obligations of the Grantors under Section 4.02(c) or Section 4.02(e) shall survive the repayment of the Loans and the termination of the Commitments.

Section 6.03. Successors and Assigns. This Agreement shall be binding upon, and shall inure to the benefit of, the Grantors, the Agent and their respective successors and assigns.

Section 6.04. Notices. Unless the party to be notified otherwise notifies the other party in writing as provided in this Section, and except as otherwise provided in this Agreement, notices shall be given to the Agent by telephone, confirmed by telex, telecopy or other writing, and to the Banks and to the Grantors by ordinary mail or telecopier addressed to such party at its address on the signature page of the Credit Agreement. Notices shall be effective: (a) if given by mail, 72 hours after deposit in the mails with first class postage prepaid, addressed as aforesaid; and (b) if given by telecopier, when the telecopy is transmitted to the telecopier number as aforesaid; provided that notices to the Agent and the Banks shall be effective upon receipt.

SECTION 6.05. JURISDICTION; IMMUNITIES. (A) EACH GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY NEW YORK STATE OR UNITED STATES FEDERAL COURT SITTING IN NEW YORK COUNTY OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND EACH GRANTOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR FEDERAL COURT. EACH GRANTOR IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO SUCH GRANTOR AT ITS ADDRESS SPECIFIED IN SECTION 6.04. EACH GRANTOR AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH GRANTOR FURTHER WAIVES ANY OBJECTION TO VENUE IN SUCH STATE AND ANY OBJECTION TO AN ACTION OR PROCEEDING IN SUCH STATE ON THE BASIS OF FORUM NON CONVENIENS. EACH GRANTOR FURTHER AGREES THAT ANY ACTION OR PROCEEDING BROUGHT AGAINST THE

AGENT SHALL BE BROUGHT ONLY IN NEW YORK STATE OR UNITED STATES FEDERAL COURT SITTING IN NEW YORK COUNTY. EACH GRANTOR WAIVES ANY RIGHT IT MAY HAVE TO JURY TRIAL.

(b) Nothing in this Section 6.05 shall affect the right of the Agent or any Bank to serve legal process in any other manner permitted by law or affect the right of the Agent or any Bank to bring any action or proceeding against any Grantor or its property in the courts of any other jurisdictions.

(c) To the extent that any Grantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether from service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, such Grantor hereby irrevocably waives such immunity in respect of its obligations under this Agreement.

Section 6.06. Headings. The headings and captions hereunder are for convenience only and shall not affect the interpretation or construction of this Agreement.

Section 6.07. Severability. The provisions of this Agreement are intended to be severable. If for any reason any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

Section 6.08. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterpart.

SECTION 6.09. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

Section 6.10. Subject to the Credit Agreement. Any and all rights granted to the Agent under this Agreement are to be held and exercised by the Agent for the benefit of the Banks, pursuant to the provisions of the Credit Agreement. To the extent set forth in the Facility Documents, each of the Banks shall be a beneficiary of the terms of this Agreement. Any and all obligations under this Agreement of the parties to this Agreement, and the rights granted to the Agent under this Agreement, are created and granted subject to the terms of the Credit Agreement.

Section 6.11. Term of Agreement. This Agreement shall be and

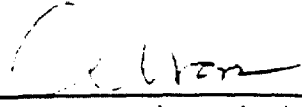
remain in full force and effect so long as any Secured Obligations or Commitments are outstanding.



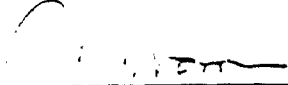
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

**GRANTORS:**

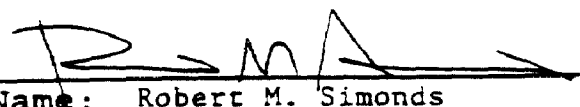
**RYKO CORPORATION, a Delaware corporation**

By:   
Name: Arthur M. Mann  
Title: Vice President

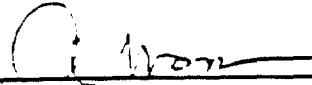
**RYKODISC, INC., a Minnesota corporation**

