

FORM (Rev. 11-19-97) QMB 10-12-1999 R SHEET U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

Ta 10-04-1999 101166568

U.S. Patent & TMO/TM Mail Rcpt Dt. #34

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attached original documents or copy thereof.

1. Name of conveying party(ies):
Boathouse Row Sports, Ltd.
10-4-99

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

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

2. Name and address of receiving party(ies)
Name: First Union National Bank
Internal Address: _____
Street Address: 123 S. Broad Street
City: Phila State: PA ZIP: 19109

Individual(s) citizenship _____
 Association national banking ass'n.
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: October 1, 1999

4. Application number(s) or patent number(s):
A. Trademark Application No.(s)
B AND DESIGN 1836902
MISCELLANEOUS DESIGN 1628420
PROTECH pending (see attached list)

Additional numbers attached? Yes No

B. Trademark Registration No.(s)
STEVENSON USA 1633275
THE JOURNEY IS THE REWARD published

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Barbara Palm, paralegal
Internal Address: _____
Obermayer Rebmann Maxwell & Hippel LLC
One Penn Center, Suite 1900
Street Address: 1617 John F. Kennedy Blvd.
City: Phila State: PA ZIP: 19103-1895

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41).....\$ 140.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: N/A
(Attach duplicate copy of this _____ if paying by deposit account)

DO NOT USE THIS SPACE

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.
John Strotbeck, President
Boathouse Row Sports, Ltd.
Name of Person Signing [Signature] Signature 10/1/99 Date

Trademark List

Wednesday, September 22, 1999

Trademark Name	Client	Attorney(s)	Case Number	Status	Application Number/Filing	Registration Number/Date	Renewal Date	First Use Date
B AND DESIGN	BOAT	KAD	111303.203	Registered	74/418541	1,836902	17-May-2004	20-Jan-1993
Country: United States of America	Owner: BOATHOUSE ROW SPORTS, LTD.				26-Jul-1993	17-May-1994		
Country Number: 01	Classes: 25 intl; 39 US			Remarks:				
	Goods: Clothing; namely, jackets, pants, sweatshirts, hooded sweat-shirts, sweatpants, tee-shirts, hats, and competitive team jerseys, singlets, pants and shorts.							

B AND DESIGN	BOAT	KAD	111303.210	Registered	74/418541	1836902	17-May-2004	20-Jan-1993
Country: United States of America	Owner: BOATHOUSE ROW SPORTS, LTD.				26-Jul-1993	17-May-1994		
Country Number: 01	Classes: 25 intl; 39 us			Remarks:				
	Goods: Clothing; namely, jackets, pants, sweatshirts, hooded sweat-shirts, sweatpants, tee-shirts, hats and competitive team jerseys, singlets, pants and shorts.							

MISCELLANEOUS DESIGN	BOAT	KAD	111303.204	Registered	74/050367	1,628420	18-Dec-2000	10-May-1989
Country: United States of America	Owner: BOATHOUSE ROW SPORTS, LTD.				18-Apr-1990	18-Dec-1990		
Country Number: 01	Classes: 25 intl; 39 US			Remarks:				
	Goods: jackets, pants, shirts, shorts, hats, sweatshirts, sweat pants.							

TRADEMARK

REEL: 001972 FRAME: 0557

FHS REAL ESTATE DEPT

215 981 4930

P. 03/06

Trademark List

Wednesday, September 22, 1999

First Use Date

Renewal Date

Registration Number/Date

Application Number/Filing

Status

Case Number

Attorney(s)

Client

Trademark Name

PRO TECH

Country: United States of America

Country Number: 01

BOAT KAD 111303.208 Pending 75/562792

Owner: BOATHOUSE ROW SPORTS, LTD. 01-Oct-1998

Classes: 24 Remarks: 11/30/98 received FR

Goods: Water-resistant fabrics sold as a component of apparel

STEVENSON USA

Country: United States of America

Country Number: 01

BOAT KAD 111303.201 Registered 74/052766

Owner: BOATHOUSE ROW SPORTS, LTD. 29-Jan-1991

Classes: 25 intl; 39 US Remarks:

Goods: Jackets, pants

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Country: United States of America

Country Number: 01

BOAT KAD 111303.2 Published 75/388071

Owner: BOATHOUSE ROW SPORTS, LTD. 11-Nov-1997

Classes: 25 intl

Remarks: 9/4/98 ltr to client re not of publication

Goods: Jackets, pants, shirts, shorts, hats, sweatshirts, sweatpants, rain jackets, rain pants, parkas, t-shirts.

