

08-02-2002

Docket No.:

22674/5



102176429

Tab settings

To the Honorable Commissioner of Patent

Use return the attached original documents or copy thereof.

1. Name of conveying party(ies): **Michigan Sporting Goods Distributors, Inc.**

7.30.02

- Individual(s)
- General Partnership
- Corporation-State **Michigan**
- Other

Additional names(s) of conveying party(ies)  Yes  No

2. Name and address of receiving party(ies):

Name: **LaSalle Retail Finance**

Internal Address: \_\_\_\_\_

Street Address: **25 Braintree Hill Office Park, Suite 205**

City: **Braintree** State: **MA** ZIP: **02184**

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State **Delaware**
- Other

If assignee is not domiciled in the United States, a domestic designation is  Yes  N  
(Designations must be a separate document from Additional name(s) & address(es)  Yes  N

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

Execution Date: **July 1, 2002 & July 3, 2002**

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

A. Trademark Application No.(s)  
~~75/731,547~~ Filed 6/17/1999  
~~76/046,767~~ Filed 5/11/2000  
76/412,375 Filed 5/22/2002

B. Trademark Registration No.(s)  
1,927,937 2,271,833 2,328,553  
1,959,912 2,307,267 2,409,915  
1,974,106 2,307,268 2,432,634

Additional numbers  Yes  No

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

Name: **Mark S. Leonardo, Esq.**

Internal Address: **Brown Rudnick Berlack Israels LLP**

Street Address: **One Financial Center**

**18th Floor, Box IP**

City: **Boston** State: **MA** ZIP: **02111**

6. Total number of applications and registrations involved: **18**

7. Total fee (37 CFR 3.41): \$ **465.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

**50-0369**

08/01/2002 GTON11 00000201 75731547

01 FC:481 40.00 OP  
02 FC:482 425.00 OP

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.

**Mark S. Leonardo (Reg. No. 41,433)**

Name of Person Signing

Signature

**7-22-2002**

Date

Total number of pages including cover sheet, attachments, and

**15**

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY#4. Continuation of Application Number(s) or Registration Number(s):

## A. Trademark Application No.(s)

Application No.	Filing Date
76/413,754	5/30/2002

## B. Trademark Registration No.(s)

Registration No.
2,441,129
2,468,538
2,489,939
2,526,929
2,542,464

TRADEMARK AND TRADEMARK  
APPLICATIONS SECURITY AGREEMENT

This Trademark and Trademark Application Security Agreement (the “**TM Security Agreement**”) is made as of the 3rd day of July, 2002, by Michigan Sporting Goods Distributors, Inc. (the “**Borrower**”), an Michigan corporation with offices at 3070 Schaffer S.E., Grand Rapids, MI 49512 and LaSalle Retail Finance, a division of LaSalle Business Credit, Inc., a Delaware corporation, with offices at 25 Braintree Hill Office Park, Suite 205, Braintree, Massachusetts 02184 (in its capacity as agent for itself and the other lenders and Hilco, the “**Secured Party**”).

RECITALS

WHEREAS, pursuant to the Loan Agreement, dated as of even date hereof, (as amended from time to time, the “**Senior Loan Agreement**”) by and among the Borrower, and the Secured Party, the Secured Party and the other lenders named therein (the “**Lenders**”) agreed to make certain Loans (as defined in the Senior Loan Agreement, hereinafter, the “**Senior Loans**”) available to the Borrower and the Borrower;

WHEREAS, pursuant to the Loan Agreement, dated as of even date hereof, (as amended from time to time, the “**Hilco Loan Agreement**” and together with the Senior Loan Agreement, the “**Loan Agreements**”) by and between the Borrower and Hilco Capital LP (“**Hilco**”), Hilco agreed to make a certain Loan (as defined in the Loan Agreement, hereinafter, the “**Hilco Loans**” and together with the Senior Loans, the “**Loans**”) available to the Borrower;

WHEREAS, pursuant to the Loan Agreements the Borrower and the Borrower have granted to the Secured Party as agent for itself and the other lenders a security interest in the

Collateral (as defined in the Loan Agreements) to secure the Liabilities (as defined in the Loan Agreements) of the Borrower and the Borrower to the Secured Party;

WHEREAS, as a condition, among others, to the establishment of the credit facilities contemplated by the Loan Agreements, and to further secure the Liabilities and to more fully vest the security interest granted in the Loan Agreements and other Loan Documents (as defined therein), the Borrower has executed this TM Security Agreement.