By:   
Name: Arthur M. Mann  
Title: Vice President

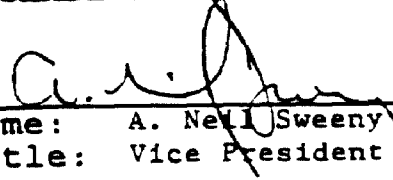
**REP SALES, INC., a Minnesota corporation**

By:   
Name: Robert M. Simonds  
Title: President

**RYKOMUSIC, INC., a Minnesota corporation**

By:   
Name: Arthur M. Mann  
Title: Vice President

**AGENT:**  
**THE CHASE MANHATTAN BANK, N.A.**

By:   
Name: A. Nell Sweeny  
Title: Vice President

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

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

The foregoing instrument was acknowledged before me this 6th day of October, 1994, by Arthur M. Mann, the V.P. of Ryko Corporation, a Delaware corporation, on behalf of the corporation.

Betty Herman  
Notary Public

BETTY HERMAN  
NOTARY PUBLIC, State of New York  
No. 4925141  
Qualified in New York County  
Commission Expires April 4, 1996

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

The foregoing instrument was acknowledged before me this 6th day of October, 1994, by Arthur M. Mann, the V.P. of Rykodisc, Inc., a Minnesota corporation, on behalf of the corporation.

Betty Herman  
Notary Public

BETTY HERMAN  
NOTARY PUBLIC, State of New York  
No. 4925141  
Qualified in New York County  
Commission Expires April 4, 1996

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

The foregoing instrument was acknowledged before me this 6th day of October, 1994, by Robert M. Simonds the President of REP Sales, Inc., a Minnesota corporation, on behalf of the corporation.

Betty Herman  
Notary Public

BETTY HERMAN  
NOTARY PUBLIC, State of New York  
No. 4925141  
Qualified in New York County  
Commission Expires April 4, 1996

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

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

The foregoing instrument was acknowledged before me this 6th day of October, 1994 by Arthur M. Mann, the V.P. of Rykomusic, Inc., a Minnesota corporation, on behalf of the corporation.

Betty Herman  
Notary Public

BETTY HERMAN  
NOTARY PUBLIC, State of New York  
No. 4925141  
Qualified in New York County  
Commission Expires April 4, 1996

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

The foregoing instrument was acknowledged before me this 5th day of October, 1994 by A. Neil Sweeny, the V.P. of The Chase Manhattan Bank, N.A., a national banking association, on behalf of the corporation.

Betty Herman  
Notary Public

BETTY HERMAN  
NOTARY PUBLIC, State of New York  
No. 4925141  
Qualified in New York County  
Commission Expires April 4, 1996

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

Registration Country	Mark Description	Type Serial No. Filed	Reg. No Issued	Sec 8B15 Due Renewal Due	Class(es) Goods/Services	Status
MINORSE, INC UNITED STATES	000	IM 124,835 05E 18 DEC 1990	1,721,483 06 DEC 1992	06 JUL 98 07 JUL 2002	CL. 9 CONSUMER AUDIO PRODUCTS, NAMELY AUDIO CASSETTES, NAMELY AUDIO CASSETTES	REGISTERED
MINORSE, INC UNITED STATES	000 A 00 0000	IM 124,581 05E 18 DEC 1990	1,713,154 08 SEP 1992	08 SEP 98 09 SEP 2002	CL. 9 CONSUMER AUDIO PRODUCTS; NAMELY, PRERECORDED AUDIO CASSETTE TAPES FEATURING MUSIC AND SOUNDS OF NATURE	REGISTERED
MINORSE, INC UNITED STATES	000 B 00 0000	IM 331,497 05E 16 NOV 1992	1,837,746 31 MAY 1994	31 MAY 00 31 MAY 2004	CL. 9 PLASTIC PACKAGING FOR CONTACT DISCS	REGISTERED
MINORSE, INC UNITED STATES	000 C 00 0000	IM 120,387 05E 04 DEC 1990	1,711,093 01 SEP 1992	01 SEP 98 02 SEP 2002	CL. 28 BOARD GAMES	REGISTERED