TRADEMARK

REEL: 001972 FRAME: 0558



SECURITY AGREEMENT

October 1, 1999

BOATHOUSE ROW SPORTS, LTD.
401 East Hunting Park Avenue
Philadelphia, Pennsylvania 19124
(Hereinafter referred to as "Debtor" or "Borrower")

First Union National Bank
123 South Broad Street
Philadelphia, Pennsylvania 19109
(Hereinafter referred to as "Bank")

For value received and to secure payment and performance of the following (and any extensions, renewals, modifications or novations of the following): (a) Promissory Note executed by the Debtor dated of even date herewith, in the original principal amount of \$600,000.00 and payable to Bank (the "Revolving Note"), (b) Promissory Note executed by the Debtor dated of even date herewith, in the original principal amount of \$200,000.00 and payable to Bank (the "Term Note"; the Revolving Note and Term Note are each referred to herein as "Note"), (c) Unconditional Guaranty (the "Guaranty") executed by Debtor dated of even date herewith, under which Debtor has guaranteed all obligations of Wymax, L.P. ("Wymax") to Bank, (d) this Security Agreement and the other Loan Documents, and (e) any other obligations of Debtor to Bank however created, arising or evidenced, whether direct or indirect, absolute or contingent, now existing or hereafter arising or acquired, and whether or not evidenced by a Loan Document, including swap agreements (as defined in 11 U.S.C. §101), future advances, and all costs and expenses incurred by Bank to obtain, preserve, perfect and enforce the security interest granted herein and to maintain, preserve and collect the property subject to the security interest (all of the foregoing, collectively, "Obligations"). Debtor hereby grants to Bank a continuing security interest in and lien upon all assets and personal property of the Debtor, including, without limitation, the following described property, whether now owned or hereafter acquired, and any additions, replacements, accessions, or substitutions thereof and all cash and non-cash proceeds and products thereof (collectively, "Collateral"):

All accounts, contract rights, leases, and any other rights of Debtor to payment for goods sold or leased or for services rendered; furniture; furnishings; fixtures; equipment; machinery; accessories; moveable trade fixtures; goods held for sale or being processed for sale in Debtor's business, including all raw materials, supplies, and other materials used or consumed in Debtor's business, goods in process, finished goods, and all other items customarily classified as inventory; all accessories, building improvement and construction materials, supplies and equipment; letters of credit (including, but not limited to, any written undertaking to pay money conditioned upon the presentation of specified documents, and advices of letters of credits); all funds on deposit with Bank and its affiliates; as well as all parts, replacements, substitutions, profits, products and cash and non-cash proceeds of the foregoing (including insurance and

condemnation proceeds payable by reason of condemnation of or loss or damage thereto) in any form and wherever located;

All general intangibles (including, without limitation, all contract rights, tax refunds and tax refund claims, choses in action, causes of action, corporate or other business records, inventions, designs, patents, patent applications, trademarks, trade names, trade secrets, goodwill, copyrights, registrations, licenses, franchises, claims under guaranties, security interests or other security held or granted to secure payment of contracts by account debtors, all rights to indemnification and all other intangible property of every kind and nature) including, but not limited to, U.S. trademarks as follows:

B AND DESIGN	1836902, registered 5/17/94
MISCELLANEOUS DESIGN	1628420, registered 12/18/90
PRO TECH	pending application 75/562792
STEVENSON USA	1633275, registered 1/29/91
THE JOURNEY IS THE REWARD	published, application 75/388071

All instruments, documents, chattel paper, goods, moneys, securities, drafts, and other property of Debtor now in possession of and at any time and from time to time hereafter delivered to Bank, its agents or affiliates, whether for safekeeping, pledge, custody, transmission, collection, or otherwise, and all of Debtor's deposits, balances, sums, proceeds, and credits with, and any of its claims against Bank and affiliates of Bank, at any time existing, together with the increases and profits received therefrom and the proceeds thereof, including insurance payable because of loss or damage thereto; and

All security deposits, escrow, other deposits and other security provided by lessees, sublessees, or other obligors under any leases, subleases, occupancy agreements, or other contracts assigned to Bank.

