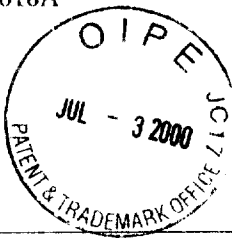


07-28-2000



101416185



MID  
7-3-00

### 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

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
- Citizenship/State of Incorporation/Organization

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.)

#### FOR OFFICE USE ONLY

07/28/2000 KTHA11 00000047 75607729

01 FC:481 40.00 DP  
02 FC:482 775.00 DP

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: 002109 FRAME: 0883

**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.

Christopher E. Kondracki

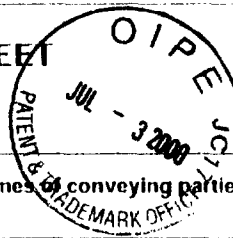
29 June 2000

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY



**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name



Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional 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

Citizenship/State of Incorporation/Organization

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 the Assignment.)

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

**Registration Number(s)**

1,706,427	2,010,364	2,045,160
1,475,511	1,703,977	1,800,295
2,006,695	1,834,976	2,143,223
2,072,508	2,141,375	1,926,107
1,975,627	2,290,629	2,302,929
2,279,885	2,330,154	2,254,296
<input type="text"/>	<input type="text"/>	<input type="text"/>

May 18, 2000

THIS AGREEMENT is made between

Fleet National Bank (in such capacity, the "**Agent**"), a national banking association with an office at 100 Federal Street, Boston, Massachusetts 02110 as Agent for a syndicate of Lenders (the "**Lenders**")

and

Sunglass Hut Corporation (hereinafter, the "**Guarantor**"), a Florida corporation with its principal executive offices at 255 Alhambra Circle, Coral Gables, Florida 33134

in consideration of the mutual covenants contained herein and benefits to be derived herefrom,

1. **Background.**

(a) The Agent, the Lenders and Sunglass Hut Trading Corporation and Watch Station, Inc., (collectively, the "**Borrowers**") have entered in a certain Revolving Credit Agreement of even date (as such agreement may be modified, supplemented, amended or restated from time to time, hereinafter, the "**Loan Agreement**") pursuant to which a credit facility has been established in favor of the Borrowers. (Terms used herein which are defined in the Loan Agreement are used as so defined).

(b) The Guarantor has guaranteed the Obligations of each of the Borrowers pursuant to a certain Guaranty of even date herewith.

(c) The liabilities and obligations of the Guarantor pursuant to the Guaranty and each of the Borrower's **Obligations** are to be secured as provided in the Security Documents, including, without limitation, as provided in this Agreement (the "**TM Security Agreement**").

2. **Grant of Security Interest.** To secure the Obligations and the liabilities and obligations pursuant to the Guaranty, the Guarantor hereby creates a security interest in favor of the Agent (for the ratable benefit of the Agent and the Lenders), with power of sale (which power of sale shall be exercisable only following the occurrence and during the continuance of an Event of Default) in and to the following and all proceeds thereof:

(a) All of the Guarantor's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark applications including, without limitation, those listed on *EXHIBIT A* annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.

(b) All renewals of any of the foregoing.

(c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(e) All of Guarantor's rights corresponding to any of the foregoing throughout the world.

All of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications described in Subsection 2(a), together with the items respectively described in Subsections 2(b) through and including 2(e) are hereinafter individually and/or collectively referred to as the "**Marks**".

3. **Protection of Marks.** The Guarantor shall undertake the following with respect to each Mark:

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At the Guarantor's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the security interest created herein and not unreasonably abandon or delay any such efforts.

(c) At the Guarantor's sole cost, expense, and risk, take any and all action which Guarantor deems desirable to protect the Marks, including, without limitation, but subject to Guarantor's discretion, the prosecution and defense of infringement actions.

Notwithstanding the foregoing provisions, the Guarantor may abandon any Mark which the Guarantor has determined, consistent with the Guarantor's business practices, to be immaterial and inconsequential to Obligors' business operations, and provided further, the abandonment of such Mark shall not have a material adverse effect on the Obligors' business operations.

**4. Agent's Actions To Protect Marks.** In the event of

(a) the Guarantor's failure, within thirty (30) days of written notice from the Agent, to cure any failure by the Guarantor to perform any of the Guarantor's obligations set forth in Section 3 (provided, however, such cure period shall be extended for an additional thirty (30) days if the Guarantor has diligently commenced such cure but is unable to complete same within the initial thirty (30) day period and such cure can be completed within such additional thirty (30) day period); and/or

(b) the occurrence and during the continuance of any Event of Default,

the Agent, acting in its own name or in that of the Guarantor, may (but shall not be required to) act reasonably in the Guarantor's place and stead and/or in the Agents' own right in connection therewith.