NOW THEREFORE, For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Borrower and the Secured Party, agree as follows:

1. Terms used herein which are defined in the Loan Agreements are used as so defined.
2. To secure the Liabilities (as defined in each of the Loan Agreements), the Borrower hereby grants a security interest in favor of, and collaterally assigns to the Secured Party as agent for itself and the other lenders, with power of sale (which power of sale shall be exercisable only following the occurrence of an Event of Default as defined in any of the Loan Agreements and used herein as so defined), in and to the following and all proceeds thereof:
  - a. All of the Borrower'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 the Borrower'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. Until this TM Security Agreement is terminated in writing by a duly authorized officer of the Secured Party, the Borrower 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 Borrower'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 abandon or delay any such efforts.

c. At the Borrower's sole cost, expense, and risk, take any and all action which the Borrower deems necessary or desirable to protect the Marks, including, without limitation, the prosecution and defense of infringement actions.

4. In the event of

a. the Borrower's failure, within Five (5) days of written notice from the Secured Party, to cure any failure by the Borrower to perform any of the Borrower's obligations set forth in Section 3, above, or

b. the occurrence of any Event of Default, as defined in any of the Loan Agreements, the Secured Party acting in its capacity as Agent or in the name of the Borrower may (but shall not be required to) act in the Borrower's place and stead and/or in the Secured Party's own right in connection therewith.

5. The Borrower 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 Borrower.

b. No liens, claims or security interests have been granted in any Mark by the Borrower to any Person other than to the Secured Party.

6. In order to further secure the Liabilities as defined in each of the Loan Agreements:

a. The Borrower shall give the Secured Party written notice (with reasonable detail) within Ten (10) days following the occurrence of any of the following:

i. The Borrower obtains rights to, and files 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 Borrower's right to sell products containing the trademarks of others in the ordinary course of the Borrower's business).

ii. The Borrower becomes 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 the Borrower's right to sell products in containing the trademarks of others' the ordinary course of the Borrower's business).

iii. The Borrower enters into any new trademark license agreement or service mark license agreement.

b. The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in 6(a), above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

c. The Borrower hereby authorizes the Secured Party to modify this 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 A shall not be a condition to the creation or perfection of the security interest created hereby.

7. Upon the occurrence of any Event of Default, the Secured Party 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 Secured Party, subject to the terms of the Loan Agreements, may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Secured Party that an Event of Default under any of the Loan Agreements has occurred and that the Secured Party is authorized to exercise such rights and remedies.

8. The Borrower hereby irrevocably constitutes and designates the Secured Party as and for the Borrower's attorney in fact, effective with and upon the Secured Party's first exercise (the "**First Exercise**") of such powers following the occurrence of any Event of Default under any of the Loan Agreements:

a. To exercise any of the rights and powers referenced in Section 3.

b. To execute all and singular such instruments, documents, and papers as the Secured Party 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 Secured Party, but shall be exercisable only following the occurrence of an Event of Default under any of the Loan Agreements.

9. Any use by the Secured Party of the Marks as authorized hereunder in connection with the exercise of the Secured Party's rights and remedies under the within TM Security Agreement and the Loan Agreements shall be coextensive with the Borrower's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Secured



Party to the Borrower. Such use by the Secured Party shall be permitted only with and upon the First Exercise following the occurrence of an Event of Default.

10. Secured Party hereby acknowledges that the Borrower shall continue to have the exclusive right, prior to notice from the Secured Party following the occurrence of an Event of Default under any of the Loan Agreements, 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 the Borrower to protect the Marks against encroachment by third parties; provided, however, that the Borrower first notifies the Secured Party in writing of its intention to sue for enforcement of the Marks against a particular party. All costs arising in connection with any infringement shall be borne by the Borrower.

11. Following the payment and satisfaction of all Liabilities as defined in each of the Loan Agreements, and the termination of any obligation of the Secured Party, Hilco and the other Lenders to provide loans or financial accommodations under the credit facility contemplated by the Loan Agreements, this TM Security Agreement shall terminate and the Secured Party shall execute and deliver to the Borrower all such instruments as the Borrower reasonably may request to release any encumbrance in favor of the Secured Party created hereby or pursuant hereto, subject, however, to any disposition thereof which may have been made by the Secured Party pursuant hereto or pursuant to the Loan Agreements.

12. The Borrower shall, at the request of the Secured Party, do any and all acts and execute any and all documents required by the Secured Party in connection with the protection, preservation, and enforcement of the Secured Party's rights hereunder.

13. The Borrower shall, upon demand, reimburse the Secured Party for all costs and expenses incurred by the Secured Party in the exercise of any rights hereunder (including, without limitation, fees and expenses of counsel).

14. Neither anything contained in the within TM Security Agreement or in the Loan Agreements nor any act, omission, or circumstance may be construed as directly or indirectly conveying to the Secured Party any rights in and to the Marks, which rights are effective except following the occurrence of any Event of Default under any of the Loan Agreements (and in such circumstances, only with and upon the First Exercise).