Debtor hereby represents and agrees that:

OWNERSHIP. Except for leased property, Debtor owns the Collateral or Debtor will purchase and acquire rights in the Collateral that are to be purchased with advances made under the Loan Documents within ten days of the date advances are made under the Loan Documents. If Collateral is being acquired with the proceeds of an advance under the Loan Documents, Debtor authorizes Bank to disburse proceeds directly to the seller of the Collateral. The Collateral is free and clear of all liens, security interests, and claims except those previously reported in writing to Bank, and Debtor will keep the Collateral free and clear from all liens, security interests and claims, other than those granted to Bank.

NAME AND OFFICES. There has been no change in the name of Debtor, or the name under which Debtor conducts business, within the five years preceding the date hereof and Debtor has not moved its executive offices or residence within the five years preceding the date hereof except as previously reported in writing to Bank.

TITLE/TAXES. Debtor has good and marketable title to Collateral and will warrant and defend same against all claims. Debtor will not transfer, sell, or lease Collateral (except as permitted herein). Debtor agrees to pay promptly all taxes and assessments upon or for the use of Collateral and on this Security Agreement. At its option, Bank may discharge taxes, liens, security interests or other encumbrances at any time levied or placed on Collateral. Debtor agrees to reimburse Bank, on demand, for any such payment made by Bank. Any amounts so paid shall be added to the Obligations.

WAIVERS. Debtor waives presentment, demand, protest, notice of dishonor, notice of default, demand for payment, notice of intention to accelerate, and notice of acceleration of maturity. Debtor further agrees not to assert against Bank as a defense (legal or equitable), as a set-off, as a counterclaim, or otherwise, any claims Debtor may have against any seller or lessor that provided personal property or services relating to any part of the Collateral. Debtor waives all exemptions and homestead rights with regard to the Collateral. Except as specifically provided in the Loan Documents, Debtor waives any and all rights to notice or to hearing prior to Bank's taking immediate possession or control of any Collateral, and to any bond or security which might be required by applicable law prior to the exercise of any of Bank's remedies against any Collateral. All rights of Bank and security interests hereunder, and all obligations of Debtor hereunder, shall be absolute and unconditional, not discharged or impaired irrespective of (and regardless of whether Debtor receives any notice of): (i) any lack of validity or enforceability of any Loan Document; (ii) any change in the time, manner or place of payment or performance, or in any term, of all or any of the Obligations or the Loan Documents or any other amendment or waiver of or any consent to any departure from any Loan Document; (iii) any exchange, release or non-perfection of any collateral, or any release of or modifications of the obligations of any guarantor or other obligor; (iv) any amendment or waiver of or consent to departure from any Loan Document or other agreement. To the extent permitted by law, Debtor hereby waives any rights under any valuation, stay, appraisal, extension or redemption laws now existing or which may hereafter exist and which, but for this provision, might be applicable to any sale or disposition of the Collateral by Bank; and any other circumstance which might otherwise constitute a defense available to, or a discharge of any party with respect to the Obligations.

NOTIFICATIONS. Debtor will notify Bank in writing at least 30 days prior to any change in: (i) Debtor's chief place of business and/or residence; (ii) Debtor's name or identity; or (iii) Debtor's corporate/organizational structure. In addition, Debtor shall promptly notify Bank of any claims or alleged claims of any other person or entity to the Collateral or the institution of any litigation, arbitration, governmental investigation or administrative proceedings against or affecting the Collateral. Debtor will keep Collateral at the location(s) previously provided to Bank until such time as Bank provides written advance consent to a change of location. Debtor will bear the cost of preparing and filing any documents necessary to protect Bank's liens.

