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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

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

1. Name of conveying party(ies):

Broder Bros., Co. **9-21-01**

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

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

2. Name and address of receiving party(ies)

Name: Bank One, Michigan

Internal

Address: _____

Street Address: 611 Woodward Avenue

City: Detroit State: MI Zip: 48226

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

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
- Security Agreement
- Other _____
- Merger
- Change of Name

Execution Date: August 14, 2001

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

A. Trademark Application No.(s) 76/068,071

B. Trademark Registration No.(s) 2,099,187

1,901,015 1,899,323

Additional number(s) attached Yes No

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

Name: David R. Haarz

Internal Address: Dickinson Wright PLLC

Suite 800

Street Address: 1901 L Street, N.W.

City: Washington State: D.C. Zip: 20036

6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41) \$ 115.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page 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.

David R. Haarz

Name of Person Signing

David R. Haarz
Signature

SEPTEMBER 19, 2001

Date

19

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

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

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01 FC:481
02 FC:482

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AMENDED AND RESTATED SECURITY AGREEMENT

THIS AMENDED AND RESTATED SECURITY AGREEMENT, dated as of August 14, 2001 (this "Security Agreement"), is made by Broder Bros., Co. a Michigan corporation (the "Company"), in favor of Bank One, Michigan, a Michigan banking corporation, as agent (in such capacity, the "Agent") for the benefit of itself and the banks (the "Lenders") now or hereafter parties to the Credit Agreement described below.

RECITALS

A. The Company has entered into an Amended and Restated Credit Agreement dated of even date herewith (as further amended, supplemented, extended, restated or otherwise modified from time to time, including any agreement entered into in substitution therefor, the "Credit Agreement"), with the Lenders and the Agent pursuant to which the Lenders may make Advances (as therein defined) to the Company.

B. The Company has entered into an Amended and Restated Security Agreement dated May 3, 2000 (the "Existing Security Agreement") in favor of the Agent and the Lenders.

C. Under the terms of the Credit Agreement, the Company has agreed to grant to the Agent, for the benefit of itself and the Lenders, a first-priority security interest, subject only to security interests expressly permitted by the Credit Agreement, in and to the Collateral hereinafter described, and desires and has agreed to amend and restate the Existing Security Agreement in its entirety as set forth herein. Terms used but not defined herein shall have the respective meanings ascribed thereto in the Credit Agreement. Unless otherwise defined herein or in the Credit Agreement, terms used in Article 9 of the Uniform Commercial Code in the State of Michigan are used herein as therein defined from time to time.

Accordingly, the parties hereto agree that the Existing Security Agreement is amended and restated in its entirety as follows:

AGREEMENT

To secure (a) the prompt and complete payment of all Indebtedness and other obligations of the Company or any Subsidiary now or hereafter owing to the Lenders or the Agent under or on account of the Credit Agreement, any other Loan Document or any letters of credit, notes or other instruments issued to the Agent or Lenders pursuant thereto, (b) the performance of the covenants under the Credit Agreement, the Collateral Documents and the other Loan Documents and any monies expended by the Agent or any Lender in connection therewith, including without limitation any amounts that the Agent or any Lender may advance or spend for the maintenance or preservation of the Collateral or in connection with the preparation, administration, collection or enforcement of any of the Loan Documents, (c) the prompt and complete payment of all obligations and performance of all covenants of the Company or any Subsidiary under any interest rate or currency swap agreements or other Interest Rate Protection Agreements with any Lender or any Affiliate of any Lender and (d) the prompt and complete payment of any and all other indebtedness, obligations and liabilities of any kind of the Company or any Subsidiary to the Agent and the Lenders, or any of them, in all cases, of any kind or nature, howsoever created or evidenced and whether now or hereafter existing, direct or indirect (including without limitation any participation interest acquired by any Lender in any such indebtedness, obligations or liabilities of the Company or any Subsidiary to any

