Employment Contracts

On August 29, 2007, the Company entered into an employment agreement with Kyle R. Kirkland. The agreement provides that Mr. Kirkland will continue to serve as Chairman of the Board of the Company in consideration of an annual base salary of $350,000, which may be increased following the end of each year of service. In addition to a base salary, Mr. Kirkland is eligible to receive bonuses and certain other employment benefits. The agreement automatically renews on an annual basis unless at least 60 days notice is given by the Company. The agreement provides that in the event the Company does not renew the agreement, it is obligated to pay to Mr. Kirkland a lump sum equal to twice his latest annual salary plus bonus in consideration of Mr. Kirkland's agreement to not compete with the Company for a period of two years from the date of non-renewal.

On August 29, 2007, the Company entered into an employment agreement with Dana D. Messina. The agreement provides that Mr. Messina will continue to serve as President and Chief Executive Officer of the Company in consideration of an annual base salary of $500,000, which may be increased following the end of each year of service. In addition to a base salary, Mr. Messina is eligible to receive bonuses and certain other employment benefits. The agreement automatically renews on an annual basis unless at least 60 days notice is given by the Company. The agreement provides that in the event the Company does not renew the agreement, it is obligated to pay Mr. Messina a lump sum equal to twice his latest annual salary plus bonus in consideration of Mr. Messina's agreement to not compete with the Company for a period of two years from the date of non-renewal.

On August 29, 2007, the Company entered into an employment agreement with Dennis M. Hanson. The agreement provides that Mr. Hanson will continue to serve as General Counsel, Senior Executive Vice President and Chief Financial Officer of the Company in consideration of an annual base salary of $390,000, which may be increased following the end of each year of service. In addition to a base salary, Mr. Hanson is eligible to receive bonuses and certain other employment benefits. The agreement automatically renews on an annual basis unless at least 60 days notice is given by the Company. The agreement provides that in the event the Company does not renew the agreement, it is obligated to pay to Mr. Hanson a lump sum equal to his latest annual salary plus bonus in consideration of Mr. Hanson's agreement to not compete with the Company for a period of two years from the date of non-renewal.

On August 29, 2007, Steinway & Sons entered into an employment agreement with Thomas Kurrer. The agreement provides that effective January 1, 2008 Mr. Kurrer will serve as President of Steinway & Sons Worldwide in consideration of an annual base salary of €340,000, which may be increased following the end of each year of service. In addition to a base salary, Mr. Kurrer is eligible to receive bonuses and certain other employment benefits. After the initial three-year term, the agreement automatically renews on an annual basis unless at least 60 days notice is given by Steinway & Sons. The agreement provides that in the event Steinway & Sons does not renew the agreement, it is obligated to pay to Mr. Kurrer a lump sum equal to his latest annual salary plus bonus in consideration of Mr. Kurrer's agreement to not compete with Steinway & Sons for a period of two years from the date of non-renewal.

On August 29, 2007, Steinway, Inc. entered into an employment agreement with Ronald Losby. The agreement provides that, effective January 1, 2008, Mr. Losby will serve as President of Steinway & Sons-Americas in consideration of an annual base salary of $375,000, which may be increased following the end of each year of service. In addition to a base salary, Mr. Losby is eligible to receive bonuses and certain other employment benefits. After the initial three-year term, the agreement automatically renews on an annual basis unless at least 60 days notice is given by Steinway, Inc. The agreement provides that in the event Steinway, Inc. does not renew the agreement, it is obligated to pay to Mr. Losby a lump sum equal to his latest annual salary plus bonus in consideration of Mr. Losby's agreement to not compete with Steinway, Inc. for a period of two years from the date of non-renewal.

On October 17, 2002, Conn-Selmer entered into an employment agreement with John M. Stoner, Jr. The agreement provides that Mr. Stoner will serve as President and Chief Executive Officer of