Registrant Country	Mark Description	Type Serial No. Filed	Reg. No. Issued	Sec. 8815 Due Renewal Due	Class(es) Goods/Services	Status
RYKUDISC, INC. UNITED STATES	RYKO	IM 108,461 USE 23 OCT 1990	1,711,260 01 SEP 1992	01 SEP 98 02 SEP 2002	CL. 9 PRERECORDED IMAGES AND SOUNDS EMBODIED ON VIDEO DISCS FEATURING MUSIC, FILM AND THEATRICAL EVENTS; PRERECORDED SOUNDS AND MUSIC EMOBDED ON AUDIO TAPES, AUDIO COMPACT DISCS AND VINYL RECORDS	REGISTERED
RYKUDISC, INC. UNITED STATES	RYKO & DESIGN	IM 108,456 USE 23 OCT 1990	1,700,253 14 JUL 1992	14 JUN 98 15 JUN 2002	CL. 9 PRERECORDED IMAGES AND SOUNDS EMBODED ON VIDEO CASSETTES, VIDEO CARTRIDGES AND VIDEO DISCS FEATURING MUSIC, FILM AND THEATRICAL EVENTS; PRERECORDED SOUNDS AND MUSIC EMBODED ON AUDIO COMPACT DISCS, AUDIO TAPES AND VINYL	REGISTERED
RYKUDISC, INC. UNITED STATES	RYKO (COMING FROM A FLASH OF LIGHT) & DESIGN	IM 691,979 USE 26 OCT 1987	1,521,609 24 JAN 1989	24 JAN 95 26 JAN 2009	CL. 9 COMPACT DISCS CONTAINING MUSIC AND ENVIRONMENTAL SOUNDS	REGISTERED
RYKUDISC, INC. UNITED STATES	RYKO VISION	IM 108,470 USE 23 OCT 1990	1,847,742 26 JUL 1994	26 MAR 00 26 MAR 2004	CL. 9 PRERECORDED IMAGES AND SOUNDS EMBODED ON VIDEO CASSETTES AND VIDEO DISCS FEATURING MUSIC, FILM AND THEATRICAL EVENTS	REGISTERED

Registration Country	Mark Description	Type Serial No. filed	Reg. No. Issued	Sec. 8B15 Due Renewal Due	Class(es) Goods/Services	Station
RYKODISC, INC. UNITED STATES	RYKO VISION & DESIGN	TM 108,486 11U 23 OCT 1990	1,041,192 21 JUN 1994	21 JUN 00 21 JUN 2004	Cl. 9 PRERECORDED IMAGES AND SOUNDS EMBEDDED ON VIDEO CASSETTES AND VIDEO DISCS FEATURING MUSIC, FILM AND THEATRICAL EVENTS	REGISTERED
RYKODISC, INC UNITED STATES	RYKODISC	TM 208,995 11SE 02 OCT 1991	1,740,989 22 DEC 1992	22 DEC 98 23 DEC 2002	Cl. 9 PRERECORDED IMAGES AND SOUNDS EMBEDDED ON VIDEO CASSETTES, VIDEO CARTRIDGES AND VIDEO DISCS FEATURING MUSIC, FILM AND THEATRICAL EVENTS; PRERECORDED SOUNDS AND MUSIC, EMBEDDED ON COMPACT DISCS, AUDIO TAPES AND PHONOGRAPH	REGISTERED
RYKODISC, INC UNITED STATES	RYKODISC (SOUND FROM A FEATH OF EIGHT)	TM 691,978 11SE 26 OCT 1987	1,521,608 24 JAN 1989	24 JAN 95 26 JAN 2009	Cl. 9 COMPACT DISCS CONTAINING MUSIC AND ENVIRONMENTAL SOUNDS.	REGISTERED