other person), absolute or contingent, joint and/or several, secured or unsecured, arising by operation of law or otherwise, and whether incurred by the Company or any Subsidiary as principal, surety, endorser, guarantor, accommodation party or otherwise, including without limitation all principal and all interest (including any interest accruing subsequent to any petition filed by or against the Company or any Subsidiary under the U.S. Bankruptcy Code), indemnity and reimbursement obligations, charges, expenses, fees, attorneys' fees and disbursements and any other amounts owing thereunder (all of the aforesaid indebtedness, obligations and liabilities of the Company and its Subsidiaries being herein called the "Secured Obligations", and all of the documents, agreements and instruments among the Company, the Subsidiaries, the Agent, the Lenders, or any of them, evidencing or securing the repayment of, or otherwise pertaining to, the Secured Obligations including without limitation the Credit Agreement, the Notes, the Collateral Documents and the other Loan Documents, being herein collectively called the "Operative Documents"), for value received and pursuant to the Credit Agreement, the Company hereby grants, assigns and transfers to the Agent for the benefit of the Lenders a first-priority security interest, subject only to Liens permitted by the Credit Agreement, in and to the following described personal property whether now owned or existing or hereafter acquired or arising and wherever located (all of which is herein collectively called the "Collateral"):

(a) All of the Company's present and future Accounts, Documents, Instruments, Investment Property, General Intangibles (including Payment Intangibles and Software), Deposit Accounts, Letter-of-Credit Rights and Chattel Paper, including, but without limitation, all Supporting Obligations and all monies and claims for money due or to become due to the Company, security held or granted to the Company, and all assets described in clause (d) below;

(b) All of the Company's Equipment, Farm Products, and Fixtures, whether now owned or hereafter acquired, and wherever located, and whether used by the Company or any other person, or leased by the Company to any person and whether the interest of Company is as owner, lessee or otherwise;

(c) All of the Company's present and future Inventory of every type, wherever located, including but not limited to raw materials, work in process, finished goods and all inventory that is available for leasing or leased to others by the Company;

(d) All other present and future property of the Company (whether tangible or intangible) other than real estate, including but not limited to all trademarks, tradenames, service marks, patents, industrial designs, masks, trade names, trade secrets, copyrights, franchises, customer lists, service marks, computer programs, software, tax refund claims, licenses and permits, and the good will associated therewith and all federal, state, foreign and other applications and registrations therefor, all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof now or hereafter in effect, all income, license royalties, damages and payments now and hereafter due or payable under and with respect thereto, including, without limitation, any damages, proceeds or payments for past or future infringements thereof and all income, royalties, damages and payments under all licenses thereof, the right to sue for past, present and future infringements thereof, all right, title and interest of the Company as licensor under any of the foregoing whether now owned and existing or hereafter arising, and all other rights and other interests corresponding thereto throughout the world (all of the assets described in this clause (d) collectively referred to as the "Intellectual Property");

(e) To the extent not listed above as original collateral, all products and proceeds of any and all of the foregoing.

1. Representations, Warranties, Covenants and Agreements. The Company further represents, warrants, covenants, and agrees with the Agent for the benefit of the Lenders as follows:

(a) Ownership of Collateral; Security Interest Priority. At the time any Collateral becomes subject to a security interest of the Agent hereunder, unless the Agent shall otherwise consent, the Company shall be deemed to have represented and warranted that (i) the Company is the lawful owner of such Collateral or has the power to transfer the Collateral and has the right and authority to subject the same to the security interest of the Agent; (ii) other than Liens permitted by the Credit Agreement, none of the Collateral is subject to any Lien other than that in favor of the Agent and there is no effective financing statement or other filing covering any of the Collateral on file in any public office, other than in favor of the Agent. Upon filing of financing statements in the appropriate offices in the locations listed on Schedule 1(a), this Security Agreement creates in favor of the Agent a valid first-priority security interest, subject only to Liens permitted by the Credit Agreement, in the Collateral enforceable against the Company and all third parties and securing the payment of the Secured Obligations. The Company authorizes the Agent to file financing statements describing the Collateral.

