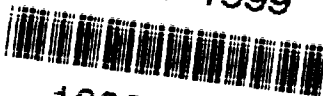


#3

04-14-1999

FORM PTO-1594 (Rev. 6-93) OMB No. 0651-0011 (exp. 4/94)

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U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

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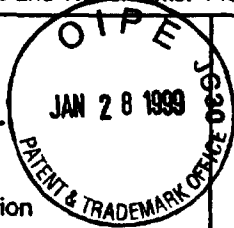
100965387

To the Honorable Commissioner of Patents and Trademarks: Please record and forward original documents or copy thereof.

1. Name of conveying party(ies):

MO 1-28-99

Guide Series, Inc.



- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State Florida, Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: 7/24/98

2. Name and address of receiving party(ies)

Name: Foothill Capital Corporation

Internal Address: Suite 1500

Street Address: 11111 Santa Monica Blvd.

City: Los Angeles State: CA ZIP: 90025

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State California, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

See Schedule I attached hereto

A. Trademark Application No.(s)

75168646 75214033 TM
75214031 75214034
75214032

B. Trademark Registration No.(s)

2,113,011 2,142,529
2,140,659 1,914,797

Additional numbers attached? Yes No

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

Name: Michael L. Perry, LA

Internal Address:

Paul, Hastings, Janofsky & Walker

Suite 2400

Street Address:

600 Peachtree Street NE

City: Atlanta State: GA ZIP: 30308

6. Total number of applications and registrations involved: 12

7. Total fee (37 CFR 3.41).....\$ 315.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

02/02/1999 SBURNS 00000078 75168646

DO NOT USE THIS SPACE

01 FC:441 40.00 DP
02 FC:482 275.00 DP

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.

Michael L. Perry
Name of Person Signing

Signature

1/21/99

Date

Total number of pages including cover sheet, attachments, and document: 15

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK REEL: 1839 FRAME: 0768

SCHEDULE I

**TRADEMARK APPLICATION NUMBERS**

75376729

75376730

75376731

## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement") is made as of July 24, 1998, between Guide Series, Inc., a Florida corporation ("Pledgor") and Foothill Capital Corporation, a California corporation (the "Agent"), as agent for the Lenders (as defined below).

### WITNESSETH:

WHEREAS, JumboSports Inc., a Florida corporation ("Borrower"), the financial institutions listed on the signature pages thereof (such financial institutions, together with their respective successors and assigns, being hereinafter each referred to as a "Lender" and collectively as the "Lenders"), Congress Financial Corporation, as Co-Agent and the Agent are parties to that certain Loan and Security Agreement of even date herewith (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Loan Agreement"), pursuant to which the Lenders have agreed to extend credit to the Borrower from time to time and the Borrower has granted a security interest in all of its assets to the Agent for the benefit of the Lender Group (as defined in the Loan Agreement); and

WHEREAS, the Pledgor is a Subsidiary (as defined in the Loan Agreement) of the Borrower, and the Pledgor will realize substantial direct and indirect benefits as a result of the extensions of credit to the Borrower pursuant to the Loan Agreement; and

WHEREAS, the Lender Group has required that the Pledgor execute and deliver this Agreement (i) in order to secure, as further described below, the payment and performance of, among other things, (a) the obligations of the Pledgor arising from this Agreement and that certain Subsidiary Guaranty of even date herewith, and (b) all Obligations (as defined in the Loan Agreement) of the Borrower under the Loan Agreement, ((a) and (b) being hereinafter together referred to as the "Secured Obligations") and (ii) as a condition precedent to any extension of credit to the Borrower under the Loan Agreement;

NOW, THEREFORE, for and in consideration of the premises set forth above and for other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Pledgor agrees as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Loan Agreement shall have the meaning specified for such term in the Loan Agreement.

