

04-12-1999

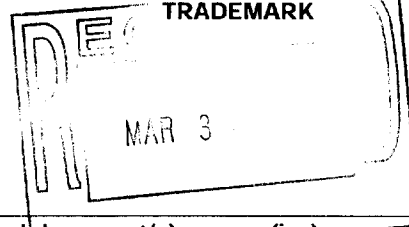
FORM PTO-1618A
Expires 09/30/99
OMB 0651-0027



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U.S. Department of Commerce
Patent and Trademark Office

TRADEMARK



RECORDATION FORM COVER SHEET TRADEMARKS ONLY

MR 3/3/99

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

Name Execution Date
Month Day Year

Formerly

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

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
- 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

FOR OFFICE USE ONLY

04/09/1999 DNGUYEN 00000274 754568511

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(40.00 OP)

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: 1880 FRAME: 0652

Domestic Representative Name and Address

Enter for the first Receiving Party only.

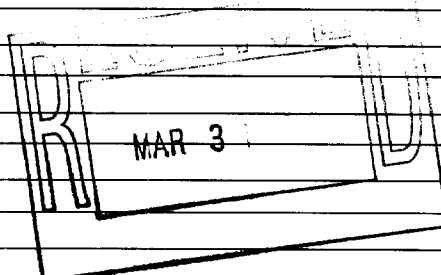
Name

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)

<input type="text" value="75-456858"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

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.

David P. Sharrow, Esq.

3/30/99

Name of Person Signing

Signature

Date Signed

IMPERIAL BANK
Member FDIC

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT (this "Trademark Agreement"), dated as of March 11, 1999, between **INTEGRATED FITNESS CORP.**, a Delaware corporation (the "Borrower"), and **IMPERIAL BANK**, a bank organized under the laws of the State of California (the "Bank").

WHEREAS, the Borrower and the Bank are parties to the Loan Agreement, dated as of October 13, 1998, as amended by Amendment No. 1 to Loan Agreement, dated as of December 29, 1998 (as amended, "Loan Agreement"), pursuant to the terms and conditions of which (i) the Bank has agreed to make loans to the Borrower and (ii) the Borrower has promised, among other things, to pay to the Bank the unpaid principal balance of the loans and interest thereon.

WHEREAS, the Borrower has executed and delivered to the Bank the Security Agreement, dated as of October 13, 1998 (the "Security Agreement"), pursuant to which the Borrower has granted to the Bank, a security interest in certain of the Borrower's personal property and fixture assets, including without limitation the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto, all to secure the payment and performance of the obligations of the Borrower under the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement) (the "Obligations"); and

WHEREAS, this Trademark Agreement is supplemental to the provisions contained in the Security Agreement;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the same meanings given to such terms in the Loan Agreement and the Security Agreement. In addition, the following terms shall have the meanings set forth in this §1:

Assignment of Marks. See §2.1.

Associated Goodwill. All goodwill of the Borrower and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Pledged Trademarks. All of the Borrower's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark Rights, the Associated Goodwill, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

PTO. The United States Patent and Trademark Office.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Borrower or the Bank, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks, including the following: the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Borrower or the Bank for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of the Borrower, that are set forth on Schedule A hereto.

2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, the Borrower hereby grants to the Bank a continuing security interest in and lien on the Pledged Trademarks. In addition, the Borrower has executed in blank and delivered to the Bank an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"). The Borrower hereby authorizes the Bank to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Bank's remedies under this Trademark Agreement and the Security Agreement.

2.2. Supplemental to Security Agreement. Pursuant to the Security Agreement the Borrower has granted to the Bank a continuing security interest in and lien on the Collateral (including the Pledged Trademarks). Any and all rights and interests of the Bank in and to the Pledged Trademarks (and any and all obligations of the Borrower with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Bank (and the obligations of the Borrower) in, to or with respect to the Collateral (including the Pledged Trademarks) provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Borrower represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademarks and Trademark Registrations now owned or controlled by the Borrower; and (ii) the Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that the Borrower is licensed to use), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by the Borrower not to sue third persons, other than the lien created by the Security Agreement and this Trademark Agreement.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Bank's prior written consent, the Borrower will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Borrower's obligations under this Trademark Agreement or the Security Agreement, except for the licensing of any of the Pledged Trademarks pursuant to strategic alliances, software development agreements, joint ventures and the like, entered into in the ordinary course of business, which do not limit or restrict the security interest granted to the Assignee hereunder.