(b) Location of Offices and Facilities. The Company is a corporation organized under the laws of the State of Michigan. The Company's chief executive office is located in the State of Michigan, County of Wayne at 45555 Port Street, Plymouth, Michigan 48170. The Company will provide the Agent with prior written notice of any proposed change in the location of its chief executive office. The Company's only other offices and facilities are at the locations set forth in Schedule 1(b) hereto. The Company will provide the Agent with prior written notice of any change in the locations of its other offices and the facilities at which any assets of the Company are located. The Federal tax identification number of the Company is 38-1911112 and its state organizational number (if any) issued by the jurisdiction of its organization is 186-834. The name of the Company is Broder Bros., Co., which is the exact name as it appears in the Company's organizational documents, as amended, as filed with the Company's jurisdiction of organization, and the Company operates under no other names except those listed on Schedule 1(b). The Company shall not change its name or operate under any other names without the prior written consent of the Agent.

(c) Location of Inventory, Fixtures, Machinery and Equipment. (i) All Collateral consisting of Inventory is, and will be, located at the locations listed on Schedule 1(c)(i) hereto, and at no other locations without the prior written consent of the Agent. (ii) All Collateral consisting of Fixtures, machinery or Equipment, is, and will be, located at the locations listed on Schedule 1(c)(ii) hereto, and at no other locations without the prior written consent of the Agent. If the Collateral described in clauses (i) or (ii) is kept at leased locations or warehoused, appropriate warehousemen's notices and acknowledgments have been sent and the Company will use commercially reasonable efforts to obtain landlord subordination and notification as required by the Credit Agreement, each satisfactory to the Agent, unless waived by the Agent. None of the Equipment is covered by any certificate of title, except of the vehicles described in Schedule 1(c)(ii). None of the Collateral is of a type for which security interests or liens may be perfected by filing under any federal statute except for patents, trademarks and copyrights held by the Company.

(d) Liens, Etc. The Company will keep the Collateral free at all times from any and all liens, security interests or encumbrances other than Liens permitted by the Credit Agreement and those consented to in writing by the Majority Lenders. The Company will not, without the prior written consent of the Agent, sell, lease, license, transfer, assign or otherwise dispose, or permit or suffer to be sold, leased, licensed, transferred, assigned or otherwise disposed, any of the Collateral, except for, prior to the occurrence and continuance of an Event of Default only (notwithstanding any other agreement), the following: Inventory sold in the ordinary course of business and other assets permitted to be sold, leased, licensed, transferred, assigned or otherwise disposed under Section 9.5 of the Credit Agreement; provided, that notwithstanding the occurrence and continuance of an Event of Default, the Company

shall be permitted to sell, lease or otherwise dispose of Collateral in accordance with Section 9.5(a) and (b) of the Credit Agreement.

(e) Insurance. The Company shall keep the tangible Collateral insured at all times against loss by theft, fire and other casualties. Said insurance shall be in amounts sufficient to protect the Agent against any and all loss or damage to the Collateral. The policy or policies which evidence said insurance shall be delivered to the Agent upon request, shall contain a lender loss payable clause in favor of the Agent, shall name the Agent for the benefit of the Lenders as an additional insured, as its interest may appear, shall not permit material amendment or cancellation without giving the Agent at least 30 days prior written notice thereof, and shall otherwise be in form and substance satisfactory to the Agent. Reimbursement under any liability insurance maintained by the Company pursuant to this paragraph 1(e) may be paid directly to the person who shall have incurred liability covered by such insurance, provided that:

(i) if any Event of Default has occurred and is continuing (whether before or after any event which caused any reimbursement under any liability insurance) such reimbursement shall be paid to the Agent for application to the Secured Obligations.

(ii) prior to the occurrence and continuance of an Event of Default (whether before or after any event which caused any reimbursement under any liability insurance), the Company may use the proceeds of such insurance solely to repair or replace the property damaged to the extent permitted by the Credit Agreement, provided that if such repair or replacement cannot be accomplished within 180 days after such reimbursement amount is received, the proceeds of such insurance shall be paid to the Agent for application to the Secured Obligations; and, provided, further, upon the request of the Agent, such insurance proceeds that are allowed to be used to repair or replace hereunder may be held by the Agent in a cash collateral account.

(f) Taxes, Etc. Unless a failure to pay could not have a Material Adverse Effect, the Company will pay promptly, and within the time that they can be paid without interest or penalty, any taxes, assessments and similar imposts and charges, not being contested in good faith, which are now or hereafter may become a Lien upon any of the Collateral. If the Company fails to pay any such taxes, assessments or other imposts or charges in accordance with this Section, the Agent shall have the option to do so and the Company agrees to repay forthwith all amounts so expended by the Agent with interest at the rate(s) set forth in the Credit Agreement.