(b) The words "hereof", "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Secured Obligations, the Pledgor hereby grants to the Agent for the benefit of the Lender Group a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of the trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule 1 attached hereto and made a part hereof and all of the trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications hereafter acquired or arising, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) all claims for past, present and future infringements and dilutions thereof, (d) the goodwill of the Pledgor's business symbolized by and connected with the foregoing and (e) all of the Pledgor's rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks and trademark applications, service marks, registered service marks and service mark applications, together with the items described in clauses (a)-(e) in this paragraph 4(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks").

5. Restrictions on Future Agreements. The Pledgor agrees that it will not, without the Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and the Pledgor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to the Agent under this Agreement or the rights associated with those Trademarks listed under Section A of Schedule 1 (the "Protected Marks").

6. New Trademarks. The Pledgor represents and warrants that, from and after the Agreement Date, no liens, claims or security interests in such Trademarks have been granted by the Pledgor to any Person other than the Agent and except as disclosed in the Loan Agreement. If, prior to the termination of this

Agreement, the Pledgor shall (i) obtain rights to any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications or (ii) become entitled to the benefit of any trademarks, trade names, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals or license agreements whether as licensee or licensor, the provisions of paragraph 4 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). The Pledgor shall give to the Agent written notice of filing of any new trademark or service mark applications. The Pledgor hereby authorizes the Agent to modify this Agreement unilaterally (i) by amending Schedule 1 to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, which are Trademarks under paragraph 4 above or under this paragraph 6 and (ii) by filing with appropriate federal, state or local authorities, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule 1 thereto or other appropriate notice, as the case may be, such future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications.

7. Royalties. The Pledgor hereby agrees that the use by the Agent of the Trademarks as authorized hereunder in connection with the Agent's exercise of its rights and remedies under paragraph 15 or pursuant to any Loan Document shall be coextensive with the Pledgor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Agent and the Lenders to the Pledgor.

8. Right to Inspect; Further Assignments and Security Interest. The Agent may from time to time hereafter have access to, examine, audit, make copies (at the Pledgor's expense) and extracts from and inspect the Pledgor's premises and examine the Pledgor's books, records and operations relating to the Trademarks. The Pledgor agrees not to sell or knowingly assign its interests in, or grant any license under, the Trademarks without the prior and express written consent of the Agent.

9. Nature and Continuation of the Agent's Security Interest; Termination of the Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and shall terminate only when the Secured Obligations have been paid in full and the Loan Agreement has been terminated. When this Agreement has terminated, the Agent shall promptly execute and deliver to the Pledgor, at the Pledgor's expense, all termination statements and other instruments as may be necessary or proper to terminate the Agent's security interest in the Trademarks, subject to any disposition thereof which may have been made by the Agent pursuant to this Agreement or the Loan Agreement.

10. Duties of the Pledgor. The Pledgor shall have the duty, to the extent desirable in the normal conduct of its business, to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement. The

Pledgor further agrees (i) not to abandon any Protected Mark or, in Pledgor's discretion, any other Trademark that is or shall be necessary or economically desirable in the operation of the Pledgor's business without the prior written consent of the Agent, and (ii) to use its best efforts to maintain in full force and effect the Protected Marks and, in Pledgor's discretion, any other Trademarks that are or shall be necessary or economically desirable in the operation of the Pledgor's business. Any expenses incurred in connection with the foregoing shall be borne by the Pledgor. The Agent shall not have any duty with respect to the Trademarks. Without limiting the generality of the foregoing, neither the Agent nor any of the Lenders shall be under any obligation to take any steps necessary to preserve rights in the Trademarks against any other parties, but the Agent may do so at its option from and after the occurrence of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of the Pledgor and shall be added to the Secured Obligations secured hereby.

11. The Agent's Right to Sue. From and after the occurrence of an Event of Default, the Agent shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and, if the Agent shall commence any such suit, the Pledgor 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. The Pledgor shall, upon demand, promptly reimburse the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this paragraph 11 (including, without limitation, fees and expenses of attorneys and paralegals for the Agent).