5. AFTER-ACQUIRED TRADEMARKS, ETC.

5.1. After-acquired Trademarks. If, before the Obligations shall have been finally paid and satisfied in full, and all of the commitments shall have terminated, the Borrower shall obtain any right, title or interest in or to any other or new trademarks, trademark registrations or trademark rights, the provisions of this Trademark Agreement shall automatically apply thereto and the Borrower shall promptly provide to the Bank notice thereof in writing and execute and deliver to the Bank such documents or instruments as the Bank may reasonably request further to implement, preserve or evidence the Bank's interest therein.

5.2. Amendment to Schedule. The Borrower authorizes the Bank to modify this Trademark Agreement and the Assignment of Marks, without the necessity of the Borrower's further approval or signature, by amending Exhibit A hereto and the Annex to the Assignment of Marks to include any future or other Trademarks, Trademark Registrations or Trademark Rights under §2 or §5.

6. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Bank shall have, in addition to all other rights and remedies given it by this Trademark Agreement, the Loan Agreement, the Security Agreement and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Connecticut.

7. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, and all the commitments of the Bank to make loans to the Borrower shall have terminated, this Trademark Agreement shall terminate and the Bank shall, upon the written request and at the expense of the Borrower, execute and deliver to the Borrower all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Borrower the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Bank by the Borrower pursuant to this Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Bank pursuant hereto or the Security Agreement.

8. NO ASSUMPTION OF LIABILITY.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE BANK ASSUMES NO LIABILITIES OF THE BORROWER WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE BORROWER'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS.

9. AMENDMENT AND WAIVER.

This Trademark Agreement is subject to modification only by a writing signed by the Bank and the Borrower, except as provided in §5.2. The Bank shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Bank. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

10. MISCELLANEOUS.

The headings of each section of this Trademark Agreement are for convenience only and shall not define or limit the provisions thereof. This Trademark Agreement and all rights and obligations hereunder shall be binding upon the Borrower and its respective successors and assigns, and shall inure to the benefit of the Bank and its respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Trademark Agreement and the Loan Agreement, or between this Trademark Agreement and the Security Agreement, the provisions of the Loan Agreement or the Security

Agreement, as the case may be, shall control. If any term of this Trademark Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Trademark Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Borrower acknowledges receipt of a copy of this Trademark Agreement.

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

INTEGRATED FITNESS CORP.

By: Henry Schaffer
Name: Henry Schaffer
Title: Vice President

IMPERIAL BANK

By: William Sweeney
Name: William Sweeney
Title: Vice President

CERTIFICATE OF ACKNOWLEDGMENT

THE STATE OF CONNECTICUT)
COUNTY OF Fairfield) ss.)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 11th day of March, 1999, personally appeared Henry Schaffer to me known personally, and who, being by me duly sworn, deposes and says that he is the VP Finance of Integrated Fitness Corp. and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said VP Finance acknowledged said instrument to be the free act and deed of said corporation.

Laureen M Barnes
Notary Public
My commission expires:

My Commission Expires Jan. 31, 2003

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, INTEGRATED FITNESS CORP., a corporation existing under the laws of the state of Delaware (the "Borrower"), has adopted and used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, IMPERIAL BANK, a bank organized under the laws of the State of California, having a place of business at 225 Franklin Street, Boston, Massachusetts 02110 (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Borrower does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

IN WITNESS WHEREOF, the Borrower, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this 11th day of March, 1999.

INTEGRATED FITNESS CORP.

By: Henry Schaffer
Title: Vice President

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Borrower to the Assignee is hereby accepted as of the day of , .

IMPERIAL BANK

By: William King
Title: Vice President

THE STATE/Commonwealth of Connecticut)
COUNTY OF Fairfield) ss.

On this the 11th day of March, 1999, before me appeared Henry Schaffer, the person who signed this instrument, who acknowledged that (s)he is the VP, Finance of Integrated Fitness Corp. and that being duly authorized (s)he signed such instrument as a free act on behalf of Said corporation.

Laureen M. Barnett
Notary Public
My commission expires:

(Seal)

Notary Public, State of Connecticut, 2003

SCHEDULE A**Trademarks and Trademark Registrations**

<u>Trademark</u> or <u>Service Mark</u>	Registrations -- United States Patent and Trademark Office	
	<u>Registration No.</u>	<u>Registration Date</u>

<u>Trademark</u> or <u>Service Mark</u>	Pending Applications - United States Patent and Trademark Office	
	<u>Serial No.</u>	<u>Filing Date</u>

Fitlinxx	75-456858	March 26, 1998
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ANNEX

Trademark
or
Service Mark

Registrations --
United States Patent and Trademark Office
Registration No. Registration Date

Trademark
or
Service Mark

Pending Applications --
United States Patent and Trademark Office
Serial No. Filing Date

Fitlinxx

75-456858

March 26, 1998