(g) Further Assurances. The Company will do all acts and things and will execute all financing statements and writings reasonably requested by the Agent to establish, maintain and continue a perfected and valid security interest of the Agent in the Collateral, and will promptly on demand pay all reasonable costs and expenses of filing and recording all instruments, including the costs of any searches deemed necessary by the Agent, to establish and determine the validity and the priority of the Agent's security interests. A carbon, photographic or other reproduction of this Security Agreement or any financing statement covering the Collateral shall be sufficient as a financing statement if the Company does not promptly execute a financing statement upon request of the Agent.

(h) List of Patents, Copyrights, Mask Works and Trademarks. Attached hereto as Schedule 1(h)(i) is a list of all patents and patent applications owned by the Company. Attached hereto as Schedule 1(h)(ii) is a list of all registered copyrights and all mask works and applications therefor owned by the Company. Attached hereto as Schedule 1(h)(iii) is a list of all trademarks and service marks owned by the Company. If the Company at any time owns any additional patents, copyrights, mask works, trademarks or any applications therefor not listed on such schedules, the Company shall give the Agent prompt written notice thereof and hereby authorizes the Agent to modify this Agreement

by amending Schedules 1(h)(i), 1(h)(ii) and 1(h)(iii) to include all future patents, copyrights, mask works, trademarks and applications therefor and agrees to execute all further instruments and agreements, if any, if requested by the Agent to evidence the Agent's interest therein.

(i) Maintenance of Tangible Collateral. The Company will cause the tangible Collateral material to the conduct of its business to be maintained and preserved in good repair, working order and condition, ordinary wear and tear and damage by casualty excepted, and shall, from time to time, make or cause to be made all needed and proper repairs, replacements, and other improvements which are necessary or desirable to such end, except where a failure to do so would not reasonably be expected to have a Material Adverse Effect. The Company shall promptly furnish to the Agent a statement respecting any loss or damage to any of the tangible Collateral.

(j) Special Rights Regarding Accounts. The Agent or any of its agents may, at any time and from time to time in its sole discretion and irrespective of the existence of any Event of Default under this Security Agreement, verify, directly with each person (collectively, the "Obligors") which owes any Accounts to the Company, the Accounts in any reasonable manner. If the Agent or any of its agents shall collect such obligations directly from the Obligors, the Agent or any of its agents shall have the right to resolve any disputes relating to returned goods directly with the Obligors in such manner and on such terms as the Agent or any of its agents shall deem appropriate. The Company directs and authorizes any and all of its present and future Obligors to comply with requests for information from the Agent, the Agent's designees and agents and/or auditors, relating to any and all business transactions between the Company and the Obligors. The Company further directs and authorizes all of its Obligors upon receiving a notice or request sent by the Agent or the Agent's agents or designees to pay directly to the Agent any and all sums of money or proceeds now or hereafter owing by the Obligors to the Company, and any such payment shall act as a discharge of any debt of such Obligor to the Company in the same manner as if such payment had been made directly to the Company. The Company agrees to take any and all action as the Agent may reasonably request to assist the Agent in exercising the rights described in this Section.

(k) Maintenance of Intellectual Property and Other Intangible Collateral. The Company shall preserve and maintain all rights of the Company and the Agent in all material Intellectual Property and all other material intangible Collateral, including without limitation the payment of all maintenance fees, filing fees and the taking of all appropriate action at the Company's expense to halt the infringement of any of the Intellectual Property or other Collateral, provided that, with respect to halting the infringement of any Intellectual Property or other Collateral, the Company does not need to take all such appropriate action if the Company has, or after an Event of Default the Majority Lenders have, reasonably determined that it is not in its best interest to demand or enforce cessation of such infringement or other conduct because it is either not material or because the adverse consequences to the Company would outweigh the benefits gained by such demand or enforcement.