Foreign Trademark Country	Mark Name	Class Good	Appln No.	Appln Date	Status	Reg. No.	Reg. Date	Renewal Date
Australia	RYKO & DESIGN	9 COMPACT DISCS; AUDIO TAPES AND DIGITAL AUDIO TAPES; VINYL RECORDS; PHONORECORDS AND RECORD CONFIGURATIONS; AND ALL OTHER GOODS IN THIS CLASS	536535	20 JUN 1990	Registered	AS36535	20 JUN 1990	20 JUN 1997
Australia	RYKODISC	9 COMPACT DISCS; AUDIO TAPES AND DIGITAL AUDIO TAPES; VINYL RECORDS; PHONORECORDS AND RECORD CONFIGURATIONS; AND ALL OTHER GOODS IN THIS CLASS	536536	20 JUN 1990	Registered	AS36536	20 JUN 1990	20 JUN 1997
Denmark	PLAY IT BY EAR	20 GAMES AND PLAYTHINGS; STYLISH AND SPORTING ARTICLES NOT INCLUDED 776552 IN OTHER CLASSES; DECORATIONS FOR CHRISTMAS TREES	776552	26 FEB 1992	Registered	511032	26 FEB 1992	26 FEB 2002
Denmark	RYKO & DESIGN	9 COMPACT DISCS; AUDIO TAPES AND DIGITAL AUDIO TAPES; VINYL RECORDS; PHONORECORDS AND RECORD CONFIGURATIONS; SCIENTIFIC, NAUTICAL, SURVEYING, ELECTRIC, PHOTOGRAPHIC, CINEMATOGRAPHIC, OPTICAL, WEIGHING, MEASURING, SIGNALING, CHECKING (SUPERVISION), LIFE SAVING AND TEACHING APPARATUS AND INSTRUMENTS, APPARATUS FOR RECORDING, TRANSMISSION OR REPRODUCTION OF SOUND OR IMAGES, MAGNETIC DATA CARRIERS, RECORDING DISCS, AUTOMATIC VENDING MACHINES AND MECHANISMS FOR COIN-OPERATED APPARATUS, CASH REGISTERS, CALCULATING MACHINES AND DATA PROCESSING EQUIPMENT, FIRE EXTINGUISHING APPARATUS	69910	23 MAY 1990	Registered	483907	23 MAY 1990	23 MAY 2000
Denmark	RYKODISC	9 COMPACT DISCS; AUDIO TAPES; VINYL RECORDS; VIDEO CASSETTES; VIDEO CARTRIDGES AND VIDEO DISCS	69910	23 MAY 1990	Registered	480854	23 MAY 1990	23 MAY 2000
Denmark	RYKO & DESIGN	9 COMPACT DISCS; AUDIO TAPES; VINYL RECORDS; VIDEO CASSETTES; VIDEO CARTRIDGES AND VIDEO DISCS	81624763	13 JUN 1991	Registered	81624763	22 SEP 1992	21 SEP 2002
Denmark	RYKODISC	9 COMPACT DISCS; AUDIO TAPES; VINYL RECORDS; VIDEO CASSETTES; VIDEO CARTRIDGES AND VIDEO DISCS	81624771	13 JUN 1991	Registered	81624771	29 SEP 1992	28 SEP 2002
Denmark	HANNIBAL	9 COMPACT DISCS; VINYL RECORDS; VIDEO DISCS; VIDEO CARTRIDGES AND AUDIO CASSETTES	706857	10 JUN 1992	Registered	1M4616910	23 JUN 1993	23 JUN 2000
Denmark	HANNIBAL RECORDS & DESIGN	9 COMPACT DISCS; VINYL RECORDS; VIDEO DISCS; VIDEO CARTRIDGES AND AUDIO CASSETTES	706858	10 JUN 1992	Registered	1M4616999	27 AUG 1993	27 AUG 2000

