

01-04-1999

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



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

100869905

MRD  
3-20-98

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

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 # \_\_\_\_\_
- 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  
2-18-98

Name Golf America Stores, Inc.

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 Paragon Capital LLC

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) Hillside Office Building

Address (line 2) 75 Second Avenue, Suite 400

Address (line 3) Needham

MA

02194

City

State/Country

Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other Limited Liability Company

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.)

- Citizenship/State of Incorporation/Organization Delaware

FOR OFFICE USE ONLY

40E  
NO SPEC FEE

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: 1787 FRAME: 0101

FORM PTO-1618B  
Expires 09/30/99  
OMB 0951-0027

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

**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.

Mary Ellen Welch Rogers

Name of Person Signing



Signature

3.17.99

Date Signed

## TRADEMARK SECURITY AGREEMENT

THIS SECURITY AGREEMENT is entered into as of \_\_\_\_\_, 1998, by and between Golf America Stores, Inc., a Maryland corporation, formerly Golf America Stores, LLC, a Maryland limited liability company having its principal place of business at 1001 Franklin Square Drive Suite G Baltimore, MD 21236 (the "**Borrower**"), and Paragon Capital LLC, a Delaware limited liability company with a usual place of business at Hillside Office Building, 75 Second Avenue Suite 400 Needham, MA 02194 ("**Paragon**").

NOW THEREFORE, in consideration of the premises, Borrower hereby agrees with Paragon as follows:

1. **Grant of Security Interest.** Borrower hereby grants to Paragon a first priority security interest in, and conditionally assigns, but does not transfer title to Paragon, all of Borrower's right, title and interest in and to the following (collectively, the "**Collateral**") to secure payment and performance of all obligations of Borrower to Paragon whether such obligations are direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation, those liabilities of Borrower to Paragon pursuant to a Loan and Security Agreement dated December \_\_\_\_\_, 1997, between Paragon and Borrower (the "**Loan Agreement**") (collectively, the "**Obligations**").

The Collateral shall consist of the following:

(a) Each of the trademarks, and rights and interests protectible as trademarks, which are presently, or in the future may be, owned, created, acquired or used (whether pursuant to a license or otherwise) by Borrower, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(b) All of Borrower's right, title and interest, in and to the trademarks and trademark registrations listed on Schedule A attached hereto, as the same may be updated hereafter from time to time;

(c) All of Borrower's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country, and to apply for, renew and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Borrower or in the name of Paragon for past, present and future infringements of the trademarks, registrations or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(d) All general intangibles relating to the Collateral; and

(e) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

2. **Warranties and Representations.** Borrower hereby warrants and represents to Paragon the following:

(a) A true and complete schedule setting forth all federal and state trademark registrations owned or controlled by Borrower or licensed to Borrower, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(a) To endorse Borrower's name on all applications, documents, papers and instruments necessary for Paragon to use or maintain the Collateral;

(b) To ask, demand, collect, sue for, recover, impound, receive and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral;

(c) To file any claims or take any action or institute any proceedings that Paragon may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Paragon's rights with respect to any of the Collateral and to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any person.

7. **Right to Inspect.** Borrower grants to Paragon and its employees and agents the right to visit Borrower's plants and facilities which manufacture, inspect or store products sold under any of the trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

8. **Events of Default.** The occurrence of an Event of Default as that term is defined in the Loan Agreement shall be an Event of Default.

9. **Specific Remedies.** Upon and during the continuance of any Event of Default:

(a) Paragon may cease advancing money or extending credit to or for the benefit of Borrower under the Loan Agreement or under any other agreement between Borrower and Paragon.

(b) Paragon may declare all Obligations to be due and payable immediately, whereupon they shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower;

(c) Paragon may set off against the Obligations all Collateral, balances, credits, deposits, accounts or moneys of Borrower then or thereafter held with Paragon, including amounts represented by certificates of deposit;

(d) Paragon may notify licensees to make royalty payments on license agreements directly to Paragon;

(e) Paragon may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Paragon deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Borrower ten (10) days prior to such disposition. Borrower shall be credited with the net proceeds of such sale only when they are actually received by Paragon, and Borrower shall continue to be liable for any deficiency remaining after the Collateral is sold or collected;

(f) If the sale is to be a public sale, Paragon shall also give notice of the time and place by publishing a notice one time at least ten (10) calendar days before the date of the sale in a newspaper of general circulation in Baltimore, Boston and New York City and in any other city in which the sale is to be held; and

(g) To the maximum extent permitted by applicable law, Paragon may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any Collateral payable by Paragon at such sale.

10. **Governing Law.** All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Borrower and Paragon have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

GOLF AMERICA STORES, INC.  
By: [Signature]  
Stuart M. Lucas, President

PARAGON CAPITAL LLC  
By: [Signature]  
Andrew H. Moser, President

**STATE OF MARYLAND**

County of \_\_\_\_\_, 1998

Then personally appeared the above-named, Stuart M. Lucas, President and Chief Executive Officer, and acknowledged the foregoing instrument to be the free act and deed of Golf America Stores, Inc., before me,



[Signature]  
Notary Public  
My Commission Expires:

JACQUELYN N. QUICKLEY  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires May 13, 2000

**COMMONWEALTH OF MASSACHUSETTS**

Middlesex, ss. \_\_\_\_\_, 1998

Then personally appeared the above-named, Andrew H. Moser, President, and acknowledged the foregoing instrument to be the free act and deed of Paragon Capital LLC, before me,

\_\_\_\_\_  
Notary Public  
My Commission Expires:

F:\USER\MER\Paragon\Revised TM Security Agreement.wpd

**SCHEDULE A**

**TO A TRADEMARK SECURITY AGREEMENT  
BETWEEN GOLF AMERICA STORES, INC. (Borrower)  
and  
PARAGON CAPITAL LLC (Lender)**

**Registered Trademarks/Service Marks (USA)**

<b><u>Trademark/Service Mark</u></b>	<b><u>Registration No.</u></b>	<b><u>Issue Date</u></b>
Sockwear For America's Game **	2,107,861	10/21/97
Golfwear For America's Game	2,001,923	09/17/96
Golfwear For America's Game	2,005,192	10/01/96
Golf America	2,016,814	11/19/96

**Pending Applications (USA)**

<b><u>Trademark/Service Mark</u></b>	<b><u>Application No.</u></b>	<b><u>Filing Date</u></b>
Golf America Senior Tour Card **	74/631,713	02/08/95
Golf America Stores **	74/594,980	11/04/94
G A Golf America	75/351,956	09/04/97

**Pending Applications (Canada)**

<b><u>Trademark/Service Mark</u></b>	<b><u>Application No.</u></b>	<b><u>Filing Date</u></b>
Golf America Stores	816,618	06/28/96
Golf America	816,617 (Published)	06/28/96

\*\* Assignment in process to Golf America Stores, Inc.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fees.

3. Article Addressed to:  
 Commissioner of Patents and Trademarks  
 U.S. Patent and Trademark Office  
 Box Assignments  
 Washington, D.C.

4a. Article Number  
 Z 748 848 929

- 4b. Service Type
- Registered  Certified
  - Express Mail  Insured
  - Return Receipt for Merchandise  COD

7. Date of Delivery

5. Received By: (Print Name)

Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

RECEIVED  
 MAR 20 1998  
 POST OFFICE  
 MAR 20 1998

Thank you for using Return Receipt Service.