(l) Deposit Accounts. The Company will (i) upon the Agent's request, use commercially reasonable efforts to cause each bank or other financial institution in which it maintains a Deposit Account to enter into a control agreement with the Agent, in form and substance reasonably satisfactory to the Agent in order to give the Agent Control of the Deposit Account and if such efforts are unsuccessful, the Company will promptly close such Deposit Account and withdraw the funds and (ii) upon the Agent's request after the occurrence and during the continuance of an Event of Default, deliver to each such bank or other financial institution a letter, in form and substance acceptable to the Agent, transferring ownership of the Deposit Account to the Agent or transferring dominion and control over each such other deposit to the Agent until such time as no Event of Default exists. In the case of deposits maintained with Lenders, the terms of such letter shall be subject to the provisions of the Credit Agreement regarding setoffs.

(m) Letter-of-Credit Rights. The Company will upon the Agent's request, cause each issuer of a letter of credit to consent to the assignment of proceeds of the letter of credit or otherwise give the Agent control of the related letter-of-credit right.

2. Reserved.

3. Remedies. Upon the occurrence and continuation of any Event of Default, the Agent shall have and may exercise any one or more of the rights and remedies provided to it under this Security Agreement or any of the other Operative Documents or provided by law, including but not limited to all of the rights and remedies of a secured party under the Michigan Uniform Commercial Code, and the Company hereby agrees to assemble the Collateral and make it available to the Agent at a place to be designated by the Agent which is reasonably convenient to both parties, authorizes the Agent to take possession of the Collateral with or without demand and in accordance with applicable law and to sell and dispose of the same at public or private sale and to apply the proceeds of such sale to the costs and expenses thereof (including reasonable attorneys' fees and disbursements, incurred by the Agent) and then to the payment and satisfaction of the Secured Obligations. Any requirement of reasonable notice shall be met if the Agent sends such notice to the Company, by registered or certified mail, at least 5 days prior to the date of sale, disposition or other event giving rise to a required notice. The Agent or any Lender may be the purchaser at any such sale. The Company expressly authorizes such sale or sales of the Collateral in advance of and to the exclusion of any sale or sales of or other realization upon any other collateral securing the Secured Obligations. The Agent shall have no obligation to preserve rights against prior parties, and the Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Company hereby waives as to the Agent and each Lender any right of subrogation or marshaling of such Collateral and any other collateral for the Secured Obligations. To this end, the Company hereby expressly agrees that any such collateral or other security of the Company or any other party which the Agent may hold, or which may come to any of the Lenders or any of their possession, may be dealt with in all respects and particulars as though this Security Agreement were not in existence. The parties hereto further agree that public sale of the Collateral by auction conducted in any county in which any Collateral is located or in which the Agent or the Company does business after advertisement of the time and place thereof shall, among other manners of public and private sale, be deemed to be a commercially reasonable disposition of the Collateral. The Company shall be liable for any deficiency remaining after disposition of the Collateral. The Agent, on behalf of the Lenders, may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. The Agent may specifically disclaim any warranties of title or the like. If the Agent sells any of the Collateral upon credit, the Company will be credited only with payments actually made by the purchaser, received by the Agent and applied to the indebtedness of such purchaser. In the event any such purchaser fails to pay for the Collateral, the Agent may resell the collateral and the Company shall be credited with the proceeds of sale.

4. Special Remedies Concerning Certain Collateral.

(a) Upon the occurrence and continuation of any Event of Default, the Company shall, if requested to do so in writing, and to the extent so requested (i) promptly collect and enforce payment of all amounts due the Company on account of, in payment of, or in connection with, any of the Collateral, (ii) hold all payments in the form received by the Company as trustee for the Agent, without commingling with any funds belonging to the Company, and (iii) forthwith deliver all such payments to the Agent with endorsement to the Agent's order of any checks or similar instruments.

(b) Upon the occurrence and continuation of any Event of Default, the Company shall, if requested to do so, and to the extent so requested, notify all Obligors and other persons with obligations to the Company on account of or in connection with any of the Collateral of the security interest of the Agent in the Collateral and direct such account debtors and other persons that all payments in connection with such obligations and the Collateral be made directly to the Agent. The Agent itself may, upon the occurrence of an Event of Default, so notify and direct any such account debtor or other person that such payments are to be made directly to the Agent.