TRADEMARK

Design Trademark Country	Mark Name	Class Group	Appl. No.	Appl. Date	Status	Reg. No.	Reg. Date	Renewal Date
Canada	PLAY IT BY EAR	0	706555	19 JUN 1992	Registered	1M6A15,501	13 AUG 1993	13 AUG 2008
			D COMPACT DISCS, VINYL RECORDS, VIDEO DISCS, VIDEO CASSETTES AND AUDIO CASSETTES.					
Canada	RYKO & DESIGN	0	401608	04 APR 1991	Registered	401608	21 AUG 1992	21 AUG 2007
			D COMPACT DISCS, AUDIO TAPES, VINYL RECORDS, VIDEO CASSETTES, VIDEO 879,180 CARTRIDGES AND VIDEO DISCS					
Canada	RYKODISC	0	670178	04 APR 1991	Registered	670178	14 AUG 1992	14 AUG 2007
			D COMPACT DISCS, AUDIO TAPES, VINYL RECORDS, VIDEO CASSETTES, VIDEO 879178 CARTRIDGES AND VIDEO DISCS					
France	RYKO & DESIGN	9	213754	31 MAY 1990	Registered	1679191	31 MAY 1990	31 MAY 2000
			D COMPACT DISCS, AUDIO TAPES, VINYL RECORDS, VIDEO CASSETTES, VIDEO 213754 CARTRIDGES AND VIDEO DISCS, SCIENTIFIC, NAUTICAL, SURVEYING, ELECTRIC, PHOTOGRAPHIC, CINEMATOGRAPHIC, OPTICAL, WEIGHING, MEASURING, SIGNALLING, CHECKING (SUPERVISION), LIFE- SAVING AND TEACHING APPARATUS AND INSTRUMENTS, APPARATUS FOR RECORDING, TRANSMISSION OR REPRODUCTION OF SOUND OR IMAGES, MAGNETIC DATA CARRIERS, RECORDING DISCS, AUTOMATIC VENDING MACHINES AND MECHANISMS FOR COIN OPERATED APPARATUS, CASH REGISTERS, CALCULATING MACHINES AND DATA PROCESSING EQUIPMENT, FIRE EXTINGUISHING APPARATUS					
France	RYKODISC	9	213755	31 MAY 1990	Registered	1679192	31 MAY 1990	31 MAY 2000
			D COMPACT DISCS, AUDIO TAPES, VINYL RECORDS, VIDEO CASSETTES, VIDEO 213755 CARTRIDGES AND VIDEO DISCS, SCIENTIFIC, NAUTICAL, SURVEYING, ELECTRIC, PHOTOGRAPHIC, CINEMATOGRAPHIC, OPTICAL, WEIGHING, MEASURING, SIGNALLING, CHECKING (SUPERVISION), LIFE- SAVING AND TEACHING APPARATUS AND INSTRUMENTS, APPARATUS FOR RECORDING, TRANSMISSION OR REPRODUCTION OF SOUND OR IMAGES, MAGNETIC DATA CARRIERS, RECORDING DISCS, AUTOMATIC VENDING MACHINES AND MECHANISMS FOR COIN OPERATED APPARATUS, CASH REGISTERS, CALCULATING MACHINES AND DATA PROCESSING EQUIPMENT, FIRE EXTINGUISHING APPARATUS					
Germany	RYKO & DESIGN	9	2024594	02 MAY 1991	Registered	2024594	13 NOV 1992	31 MAY 2001
			D "CARRIER MEDIA FOR SOUND AND IMAGES, NAMELY, COMPACT DISCS FOR AND/OR IMAGES, AUDIOTAPES, VINYL RECORDS, VIDEO CASSETTES AND VIDEO CARTRIDGES AND VIDEO DISCS"					