**5. Guarantor's Representations and Warranties.** The Guarantor represents and warrants that:

(a) **EXHIBIT A** includes all of the registered trademarks, Federal trademark applications, registered service marks and Federal service mark applications now owned by the Guarantor.

(b) No liens, claims or security interests have been granted in any Mark by the Guarantor to any Person other than to the Agent.

**6. New Marks.**

(a) The Guarantor shall give the Agent written notice (with reasonable detail) within Ten (10) days following the occurrence of any of the following:

(i) The Guarantor's obtaining rights to, and filing applications for registration of, any new trademarks, or service marks, or otherwise acquires ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications, (other than the Guarantor's right to sell products containing the trademarks of others in the ordinary course of Guarantor's business).

(ii) The Guarantor's becoming entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor (other than Guarantor's right to sell products containing the trademarks of others in the ordinary course of Guarantor's business).

(iii) The Guarantor's entering into any new trademark license agreement or service mark license agreement.

**(b) Agreement Applies to Future Marks.**

(i) The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in Section 6(a), above, all of which shall be deemed to

be and treated as "Marks" within the meaning of this TM Security Agreement.

(ii) The Guarantor hereby authorizes the Agent to modify this TM Security Agreement by amending EXHIBIT A to include any future registered trademarks, trademark applications, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the modification of said EXHIBIT shall not be a condition to the creation or perfection of the security interest created hereby.

7. **Rights Upon Default.** Upon the occurrence of and during the continuance of any Event of Default, the Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Agent may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Agent that an Event of Default has occurred and that the Agent is authorized to exercise such rights and remedies.

8. **Agent As Attorney In Fact.** The Guarantor hereby irrevocably constitutes and designates the Agent as and for the Guarantor's attorney in fact, effective following the occurrence and during the continuance of any Event of Default:

(a) To exercise any of the rights and powers referenced in Section 7.

(b) To execute all such instruments, documents, and papers as the Agent reasonably determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until the within TM Security Agreement is terminated by a duly authorized officer of the Agent, but shall be exercisable only following the occurrence and during the continuance of an Event of Default.

9. **Agent's Rights.**

(a) Any use by the Agent of the Marks, as authorized hereunder in connection with the exercise of the Lenders' rights and remedies under this TM Security Agreement and under the Loan Agreement shall be coextensive with the Guarantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

(b) Neither this TM Security Agreement nor the Loan Agreement, nor any act, omission, or circumstance may be construed as directly or indirectly conveying to the Agent any rights in and to the Marks, which rights are effective except following the occurrence and during the continuance of any Event of Default.

10. **Guarantor's Rights To Protect Marks.** The Agent acknowledges that the Guarantor shall continue to have the exclusive right, prior to notice from the Agent following the occurrence and during the continuance of an Event of Default, to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Guarantor to protect the Marks against encroachment by third parties; *provided, however*, that the Guarantor first provides the Agent with written notice of the Guarantor's intention to sue for enforcement of any Mark, and *provided further*, any money damages awarded or received by the Guarantor on account of such suit (or the threat of such suit) shall constitute Collateral; *provided further, however*, unless there has occurred and there is continuing an Event of Default, the Guarantor shall have no obligation to turn such award over to the Agent.

11. **Notice Addresses.** All notices, demands, and other communications made in respect of this TM Security Agreement shall be in writing and shall be delivered in hand, mailed by United States registered or certified first class mail, postage prepaid, sent by overnight courier, or sent by telegraph, telecopy, telefax or telex and confirmed by delivery via courier or postal service, addressed as follows:

(a) if to the Guarantor, at 255 Alhambra Circle, Coral Gables, Florida 33134, Attention: Chief Financial Officer, with a copy to the General Counsel, or at such other address for notice as the Borrowers shall last have furnished in writing to the Person giving the notice; and

*With a copy to:*

Greenberg, Traurig, LLP  
One East Camelback Road  
Suite 1100  
Phoenix, Arizona 85012  
Attention : Jeffrey H. Verbin, Esquire  
Fax: : (602) 744-7627

(b) if to the Agent, at 100 Federal Street, Boston, Massachusetts 02110, Attention: Mr. Thomas Bullard, Vice President, or such other address for notice as the Agent shall last have furnished in writing to the Lead Borrower.

*With a copy to:*

Riemer & Braunstein LLP  
Three Center Plaza



Boston, Massachusetts 02108

Attention : David S. Berman, Esquire

Fax : 617 723-6831

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand, overnight courier or facsimile to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer or the sending of such facsimile and (ii) if sent by registered or certified first-class mail, postage prepaid, on the third Business Day following the mailing thereof.