(c) Upon the maturity (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations, the occurrence and continuation of an Event of Default and the exercise of rights and remedies under this Security Agreement by the Agent, for purposes of assisting the Agent in exercising its rights and remedies provided to it under this Security Agreement, the Company (i) hereby irrevocably constitutes and appoints the Agent its true and lawful attorney, for and in the Company's name, place and stead, to collect, demand, receive, sue for, compromise, and give good and sufficient releases for, any monies due or to become due on account of, in payment of, or in connection with the Collateral, (ii) hereby irrevocably authorizes the Agent to endorse the name of the Company, upon any checks, drafts, or similar items which are received in payment of, or in connection with, any of the Collateral, and to do all things necessary in order to reduce the same to money, (iii) with respect to any Collateral, hereby irrevocably assents to all extensions or postponements of the time of payment thereof or any other indulgence in connection therewith, to each substitution, exchange or release of Collateral, to the addition or release of any party primarily or secondarily liable, to the acceptance of partial payments thereon and the settlement, compromise or adjustment (including adjustment of insurance payments) thereof, all in such manner and at such time or times as the Agent shall deem advisable and (iv) hereby irrevocably authorizes the Agent to notify the post office authorities to change the address for delivery of the Company's mail to an address designated by the Agent, and the Agent may receive, open and dispose of all mail addressed to the Company. Notwithstanding any other provisions of this Security Agreement, it is expressly understood and agreed that the Agent shall have no duty, and shall not be obligated in any manner, to make any demand or to make any inquiry as to the nature or sufficiency of any payments received by it or to present or file any claim or take any other action to collect or enforce the payment of any amounts due or to become due on account of or in connection with any of the Collateral.

5. Remedies Cumulative. No right or remedy conferred upon or reserved to the Agent under any Operative Document is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative in addition to every other right or remedy given hereunder or now or hereafter existing under any applicable law. Every right and remedy of the Agent under any Operative Document or under applicable law may be exercised from time to time and as often as may be deemed expedient by the Agent. To the extent that it lawfully may, the Company agrees that it will not at any time insist upon, plead, or in any manner whatever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, which may affect observance or performance of any provisions of any Operative Document; nor will it claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of any security for its obligations under any Operative Document prior to any sale or sales thereof which may be made under or by virtue of any instrument governing the same; nor will the Company, after any such sale or sales, claim or exercise any right, under any applicable law to redeem any portion of such security so sold.

6. Conduct No Waiver. No waiver of default shall be effective unless in writing executed by the Agent and waiver of any default or forbearance on the part of the Agent in enforcing any of its rights under this Security Agreement shall not operate as a waiver of any other default or of the same default on a future occasion or of such right.

7. Governing Law; Consent to Jurisdiction. This Security Agreement is a contract made under, and shall be governed by and construed in accordance with, the law of the State of Michigan applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State. The Company agrees that any legal action or proceeding with respect to this Security Agreement or the transactions contemplated hereby may be brought in any court of the State of Michigan, or in any court of the United States of America sitting in Michigan, and the Company hereby submits to and accepts generally and unconditionally the jurisdiction of those courts with respect to its person and property, and irrevocably appoints Michael Brode, at the Company's address set forth in the Credit Agreement, as its agent for service of process and irrevocably consents to the service of process in connection with any such action or proceeding by personal delivery to such agent or to the Company or by the mailing thereof by registered or certified mail, postage prepaid to the Company at its address set forth in the Credit Agreement. Nothing in this paragraph shall affect the right of the Agent to serve process in any other manner permitted by law or limit the right of the Agent to bring any such action or proceeding against the Company or its property in the courts of any other jurisdiction. The Company hereby irrevocably waives any objection to the laying of venue of any such suit or proceeding in the above described courts. The headings of the various subdivisions hereof are for convenience of reference only and shall in no way modify any of the terms or provisions hereof.

8. Notices. All notices, demands, requests, consents and other communications hereunder shall be delivered in the manner described in the Credit Agreement.

9. Rights Not Construed as Duties. The Agent neither assumes nor shall it have any duty of performance or other responsibility under any contracts in which the Agent has or obtains a security interest hereunder. If the Company fails to perform any agreement contained herein, the Agent may but is in no way obligated to itself perform, or cause performance of, such agreement, and the reasonable expenses of the Agent incurred in connection therewith shall be payable by the Company under paragraph 12. The powers conferred on the Agent hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and accounting for monies actually received by it hereunder, the Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

10. Amendments. None of the terms and provisions of this Security Agreement may be modified or amended in any way except by an instrument in writing executed by each of the parties hereto.