Country	Mark Name	Class (and)	Appln No.	Status	Reg. No.	Reg. Date	Renewal Date
Germany	RIKODISC	9 - CARRIER MEDIA FOR SOUND AND IMAGES, NAMELY, COMPACT DISCS FOR SOUND AND/OR IMAGES, AUDIOTAPES, VINYL RECORDS, VIDEO CASSETTES AND VIDEO CARTRIDGES AND VIDEO DISCS."	B 50 751/9 V 02 MAY 1991 Registered	2024595	15 NOV 1992	31 MAY 2001	
Spain	RIKODISC	7; RECORDING COMPACT DISCS, RECORDED AUDIO TAPES AND VINYL RECORDS AND ALL OTHER GOODS IN THIS CLASS	69550/1991	16 MAY 1991 Registered	2587493	29 JAN 1993	29 OCT 2003
United Kingdom	HANNIBAL	9 SOUND, FILM & VIDEO RECORDING; AUDIO AND AUDIO VIDEO TAPES, CASSETTES AND DISCS, COMPACT DISCS, VINYL RECORDS, VIDEO TAPES, CASSETTES, DISCS AND CARTRIDGES	1503711	05 JUN 1992 Registered	1503711	05 JUN 1992	05 JUN 1999
United Kingdom	HANNIBAL	9 SOUND, FILM AND VIDEO RECORDING; AUDIO AND AUDIO VIDEO TAPES, CASSETTES AND DISCS; COMPACT DISCS; VINYL RECORDS; VIDEO TAPES, CASSETTES, DISCS AND CARTRIDGES	1503606	15 JUN 1992 Registered	1503606	15 JUN 1992	15 JUN 1999
United Kingdom	PIAT II BY FAR	28 28/ ALL GOODS IN CLASS 28 INCLUDING TOYS, GAMES AND PLAYTHINGS; PARTS OR AND FITTINGS FOR THE AFORESAID GOODS	1607111	25 FEB 1992 Registered	01607110	25 FEB 1992	25 FEB 1999
United Kingdom	RIKODISC	9 ALL GOODS IN CLASS 9, HEADING OF WHICH IS SCIENTIFIC, NAUTICAL, SURVEILING, ELECTRIC, PHOTOGRAPHIC, CINEMATOGRAPHIC, OPTICAL, MEASURING, MEASURING, SIGNALLING, CHECKING (SUPERVISION), LIFE SAVING AND TEACHING APPARATUS AND INSTRUMENTS, APPARATUS FOR RECORDING, TRANSMISSION OR REPRODUCTION OF SOUND OR IMAGES, MAGNETIC DATA CARRIERS, RECORDING DISCS, AUTOMATIC WEAVING MACHINES AND MECHANISMS FOR COIN-OPERATED APPARATUS, CASH RECEIVERS, CALCULATING MACHINES AND DATA PROCESSING EQUIPMENT, FINE ENGRAVING APPARATUS	1625061	12 MAY 1990 Registered	1625061	21 MAY 1990	21 MAY 1997
United Kingdom	RIKODISC	9 COMPACT DISCS, AUDIO TAPES, VINYL RECORDS, VIDEO CASSETTES, VIDEO CARTRIDGES AND VIDEO DISCS, ALL INCLUDED IN CLASS 9	1625656	21 MAY 1990 Registered	1625656	21 MAY 1990	21 MAY 1997

Registrant Country	Mark Description	Type Serial No. filed	Reg. No. Issued	Sec. 8815 Due Renewal Due	Class(es) Goods/Services	Status
RYKO, INC UNITED STATES	HANNUAL	IM 281,225 USE 03 JUN 1992			CL. 9 COMPACT DISCS, VINYL RECORDS, VIDEO CARTRIDGES, VIDEO DISCS, AND AUDIO CASSETTES FEATURING MUSICAL ENTERTAINMENT	PENDING
RYKO, INC UNITED STATES	HANNUAL RECORDS & DESIGN	IM 281,224 USE 03 JUN 1992			CL. 9 COMPACT DISCS, VINYL RECORDS, VIDEO DISCS, VIDEO CARTRIDGES AND AUDIO CASSETTES FEATURING MUSICAL ENTERTAINMENT	PENDING
RYKO, INC UNITED STATES	PLAT 11 BY EAR	IM 344,718 USE 31 DEC 15			CL. 9 COMPUTER SOFTWARE PROGRAMS CONTAINING TRIVIA FACTS	ATTAINED

RYKO, INC  
UNITED STATES

RYKO, INC  
UNITED STATES

RYKO, INC  
UNITED STATES

24 RECORDED COMPACT DISCS, RECORDED AUDIO TAPES AND VINYL RECORDS 49551/1991 14 MAY 1991 Pending  
AND ALL OTHER GOODS BELONGING TO THIS CLASS.

RYKO & DESIGN

Japan

TRADEMARK