COLLATERAL CONDITION AND LAWFUL USE. Debtor represents that the Collateral is in good repair and condition and that Debtor shall use reasonable care to prevent Collateral from being damaged or depreciating. Debtor shall immediately notify Bank of any material loss or damage to Collateral. Except for the Collateral which constitutes a fixture on the date hereof, Debtor shall not permit any item of Collateral to become a fixture to real estate or an accession to

other personal property. Debtor represents it is in compliance in all respects with all laws, rules and regulations applicable to the Collateral and its properties, operations, business, and finances.

RISK OF LOSS AND INSURANCE. Debtor shall bear all risk of loss with respect to the Collateral. The injury to or loss of Collateral, either partial or total, shall not release Debtor from payment or other performance hereof. Debtor agrees to obtain and keep in force casualty and hazard insurance on Collateral naming Bank as loss payee. Such insurance is to be in form and amounts and issued by such companies as are reasonably satisfactory to Bank. All such policies shall provide to Bank a minimum of 30 days written notice of cancellation. Debtor shall furnish to Bank certificates of insurance (ACORD 27 if available) evidencing such policies.. Bank is authorized, but not obligated, to purchase any or all insurance or "Single Interest Insurance" protecting such interest as Bank deems appropriate against such risks and for such coverage and for such amounts, including either the loan amount or value of the Collateral, all at its discretion, and at Debtor's expense. In such event, Debtor agrees to reimburse Bank for the cost of such insurance and Bank may add such cost to the Obligations. Debtor shall bear the risk of loss to the extent of any deficiency in the effective insurance coverage with respect to loss or damage to any of the Collateral. Debtor hereby assigns to Bank the proceeds of all such insurance and directs any insurer to make payments directly to Bank. Debtor hereby appoints Bank its attorney-in-fact, which appointment shall be irrevocable and coupled with an interest for so long as Obligations are unpaid, to file proof of loss and/or any other forms required to collect from any insurer any amount due from any damage or destruction of Collateral, to agree to and bind Debtor as to the amount of said recovery, to designate payee(s) of such recovery, to grant releases to insurer, to grant subrogation rights to any insurer, and to endorse any settlement check or draft. Debtor agrees not to exercise any of the foregoing powers granted to Bank without Bank's prior written consent. Bank agrees to make proceeds available for repair/restoration if and subject to the conditions under which, insurance proceeds are made so available after a casualty under that certain Open-End Mortgage dated of even date herewith from Wymax, L.P. to Bank.

FINANCING STATEMENTS, POWER OF ATTORNEY. Except as granted to Bank, no financing statement (other than any filed by Bank or disclosed above) covering any Collateral is on file in any public filing office. On request of Bank, Debtor will execute one or more financing statements in form satisfactory to Bank and will pay all costs and expenses of filing the same or of filing this Security Agreement in all public filing offices, where filing is deemed by Bank to be desirable. Bank is authorized to file financing statements relating to Collateral without Debtor's signature where authorized by law. Debtor hereby constitutes and appoints Bank the true and lawful attorney of Debtor with full power of substitution to take any and all appropriate action and to execute any and all documents or instruments that may be necessary or desirable to accomplish the purpose and carry out the terms of this Security Agreement. The foregoing power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations have been paid in full. Neither Bank nor anyone acting on its behalf shall be liable for acts, omissions, errors in judgment, or mistakes in fact in such capacity as attorney-in-fact. Debtor ratifies all acts of Bank as attorney-in-fact. Debtor agrees to take such other actions as might be requested for the perfection, continuation and assignment, in whole or in part, of the security interests granted herein. If certificates, passbooks, or other documentation or evidence

is/are issued or outstanding as to any of the Collateral, Debtor will cause the security interests of Bank to be properly protected, including perfection by notation thereon or delivery thereof to Bank.

LANDLORD/MORTGAGEE WAIVERS. Debtor shall cause each mortgagee of real property owned by Debtor and each landlord of real property leased by Debtor to execute and deliver instruments satisfactory in form and substance to Bank by which such mortgagee or landlord waives its rights, if any, in the Collateral.