12. Waivers. The Agent's failure, at any time or times hereafter, to require strict performance by the Pledgor of any provision of this Agreement shall not waive, affect or diminish any right of the Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Pledgor and the Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Pledgor contained in this Agreement shall be deemed to have been suspended or waived by the Agent unless such suspension or waiver is in writing signed by an officer of the Agent and directed to the Pledgor specifying such suspension or waiver.

13. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or by a writing signed by the parties hereto.

15. Power of Attorney; Cumulative Remedies. (a) The Pledgor hereby designates, constitutes and appoints the Agent (and all officers and agents of the Agent designated by the Agent in its sole and absolute discretion) as the Pledgor's true and lawful attorney-in-fact, and authorizes the Agent and any of the Agent's designees, in the Pledgor's or the Agent's name, upon the occurrence and during the continuation of an Event of Default to take any action and execute any instrument necessary or reasonably advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse the Pledgor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Agent in the use of the Trademarks, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone and (iv) take any other actions with respect to the Trademarks as the Agent reasonably deems in the best interest of the Lender Group. The Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. The Pledgor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) The Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located or deemed located. Upon the occurrence of an Event of Default and the election by the Agent to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code as in effect in the State of Georgia with respect to the Trademarks, the Pledgor agrees to assign, convey and otherwise transfer title in and to the Trademarks to the Agent or any transferee of the Agent and to execute and deliver to the Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Agent's sole discretion, to effect such assignment, conveyance and transfer. All of the Agent's rights and remedies with respect to the Trademarks, whether established hereby, by the Loan Agreement or by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default, the Agent may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. The Pledgor agrees that any notification of intended disposition of any of the Trademarks required by law shall be deemed reasonably and properly given if given at least five (5) days, if such notice is given by facsimile or eight (8) days, if such notice is given by mail, before such disposition; provided, however, that the Agent may give any shorter notice that is commercially reasonable under the circumstances.

16. Successors and Assigns. This Agreement shall be binding upon the Pledgor and its successors and assigns, and shall inure to the benefit of each of the Agent and the Lenders and their respective nominees, successors and assigns.

17. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in

accordance with the laws and decisions of the State of Georgia without reference to the conflicts or choice of law principles thereof.

18. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Subsidiary Guaranty and the Loan Agreement.

19. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

21. Merger. This Agreement represents the final agreement of the Pledgor, the Lenders and the Agent with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Pledgor and the Agent or any Lender.

22. Effectiveness. This Agreement shall become effective on the Closing Date.

(remainder of page intentionally left blank)



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

Sworn to and subscribed  
before me this 24<sup>th</sup> day of  
July, 1998.

*Arnold Williams Jr.*

GUIDE SERIES, INC., a Florida  
corporation

By: *R.P. Spriggs*

Its: *Vice President*

NOTARY PUBLIC  
My Commission Expires  
**Notary Public, Fulton County, Georgia**  
**My Commission Expires Nov. 3, 2000**

Sworn to and subscribed  
before me this 24<sup>th</sup> day of  
July, 1998.

*Arnold Williams Jr.*

FOOTHILL CAPITAL CORPORATION,  
as Agent

By: *Christopher Tom*

Its: *Vice President*

NOTARY PUBLIC  
My Commission Expires  
**Notary Public, Fulton County, Georgia**  
**My Commission Expires Nov. 3, 2000**

SCHEDULE 1  
TO  
TRADEMARK SECURITY AGREEMENT

A. PROTECTED MARKS

- 1. Patents: NONE
- 2. Registered Trade Names: NONE
- 3. Trade Marks/Service Marks:

<u>Owner of Mark</u>	<u>Mark</u>	<u>Jurisdiction</u>	<u>App./Reg. No.</u>	<u>Status</u>	<u>Date</u>
Guide Series, Inc.	JUMBOSPORTS	United States	2,113,011	Registered	11/11/97