12. **Intent.** This TM Security Agreement supplements is intended to supplement the Security Documents. All provisions of the Security Documents shall apply to the Marks. The Agent shall have the same rights, remedies, powers, privileges and discretions, with respect to the security interests created in the Marks as in all other Collateral. In the event of a conflict between this TM Security Agreement and the Security Documents, the terms of this TM Security Agreement shall control with respect to the Marks and the Security Documents with respect to all other Collateral. This TM Security Agreement and all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of The Commonwealth of Massachusetts (excluding the laws applicable to conflicts or choice of law).

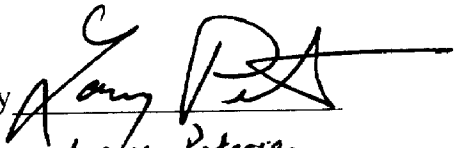
IN WITNESS WHEREOF, the Guarantor and the Agent respectively have caused this TM Security Agreement to be executed by their respective duly authorized officers as of the date first above written.

SUNGLASS HUT CORPORATION

FLEET NATIONAL BANK

(The "Guarantor")

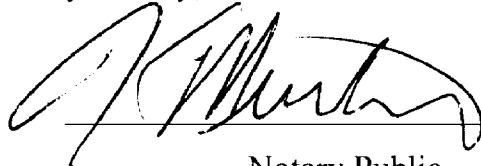
(The "Agent")

By   
Larry Petersen  
Title: Vice President & Treasurer

By Thomas J. Bullard  
Thomas J. Bullard  
Title: Director

Then personally appeared before me Larry Petersen who acknowledged that such person is the duly authorized Vice President and Treasurer of Sunglass Hut Corporation and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this 18<sup>th</sup> day of May, 2000.

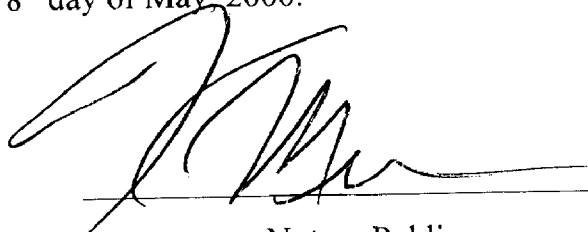
  
\_\_\_\_\_  
, Notary Public

My Commission Expires:

**KEVIN M. MURTAGH, Notary Public**  
**My Commission Expires May 12, 2006**

Then personally appeared before me Thomas J. Bullard, who acknowledged that such person is the duly authorized Director of Fleet National Bank; and that such person executed the foregoing instrument on its behalf.

Witness my hand and seal this 18<sup>th</sup> day of May, 2000.

  
\_\_\_\_\_  
, Notary Public

My Commission Expires:

**KEVIN M. MURTAGH, Notary Public**  
**My Commission Expires May 12, 2006**

## EXHIBIT A

Guarantor's now owned or existing or hereafter acquired or arising registered service marks and Federal service mark applications, registered trademarks, and Federal trade mark applications:

### **Trademark/Service Mark Registrations**

<u>TRADEMARK</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
CARRENZA	1486797	03-May-88
EYE X	2141419	03-Mar-98
EYE X COMPANY & Design	2049786	01-Apr-97
RIGORNO	2115971	25-Nov-97
SOLSTAR	1870170	27-Dec-94
SUN Design	1803959	09-Nov-93
SUN SHADE OPTIQUE	1617143	09-Oct-90
SUNGEAR	1926233	10-Oct-95
SUNGEAR	1515956	06-Dec-88
SUNGEAR	1706427	11-Aug-92
SUNGEAR	2010364	22-Oct-96
SUNGEAR	2045160	11-Mar-97
SUNGLASS HUT	1475511	02-Feb-88
SUNGLASS HUT & Design	1703977	28-Jul-92
SUNGLASS HUT INTERNATIONAL	1800295	19-Oct-93
SUNGLASS HUT INTERNATIONAL & Design	2006695	08-Oct-96
SUNGLASS HUT INTERNATIONAL... THE WORLD'S LEADER	1834976	03-May-94
SUNGLASS HUT SPORT	2143223	10-Mar-98
SUBSCRIPTIONS	2072508	17-Jun-97
WATCH STATION	2141375	03-Mar-98
SSSHADES & DESIGN	1926107	10-Oct-95
SUNTIME	1975627	28-May-96
WATCH STATION DESIGN	2290629	2-Nov-99
WATCH STATION INTERNATIONAL	2302929	21-Dec-99

## Trademark Applications

<u>MARK</u>	<u>APPLICATION NUMBER</u>	<u>FILING DATE</u>
CODE	2279885	21-Sep-99
RX Logo (R with Sunglasses)	2330154	14-Mar-00
TORQUE	2254296	15-Jun-99
BADGE	75/607729	15-Dec-98
MELANIN-XP	75/823143	15-Oct-99
MELANIN-XP	75/753150	16-Jul-99
SHADES.COM	75/778305	19-Aug-99
SUNGLASS WORLD	75/771367	09-Aug-99