11. Severability. If any one or more provisions of this Security Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected, impaired or prejudiced thereby.

12. Expenses. (a) The Company agrees to indemnify the Agent from and against any and all claims, losses and liabilities growing out of or resulting from this Security Agreement (including, without limitation, enforcement of this Security Agreement), except claims, losses or liabilities resulting from the Agent's gross negligence or willful misconduct.

(b) The Company will, upon demand, pay to the Agent an amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, which the Agent may incur in connection with (i) the administration of this Security Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of the Agent

hereunder or under the Operative Documents, or (iv) the failure of the Company to perform or observe any of the provisions hereof.

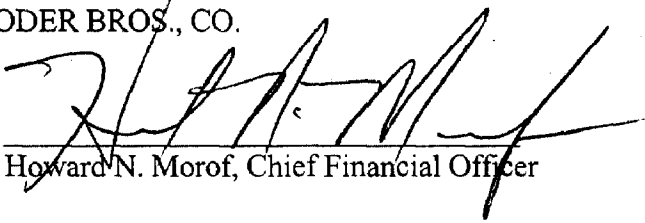
13. Successors and Assigns; Termination. This Security Agreement shall create a continuing security interest in the Collateral and shall be binding upon the Company, its successors and assigns (including all persons who become bound as a debtor to this Security Agreement), and inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and its successors, transferees and assigns. Upon the payment in full in immediately available funds of all of the Secured Obligations (other than contingent indemnification obligations with respect to which there are no unsatisfied claims and with respect to which neither the Agent nor any Lender asserts a claim as of the date a termination of this Security Agreement is requested to be terminated) and the termination of all commitments to lend and letters of credit outstanding under the Operative Documents, the security interest granted hereunder shall terminate and all rights to the Collateral shall revert to the Company.

14. Waiver of Jury Trial. The Agent and the Lenders, in accepting this Security Agreement, and the Company, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waive any right any of them may have to a trial by jury in any litigation based upon or arising out of this Security Agreement or any related instrument or agreement or any of the transactions contemplated by this Security Agreement or any course of conduct, dealing, statements (whether oral or written) or actions of any of them. Neither the Agent, the Lenders nor the Company shall seek to consolidate, by counterclaim or otherwise, any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by either the Agent, the Lenders or the Company except by a written instrument executed by all of them.

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IN WITNESS WHEREOF, the Company has caused this Security Agreement to be duly executed as of the day and year first set forth above.

BRODER BROS., CO.

By: 
Howard N. Morof, Chief Financial Officer

Accepted and Agreed:

BANK ONE, MICHIGAN, as Agent and
on behalf of the Lenders

By: 
Its: VICE PRESIDENT

SCHEDULE 1(a) TO SECURITY AGREEMENT

Locations Where Financing Statements Are to Be Filed

1. Michigan Secretary of State

SCHEDULE TO 1(b) TO SECURITY AGREEMENT

List of Other Office and Facility Locations

<u>Type of Office or Facility</u>	<u>Address</u>	<u>City</u>	<u>County</u>	<u>State</u>
Florida Distribution Center Office, Warehouse, Call Center	1255 LaQuinta Building 130	Orlando	Orange	Florida
Texas Distribution Center Office, Warehouse, Call Center	2425 Camp Street Building 100	Carrollton	Dallas	Texas
New York Distribution Center Office, Warehouse, Call Center	Northeastern Industrial Park Building 11, Bay 4	Guilderland Center	Albany	New York
North Carolina Distribution Center Office, Warehouse, Call Center	915 Stanback Ferry Road	Wadesboro	Anson	North Carolina
California Distribution Center Office, Warehouse, Call Center	3443 East Central Avenue	Fresno	Fresno	California
Distribution	11701 Missouri Bottoms Road	Hazelwood	St. Louis	Missouri

List of Other Names of the Company

Broder Brothers, Broder Brothers Company, Broder Bros.