15. This TM Security Agreement is intended to be supplemental of the Loan Agreements. All provisions of the Loan Agreements shall apply to the Marks and the Secured Party shall have the same rights with respect to any and all security interests in the Marks granted the Secured Party to secure the Liabilities hereunder as thereunder. In the event of a conflict between this TM Security Agreement and any of the Loan Agreements, the terms of this TM Security Agreement shall control with respect to the Marks and the Loan Agreements with respect to all other collateral.

IN WITNESS WHEREOF, the Borrower and the Secured Party respectively have caused this TM Security Agreement to be executed by officers duly authorized so to do on the date first above written.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

MICHIGAN SPORTING GOODS  
DISTRIBUTORS, INC.,  
as Pledgor

LASALLE RETAIL FINANCE,  
as Agent

By: Bruce A. Ullery

By: \_\_\_\_\_

Print Name: Bruce A. Ullery

Print Name: \_\_\_\_\_

Title: President/CEO

Title: \_\_\_\_\_

Signature page to trademark agreement

[SIGNATURE PAGE TO TRADEMARK AGREEMENT]

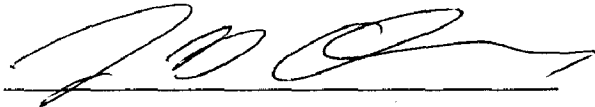
MICHIGAN SPORTING GOODS  
DISTRIBUTORS, INC.,  
as Pledgor

LASALLE BUSINESS CREDIT, INC., by  
and through its division LASALLE RETAIL  
FINANCE,  
as Collateral Agent

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By:  \_\_\_\_\_

Print Name: Francis D. O'Connell

Title: Senior Vice President

THE OF  
COUNTY OF Kent , SS

Then personally appeared before me Bruce A. Wilensy who acknowledged that such person the duly authorized President/CEO of the Michigan Sporting Goods Distributors, Inc. and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this 1<sup>st</sup> day of July, 2002.

EMILY L.M. BURNS  
Notary Public, Kent County, MI  
My Commission Expires Nov 17, 2004

Emily L.M. Burns  
Notary Public  
My Commission Expires: 11/17/04

THE OF  
COUNTY OF \_\_\_\_\_, SS

Then personally appeared before me \_\_\_\_\_ who acknowledged that such person the duly authorized of the LaSalle Retail Finance and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this \_\_\_ day of \_\_\_\_\_, 2002.

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

My Commission Expires:

Notary to trademark agreement

THE STATE OF  
COUNTY OF

, SS

Then personally appeared before me \_\_\_\_\_ who acknowledged that such person the duly authorized \_\_\_\_\_ of the Michigan Sporting Goods Distributors, Inc. and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this \_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

THE COMMONWEALTH OF MASSACHUSETTS  
COUNTY OF SUFFOLK, SS

Then personally appeared before me Francis D. O'Connor who acknowledged that such person the duly authorized S.V.P. of the LaSalle Retail Finance a division of LaSalle Business Credit, Inc. and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this 7<sup>th</sup> day of July, 2002.

Janet S. Wamsley  
Notary Public

My Commission Expires:

JANET S. WAMSLEY, Notary Public  
My Commission Expires December 9, 2005

**EXHIBIT A**  
**to Trademark and Trademark Applications Security Agreement**

**1. Trademark/Service Mark Registrations\***

<u>Mark Name</u>	<u>Registration Number</u>	<u>Registration Date</u>
Sports Outlet (and design)	2,271,833	8/24/1999
Store of Dreams	2,328,553	3/14/2000
Traverse Bay Tackle	2,432,634	3/6/2001
MC Sports Outdoor Center	2,307,267	1/11/2000
MC Sporting Goods	2,307,268	1/11/2000
Drift Creek	2,409,915	12/5/2000
Drift Creek (and design)	2,489,939	9/18/2001
Drift Creek (and design) (goods class 18)	2,441,129	4/3/2001
Drift Creek (good class 18, 25, 28)	2,526,929	1/8/2002
MC Sports Charities (and design)	2,542,464	2/26/2002
Drift Creek	2,468,538	7/10/2001
Teammates	1,974,106	5/14/1996
MC	1,959,912	3/5/1996
MC Sports	1,927,937	10/17/1995

**2. Pending Applications\***

<u>Mark Name</u>	<u>Application Number</u>	<u>Application Date</u>
Newcastle (and design)	76/412,375	5/22/2002
Newcastle	76/413,754	5/30/2002
Drift Creek	1,079,634 (Canada)	10/20/2000
Drift Creek (goods class 18, 25, 28)	76/046,767	5/11/2000
Drift Creek Expedition (and design)	75/731,547	6/17/1999

\*U.S. registrations and applications except where indicated