CONTRACTS, CHATTEL PAPER, ACCOUNTS, GENERAL INTANGIBLES. Debtor warrants that Collateral consisting of contract rights, chattel paper, accounts, or general intangibles is (i) genuine and enforceable in accordance with its terms except as limited by law; (ii) not subject to any defense, set-off, claim or counterclaim of a material nature against Debtor except as to which Debtor has notified Bank in writing; and (iii) not subject to any other circumstances that would materially impair the validity, enforceability, value, or amount of such Collateral except as to which Debtor has notified Bank in writing. Debtor shall not amend, modify or supplement any lease, contract or agreement contained in Collateral or waive any provision therein, without prior written consent of Bank, which consent shall not be unreasonably withheld.

ACCOUNT INFORMATION. From time to time, at Bank's request, Debtor shall provide Bank with schedules describing all accounts and contracts, including customers' addresses, credited or acquired by Debtor and at Bank's request shall execute and deliver written assignments of contracts and other documents evidencing such accounts and contracts to Bank. Together with each schedule, Debtor shall, if requested by Bank, furnish Bank with copies of Debtor's sales journals, invoices, customer purchase orders or the equivalent, and original shipping or delivery receipts for all goods sold, and Debtor warrants the genuineness thereof.

ACCOUNT AND CONTRACT DEBTORS. If a Default (as hereafter defined) should occur, Bank shall have the right to notify the account and contract debtors obligated on any or all of the Collateral to make payment thereof directly to Bank and Bank may take control of all proceeds of any such Collateral, which rights Bank may exercise at any time. The cost of such collection and enforcement, including reasonable attorneys' fees and expenses, shall be borne solely by Debtor whether the same is incurred by Bank or Debtor. If a Default should occur, upon demand of Bank, Debtor will, upon receipt of all checks, drafts, cash and other remittances in payment on Collateral, deposit the same in a special bank account maintained with Bank, over which Bank also has the power of withdrawal.

If a Default should occur, no discount, credit, or allowance shall be granted by Debtor to any account or contract debtor and no return of merchandise shall be accepted by Debtor without Bank's consent. Bank may, after Default, settle or adjust disputes and claims directly with account contract debtors for amounts and upon terms that Bank considers advisable, and in such cases Bank will credit the Obligations with the net amounts received by Bank, after deducting all of the reasonable expenses incurred by Bank. Debtor agrees to indemnify and defend Bank and

hold it harmless with respect to any claim or proceeding arising out of any matter related to collection of Collateral.

GOVERNMENT CONTRACTS. If any Collateral covered hereby arises from obligations due to Debtor from any governmental unit or organization, Debtor shall immediately notify Bank in writing and execute all documents and take all actions demanded by Bank to ensure recognition by such governmental unit or organization of the rights of Bank in the Collateral.

INVENTORY. So long as no Default has occurred, Debtor shall have the right in the regular course of business, to process and sell Debtor's inventory, unless Bank shall hereafter otherwise direct in writing. After a Default and upon demand of Bank, Debtor will, upon receipt of all checks, drafts, cash and other remittances, in payment of Collateral sold, deposit the same in a special bank account maintained with Bank, over which Bank also has the power of withdrawal. Debtor shall comply in all respects with all laws, regulations, rulings, and orders applicable to Debtor or its assets or business including, without limitation, the Federal Fair Labor Standards Act in the conduct of its business and the production of inventory. Debtor shall notify Bank immediately of any violation by Debtor of the Fair Labor Standards Act, and a failure of Debtor to so notify Bank shall constitute a continuing representation that all inventory then existing has been produced in compliance with the Fair Labor Standards Act.

INSTRUMENTS, CHATTEL PAPER. Any Collateral that is instruments, chattel paper and negotiable documents will be properly assigned to, the originals deposited with and held by Bank, unless Bank shall hereafter otherwise direct or consent in writing. Bank may, without notice, before or after maturity of the Obligations, exercise any or all rights of collection, conversion, or exchange and other similar rights, privileges and options pertaining to Collateral, but shall have no duty to do so.

COLLATERAL DUTIES. Bank shall have no custodial or ministerial duties to perform with respect to Collateral pledged except as set forth herein; and by way of explanation and not by way of limitation, Bank shall incur no liability for any of the following: (i) loss or depreciation of Collateral (unless caused by its willful misconduct or negligence), (ii) failure to present any paper for payment or protest, to protest or give notice of nonpayment, or any other notice with respect to any paper or Collateral.

