

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
MUZAK HOLDINGS LLC, <i>et al.</i> , <sup>1</sup>	)	
	)	Case No. 09-10422 (KJC)
Debtors.	)	
	)	Jointly Administered
	)	

**THIRD STIPULATION BETWEEN THE REQUIRED LENDERS  
AND THE UNSECURED CREDITORS COMMITTEE PROVIDING FOR A LIMITED  
EXTENSION OF THE CHALLENGE PERIOD**

WHEREAS, pursuant to the Stipulation Between the Required Lenders and the Unsecured Creditors Committee Providing for a Limited Extension of the Challenge Period dated June 8, 2009 (the "First Stipulation"), the Required Lenders and the Committee agreed to extend the Challenge Period with respect to certain Remaining Claims identified therein to July 7, 2009.<sup>2</sup>

WHEREAS, pursuant to the Second Stipulation Between the Required Lenders and the Unsecured Creditors Committee Providing for a Limited Extension of the Challenge Period dated June 8, 2009 (the "Second Stipulation"), the Required Lenders and the Committee agreed to extend the Challenge Period with respect to certain of the Remaining Claims (other than those

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<sup>1</sup> The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's federal tax identification number, are: Muzak Holdings LLC (3730); Muzak Holdings Finance Corp. (3728); Muzak LLC (3729); Background Music Broadcasters, Inc. (3014); Muzak Capital Corporation (2302); MLP Environmental Music, LLC (6098); Business Sound, Inc. (9525); BI Acquisition, LLC (6049); Muzak Finance Corp. (7963); Electro-Systems Corporation (6059); Audio Environments, Inc. (4111); Telephone Audio Productions, Inc. (4894); Vortex Sound Communications Company, Inc. (3711); Muzak Houston, Inc. (9984); and Music Incorporated (3710). The location of the Debtors' corporate headquarters and the service address for all the Debtors is: 3318 Lakemont Boulevard, Fort Mill, South Carolina 29708.

<sup>2</sup> Capitalized terms undefined herein shall have the meaning attributed to them in the First Stipulation.

Expired Remaining Claims as identified therein) to August 17, 2009;

WHEREAS the Required Lenders and the Committee wish to agree to an additional limited extension of the Challenge Period in the manner set forth in this Third Stipulation Between the Required Lenders and the Unsecured Creditors Committee Providing for a Limited Extension of the Challenge Period (the "Third Stipulation").

NOW, THEREFORE, the Parties, by and through their undersigned counsel, do hereby stipulate and agree as follows:

1. The Challenge Period with respect to the Remaining Claims other than (a) the Expired Remaining Claims (as defined in the Second Stipulation) and (b) any claim relating to the perfection and validity of the Prepetition Lenders' liens on registered copyrights of the Debtors (the "Copyright Claim"), shall be and hereby is extended through and including September 17, 2009.
2. The Challenge Period shall expire as to the Copyright Claim. Pursuant to paragraph 20 of the Final Cash Collateral Order, any and all Challenges relating to the Copyright Claim are forever waived and barred.
3. Any further extension of the Challenge Period shall be with the written consent of the Required Lenders or by order of the Court upon a showing of cause.
4. Nothing in this stipulation shall be deemed an admission by the Required Lenders with respect to the Remaining Claims, including, but not limited to, an admission that the Committee has standing to pursue such claims. All rights and defenses of the Parties to this stipulation with respect to the Remaining Claims other than the Expired Remaining Claims and the Copyright Claim are hereby preserved.

**DORSEY & WHITNEY (DELAWARE)  
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*Co-Counsel to the Official Committee of  
Unsecured Creditors*

Dated: August 17, 2009  
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*Co-Counsel to the Required Lenders*

Dated: August 17, 2009  
Wilmington, DE

**IN THE UNITED STATES BANKRUPTCY COURT  
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**In re:**

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**Debtors.**

Chapter 11

Case No. 09-10422 (KJC)

Jointly Administered

**CERTIFICATE OF SERVICE**

I, Robert W. Mallard, Esq., hereby certify that on the 18<sup>th</sup> of August, 2009, I caused the following document to be served on the parties on the attached service list via first class mail.

*Third Stipulation Between the Required Lenders and the Unsecured Creditors Committee  
Providing for a Limited Extension of the Challenge Period*

Dated: August 18, 2009

By: /s/ Robert W. Mallard  
Robert W. Mallard (No. 4279)  
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