- 4. Registered Copy Rights: NONE

B. UNPROTECTED MARKS

- 1. Patents: NONE
- 2. Registered Trade Names:

<u>Owner of Registered Trade Name</u>	<u>Registered Trade Name</u>	<u>Jurisdiction</u>	<u>Date</u>
Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended)*	LINCOLN SPORTS & REC	Nebraska	1/18/95

Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended) *	OMAHA SPORTS	Nebraska	8/26/93
Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended) *	TULSA SPORTS UNLIMITED	Oklahoma	7/29/91
Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended) *	OKLAHOMA CITY SPORTS UNLIMITED	Oklahoma	8/20/90
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended) *	NEW ORLEANS SPORTS UNLIMITED	Louisiana	8/6/90
Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended) *	BATON ROUGE SPORTS UNLIMITED	Louisiana	8/6/90
Guide Series, Inc. (assigned from JumboSports Inc., f/k/a Sports & Recreation, Inc., by assignment dated 7/28/95, as amended) *	ALBUQUERQUE SPORTS & REC	New Mexico	8/11/95

\* - Evidence of the assignment from Sports & Recreation, Inc. (n/k/a JumboSports Inc.) to Guide Series, Inc., referenced hereinabove has not been filed with any corresponding trademark filing office.

3. Trademarks/Service Marks:

<u>Owner of Mark</u>	<u>Mark</u>	<u>Jurisdiction</u>	<u>App./Reg. No.</u>	<u>Status</u>	<u>Date</u>
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	GUIDE SERIES	United States	1,914,797	Registered	8/29/95
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	MILWAUKEE Sports	Wisconsin	n/a per WI Sec of State	Registered	8/3/94
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	MILWAUKEE SPORTS & REC	Wisconsin	n/a per WI Sec of State	Registered	6/7/95

Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	NASHVILLE SPORTS UNLIMITED	Tennessee	n/a per TN Sec of State	Registered	4/5/90
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	KNOXVILLE SPORTS UNLIMITED	Tennessee	n/a per TN Sec of State	Registered	4/5/90
Guide Series, Inc. (assigned from Sports & Recreation, Inc. (n/k/a JumboSports Inc.), by assignment dated 7/28/95, as amended)*	MEMPHIS SPORTS UNLIMITED	Tennessee	n/a per TN Sec of State	Registered	4/5/90
Guide Series, Inc.	JUMBOSPORTS (plus design)	Virginia	0311	Registered	5/5/97
Guide Series, Inc.	SPORTS DEPOT	United States	75168646	Pending	9/19/96
Guide Series, Inc.	JUMBOSPORTS (plus design)	United States	75214031	Pending	12/16/96
Guide Series, Inc.	JUMBOSPORTS (plus design)	United States	75214032	Pending	12/16/96
Guide Series, Inc.	JUMBOSPORTS (plus design)	United States	75214033	Pending	12/16/96

Guide Series, Inc.	JUMBOSPORTS (Plus design)	United States	75214034	Pending	12/16/96
Guide Series, Inc.	WE'RE BIG ON SPORTS	United States	75376729	Pending	10/21/97
Guide Series, Inc.	WE'RE BIG IN SPORTS	United States	75376730	Pending	10/21/97
Guide Series, Inc.	WE'VE GOT THE STUFF	United States	75376731	Pending	10/21/97
Guide Series, Inc.	Misc. Design (Color "Bo" Character)	United States	2,140,659	Registered	3/3/98
Guide Series, Inc.	Misc. Design (B/W "Bo" Character)	United States	2,142,529	Registered	3/10/98

\* - Evidence of the assignment from Sports & Recreation, Inc. (n/k/a Jumbosports Inc.) to Guide Series, Inc., referenced hereinabove has not been filed with any corresponding trademark filing office.

**NONE**

4. Registered Copyrights:

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