TRANSFER OF COLLATERAL. Bank may assign its rights in Collateral or any part thereof to any assignee who shall thereupon become vested with all the powers and rights herein given to Bank with respect to the property so transferred and delivered, and Bank shall thereafter be forever relieved and fully discharged from any liability with respect to such property so transferred, but with respect to any property not so transferred, Bank shall retain all rights and powers hereby given.

INSPECTION, BOOKS AND RECORDS. Debtor will at all times keep accurate and complete records covering each item of Collateral, including the proceeds therefrom. Bank, or any of its agents, shall have the right, at intervals to be determined by Bank and without hindrance or delay, to inspect, audit, and examine the Collateral and to make extracts from the

books, records, journals, orders, receipts, correspondence and other data relating to Collateral, Debtor's business or any other transaction between the parties hereto. Debtor will at its expense furnish Bank copies thereof upon request.

CROSS COLLATERALIZATION LIMITATION. As to any other existing or future consumer purpose loan made by Bank to Debtor, within the meaning of the Federal Consumer Credit Protection Act, Bank expressly waives any security interest granted herein in Collateral that Debtor uses as a principal dwelling and household goods.

ATTORNEYS' FEES AND OTHER COSTS OF COLLECTION. Debtor shall pay all of Bank's reasonable expenses incurred in enforcing this Security Agreement and in preserving and liquidating Collateral, including but not limited to, reasonable arbitration, paralegals', attorneys' and experts' fees and expenses, whether incurred with or without the commencement of a suit, trial, arbitration, or administrative proceeding, or in any appellate or bankruptcy proceeding.

DEFAULT. If any of the following occurs, a default ("Default") under this Security Agreement shall exist: (i) the failure of timely payment or performance of any of Obligations or a default or Event of Default under any Loan Document; (ii) any breach of any representation or agreement contained or referred to in this Security Agreement or other Loan Document; (iii) any loss, theft, substantial damage, or destruction of Collateral not fully covered by insurance, or as to which insurance proceeds are not remitted to Bank within 30 days of the loss; (iv) any sale, lease, or encumbrance of any Collateral not specifically permitted herein without prior written consent of Bank except in the ordinary course of business consistent with past practice; (v) the making of any levy, seizure, or attachment on or of Collateral which is not removed within 10 days; (vi) the death of, appointment of guardian for, dissolution of, termination of existence of, loss of good standing status by, appointment of a receiver for, assignment for the benefit of creditors of, or commencement of any bankruptcy or insolvency proceeding by or against Debtor, its Subsidiaries or Affiliates ("Affiliate" shall have the meaning as defined in 11 U.S.C. § 101; and "Subsidiary" shall mean any corporation of which more than 50% of the issued and outstanding voting stock is owned directly or indirectly by Debtor), if any, or any general partner of or the holder(s) of the majority ownership interests in Debtor or any party to the Loan Documents; or (vii) any attempt to collect, cash in or otherwise recover deposits that are Collateral.

REMEDIES ON DEFAULT (INCLUDING POWER OF SALE). If a Default occurs, all of the Obligations shall be immediately due and payable, without notice and Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code. Without limitation thereto, Bank shall have the following rights and remedies: (i) to take immediate possession of Collateral, without notice or resort to legal process, and for such purpose, to enter upon any premises on which Collateral or any part thereof may be situated and to remove the same therefrom, or, at its option, to render Collateral unusable or dispose of said Collateral on Debtor's premises; (ii) to require Debtor to assemble the Collateral and make it available to Bank at a place to be designated by Bank; (iii) to exercise its right of set-off or bank lien as to any monies of Debtor deposited in accounts of any nature maintained by Debtor with Bank or affiliates of Bank, without advance notice, regardless of whether such accounts are general or special; (iv) to dispose of Collateral, as a unit or in parcels, separately or with any real property interests also

securing the Obligations, in any county or place to be selected by Bank, at either private or public sale (at which public sale Bank may be the purchaser) with or without having the Collateral physically present at said sale.