SCHEDULE TO 1(c)(i) TO SECURITY AGREEMENT

List of Inventory Locations

<u>Address</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>If Leased or Warehoused, Name and Address of Lessor / Warehouseman</u>
45555 Port Street	Plymouth	Wayne	Michigan	H&E Plymouth Properties, Ltd. 45555 Port Street Plymouth, Michigan 48170-6093
1255 LaQuinta Building 130	Orlando	Orange	Florida	Eastgroup Property Serv., Inc. 7003 Presidents Drive, Suite 800 Orlando, Florida 32809
2425 Camp Street Building 100	Carrollton	Dallas	Texas	ProLogis Trust 2310 LBJ Freeway Suite 200 Dallas, Texas 75234
Northeastern Industrial Park Building 11, Bay 4	Guilderland Center	Albany	New York	Northeastern Industrial Park, Inc. P.O. Box 98 Guilderland Center, New York 12085
915 Stanback Ferry Road	Wadesboro	Anson	North Carolina	Wadesboro Partners, LLC c/o GriffinCapital 3421 Manhattan Avenue Manhattan Beach, California 90266-3359
3443 East Central Avenue	Fresno	Fresno	California	John B. Brelsford and Diana L. Brelsford Diversified Development Group 600 West Shaw Suite 160 Fresno, California 93704
11701 Missouri Bottoms Road	Hazelwood	St. Louis	Missouri	Equitable Life Assurance Society of the United States 455 N. Cityfront Plaza Drive Suite 3200 Chicago, IL 60611

SCHEDULE TO 1(c)(ii) TO SECURITY AGREEMENT

List of Fixtures, Machinery and Equipment Locations and Vehicles Covered by Certificates of Title

A. List of Fixtures, Machinery and Equipment Locations

<u>Address</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>Legal Description, Record Owner and Tax Parcel No. (if Fixtures are at this Location)</u>
45555 Port Street	Plymouth	Wayne	Michigan	H&E Plymouth Properties, Ltd. 45555 Port Street Plymouth, Michigan 48170-6093
1255 LaQuinta Building 130	Orlando	Orange	Florida	Eastgroup Property Serv., Inc. 7003 Presidents Drive, Suite 800 Orlando, Florida 32809
2425 Camp Street Building 100	Carrollton	Dallas	Texas	ProLogis Trust 2310 LBJ Freeway Suite 200 Dallas, Texas 75234
Northeastern Industrial Park Building 11, Bay 4	Guilderland Center	Albany	New York	Northeastern Industrial Park, Inc. P.O. Box 98 Guilderland Center, New York 12085
915 Stanback Ferry Road	Wadesboro	Anson	North Carolina	Wadesboro Partners, LLC c/o GriffinCapital 3421 Manhattan Avenue Manhattan Beach, California 90266-3359
3443 East Central Avenue	Fresno	Fresno	California	John B. Brelsford and Diana L. Brelsford Diversified Development Group 600 West Shaw Suite 160 Fresno, California 93704
11701 Missouri Bottoms Road	Hazelwood	St. Louis	Missouri	Equitable Life Assurance Society of the United States 455 N. Cityfront Plaza Drive Suite 3200 Chicago, IL 60611

B. Vehicles subject to certificates of title:

Description

Title Number & State Where Issued

None.

C. Aircraft/engines, ships, railcars and other vehicles governed by federal statute:

Description

Registration Number

None.

SCHEDULE TO 1(h)(i) TO SECURITY AGREEMENT

Patents and Applications

None.

SCHEDULE TO 1(h)(ii) TO SECURITY AGREEMENT

Copyrights, Maskworks and Applications

None.

TRADEMARK

REEL: 002376 FRAME: 0294

SCHEDULE TO 1(h)(iii) TO SECURITY AGREEMENT

Trademarks, Service Marks and Applications

1. Luna Pier Collection Luna Pier Registration No. 2099187 Reg. Date 9/23/97
2. Broder Brothers Registration No. 1899323 Reg. Date 6/13/95
3. Broder Bros. Registration No. 1901015 Reg. Date 6/20/95
4. Luna Basics Serial No. 76/068071 App. Date 6/12/00 (trademark registration pending)

Domain Names:

1. broderbros.com
2. catalogsportswear.com

DETROIT 7-3363 614032