Any notice of sale, disposition or other action by Bank required by law and sent to Debtor at Debtor's address shown above, or at such other address of Debtor as may from time to time be shown on the records of Bank, at least 5 days prior to such action, shall constitute reasonable notice to Debtor. Notice shall be deemed given or sent when mailed postage prepaid to Debtor's address as provided herein. Bank shall be entitled to apply the proceeds of any sale or other disposition of the Collateral, and the payments received by Bank with respect to any of the Collateral, to Obligations in such order and manner as Bank may determine. Collateral that is subject to rapid declines in value and is customarily sold in recognized markets may be disposed of by Bank in a recognized market for such collateral without providing notice of sale. Debtor waives any and all requirements that the Bank sell or dispose of all or any part of the Collateral at any particular time, regardless of whether Debtor has requested such sale or disposition.

REMEDIES ARE CUMULATIVE. No failure on the part of Bank to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Bank or any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any right, power or remedy. The remedies herein provided are cumulative and are not exclusive of any remedies provided by law, in equity, or in other Loan Documents.

MISCELLANEOUS. (i) **Amendments and Waivers.** No waiver, amendment or modification of any provision of this Security Agreement shall be valid unless in writing and signed by Debtor and an officer of Bank. No waiver by Bank of any Default shall operate as a waiver of any other Default or of the same Default on a future occasion. (ii) **Assignment.** All rights of Bank hereunder are freely assignable, in whole or in part, and shall inure to the benefit of and be enforceable by Bank, its successors, assigns and affiliates. Debtor shall not assign its rights and interest hereunder without the prior written consent of Bank, and any attempt by Debtor to assign without Bank's prior written consent is null and void. Any assignment shall not release Debtor from the Obligations. This Security Agreement shall be binding upon Debtor, and the heirs, personal representatives, successors, and assigns of Debtor. (iii) **Applicable Law; Conflict Between Documents.** This Security Agreement shall be governed by and construed under the law of the state named in the address of the Bank first shown above without regard to that state's conflict of laws principles. If any terms of this Security Agreement conflict with the terms of any commitment letter or loan proposal, the terms of this Security Agreement shall control. (iv) **Jurisdiction.** Debtor irrevocably agrees to non-exclusive personal jurisdiction in the state in which the office of Bank as stated above is located. (v) **Severability.** If any provision of this Security Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement. (vi) **Notices.** Any notices to Debtor shall be sufficiently given, if in writing and mailed or delivered to the address of Debtor shown above or such other address as provided hereunder; and to Bank, if in writing and mailed or delivered to Bank's office address shown above or such other address

as Bank may specify in writing from time to time. In the event that Debtor changes Debtor's mailing address at any time prior to the date the Obligations are paid in full, Debtor agrees to promptly give written notice of said change of address by registered or certified mail, return receipt requested, all charges prepaid. (vii) **Captions.** The captions contained herein are inserted for convenience only and shall not affect the meaning or interpretation of this Security Agreement or any provision hereof. The use of the plural shall also mean the singular, and vice versa. (viii) **Joint and Several Liability.** If more than one party has signed this Security Agreement, such parties are jointly and severally obligated hereunder. (ix) **Binding Contract.** Debtor by execution and Bank by acceptance of this Security Agreement, agree that each party is bound by all terms and provisions of this Security Agreement. (x) **Loan Documents.** The term "Loan Documents" refers to this Security Agreement, the Revolving Note, the Term Note, the Guaranty, that certain Loan Agreement of even date herewith between Borrower, Bank and Wymax, the Assignment of Acquisition Agreement, and all other documents, whether now or hereafter existing, executed in connection with the Obligations and may include, without limitation and whether executed by Debtor or others, commitment letters, loan agreements, guaranty agreements, confirmations, deposit or other similar agreements, other security agreements, letters of credit, instruments, financing statements, mortgages, deeds of trust, deeds to secure debt, and any amendments or supplements, and all other Loan Documents, as such term is defined in the Loan Agreement.

IN WITNESS WHEREOF, Debtor, on the day and year first written above, has caused this Security Agreement to be executed under seal.

BOATHOUSE ROW SPORTS, LTD.

By: _____

John Strobeck, President