

03-27-2003

FORM PTO-1594
1-31-92

RECC



102401720

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

3-10-03

EL671308737US

BOX ASSIGNMENTS, Commissioner of Patents and Trademarks, Washington, D.C. 20231
Please record and index the attached original documents or copy thereof.

1. Name of conveying party(ies): **Softspikes, Inc.**
State of Delaware Corporation

3. Nature of Conveyance: Security Agreement
Execution Date: **January 22, 2003**

2. Name and address of receiving party(ies):
Name: **M&I Marshall & Ilsley Bank**
Address: 770 N. Water Street
City: Milwaukee State: WI Zip: 53202
Type of Company: Corporation
Corporation-State: Wisconsin

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designation must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

OFFICE OF PUBLIC RECORDS
2003 MAR 10 AM 9:50
FINANCIAL SECTION

4. A. Trademark Application No.(s) See attached Schedule B
B. Trademark Registration No.(s) See attached Schedule B
Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Timothy M. Kelley
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4108

6. Total number of applications and registrations involved: 21

7. Total fee (37 CFR 3.41):.....\$ 540.00
 Enclosed
 Deficiencies in fee charged to deposit account

8. Deposit account number: 13-3080

03/26/2003 TDIAZ1 00000159 1773925
01 FC:8521 40.00 DP
02 FC:8522 500.00 DP

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.

Timothy M. Kelley
Name of Person Signing

Timothy M. Kelley
Signature

March 7, 2003
Date

Total number of pages including cover sheet, attachments, and document: 9

OMB No. 0651-0011 (exp. 4/94)TFORMTMASSIGN

Attorney File 063053-0142

United States Postal Service Express Mail Mailing Label No. EL671308737US

cc: Docketing

TRADEMARK
REEL: 002700 FRAME: 0241

Schedule B

United States and State registered trademarks, trade names and service marks and applications for registrations of trademarks, trade names and service marks of the Borrower:

U.S. Trademarks

Registered Marks

<u>Mark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
SOFTSPIKES	1,773,925	05/25/93
ECLIPSE	2,541,709	02/19/02
THE SHADOW	2,489,462	09/11/01
DYNAMIC CLEAT TECHNOLOGY	2,483,620	08/28/01
EASY SPIN	2,475,785	08/07/01
CLEAT KADDY	2,473,474	07/31/01
REFLEX TECHNOLOGY	2,418,403	01/02/01
DRI STIX	2,418,402	01/02/01
MAGNES SPORT	2,396,464	10/17/00
DURATHANE	2,209,563	12/08/98
FLATSPIKES	2,263,807	07/20/99
SOFTSPIKES	2,278,540	09/14/99

Applications

<u>Mark</u>	<u>Serial No.</u>	<u>Filing Date</u>
SOFTSPIKES	76/337,333	11/14/01
STREET CAPS	76/163,101	11/09/00
SOFTSPIKES	76/337,332	11/14/01
SOFTSPIKES	75/424,804	01/28/98
SOFTSPIKES	75/480,420	05/06/98
SOFTSPIKES	75/574,825	10/21/98
BLACK WIDOW	75/571,529	10/16/98
BLUE THUNDER	76/420,761	06/13/02

**SECURITY AGREEMENT, PLEDGE, AND LICENSE
OF PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES**

THIS SECURITY AGREEMENT, PLEDGE AND LICENSE OF PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES (this "Agreement") is made as of this 22nd day of January, 2003, by SOFTSPIKES, INC., a Delaware corporation (the "Debtor"), in favor of M&I MARSHALL & ILSLEY BANK, a Wisconsin banking corporation, in its capacity as Agent for and on behalf of the Lenders (hereinafter defined) (the "Secured Party").

RECITALS

WHEREAS, concurrently herewith, Pride Manufacturing, LLC, a Wisconsin limited liability company and ultimate corporate parent of the Debtor ("Debtor"), M&I Marshall & Ilsley Bank, Fifth Third Bank, Associated Bank, N.A. and Comerica Bank (collectively, and together with all other financial institutions which are from time to time parties to the Credit Agreement [hereinafter defined], the "Lenders") and Secured Party have entered into an Amended and Restated Credit Agreement dated of even date herewith (the "Credit Agreement").

WHEREAS, to secure the obligations of Borrower under the Credit Agreement, Debtor has entered into a Guaranty, Guaranty Security Agreement and other documents (collectively, the "Security Agreements") which grant to Secured Party a security interest in all of Debtor's assets, including, without limitation, any and all of its intellectual property and other general intangibles (including, but not limited to Patent, Trademarks, Copyrights, and Licenses, as those terms are defined below). The foregoing is hereinafter collectively called the "Collateral". All of the terms and provisions of the Security Agreements are incorporated herein by reference in their entirety; and the capitalized terms used herein shall have the meaning assigned to them in the Credit Agreement.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor and Secured Party agree as follows:

AGREEMENT

A. Pledge of Patents, Trademarks, Copyrights and Licenses. To secure the complete and timely satisfaction of all of Debtor's Obligations to Lenders and to further evidence Secured Party's security interest in the Collateral, Debtor hereby irrevocably grants to Secured Party a security interest in and to all of the Debtor's right, title and interest in all of the following items now owned or hereafter acquired or arising:

1. All patents and patent applications on the inventions and improvements described and claimed therein, and including those patents (if any) listed on Schedule A attached hereto; (a) all reissues, divisions, continuations, renewals, extensions and continuations-in-part of the patents; (b) all income, royalties, damages and payments now or hereafter due and/or payable with respect to the patents, including, without limitation, all damages and payments for past or future infringements of the patents however arising and payable; (c) all rights to sue for the past, present and future infringements of the

patents; and (d) all rights arising from or corresponding to the patents throughout the world. All of the foregoing are collectively referred to hereinafter as the "Patents."

2. All trademarks, service marks, trademark and service mark registrations, trade names, service mark applications, including, without limitation, the trademarks and service mark applications and registrations (if any) listed on Schedule B attached hereto; (a) all renewals of any of the foregoing; (b) all income, royalties, damages and payments now or hereafter due and/or payable with respect to the foregoing, including, without limitation, all damages and payments for past or future infringements of same; (c) all rights to sue for the past, present and future infringements of the foregoing; and (d) all rights corresponding to the foregoing throughout the world to the extent available to Debtor. All of the above are collectively referred to hereinafter as the "Trademarks".

3. All copyrights, copyright registrations and applications, including, without limitation, those copyrights listed on Schedule C attached hereto, and all renewals, extensions and continuations of such copyrights (hereinafter the "Copyrights").

4. All licensing, distribution, royalty and exclusive dealing agreements with any other person or entity, including, without limitation, the licenses and agreements (if any) listed on Schedule D attached hereto (hereinafter the "Licenses"), and the right to prepare for advertise and sell all goods covered by such Licenses, but only to the extent Debtor is permitted to collaterally pledge the Licenses pursuant to the underlying agreements relating thereto or, if necessary, has obtained the consent of the licensor under such Licenses.

5. The goodwill and trade secrets of each of Debtor's businesses connected with and/or symbolized by the Patents, Trademarks, Copyrights and Licenses (hereinafter "Goodwill").

If, before the Debtor's Obligations are paid and satisfied in full, the Debtor acquires, develops or otherwise obtains rights to any intellectual property of the types described above, the provisions of this Agreement shall automatically apply thereto and the Debtor shall give Secured Party prompt notice thereof in writing. The Debtor hereby authorizes Secured Party to modify this Agreement by amending any applicable Schedule to include any subsequently acquired or developed intellectual property.

B. Debtor's Ownership of Intellectual Property. Debtor represents and warrants that, to the best of its knowledge and belief, it is the sole owner of all of the Patents, Trademarks and Copyrights (except as may be disclosed in the Schedules attached hereto) and has the right to grant Secured Party a security interest and to pledge and mortgage same to Secured Party. Debtor hereby agrees that Secured Party's rights in and to the Patents, Trademarks, Copyrights and Licenses now or hereafter pledged to Secured Party shall be worldwide to the extent of Debtor's rights with respect thereto.

C. Disposition of Intellectual Property. After written notice of default or demand for payment under the Security Agreements, Secured Party may sell, assign or convey any or all of the Patents, Trademarks, Copyrights and/or Licenses, with corresponding Goodwill, to any

purchaser(s); provided Secured Party shall have no right to sell, assign or convey any or all of the Trademarks (and corresponding Goodwill) on any basis independent or apart from a sale of Debtor's inventory, equipment and/or product lines (or a party thereof) pertaining to said Trademarks.

D. License to Use Patents, Trademarks, Copyrights and Licenses. In addition to Secured Party's other rights and interests herein, Debtor grants to Secured Party and each Lender a non-exclusive, royalty-free transferable license and right to use the Patents, Trademarks, Copyrights and Licenses, to the extent the Debtor has an interest therein, for the purpose of permitting Secured Party to manufacture and/or dispose of the Collateral for a period of 180 days commencing on the date Secured Party or the Lenders obtain the right to dispose of the Collateral and physical possession thereof. Such 180 day period shall be tolled to the extent Secured Party and the Lenders shall be unable to liquidate and/or dispose of the Collateral due to bankruptcy or insolvency proceedings brought by or against Debtor.

E. Waiver of Payments by Secured Party. Secured Party and the Lenders shall have no liability to Debtor or any other party for any royalties or other charges arising from Secured Party's use or disposition of the Patents, Trademarks, Copyrights and/or Licenses (including under any of the Licenses). Debtor hereby indemnifies Secured Party and the Lenders from any royalties, expenses, charges, and/or liabilities incurred by Secured Party under this Agreement (or otherwise) and from any litigation, claim action and/or proceeding against Secured Party and the Lenders regarding the use and/or disposition of the Patents, Trademarks, Copyrights and/or Licenses (including, but not limited to, reasonable attorneys fees).

F. Termination of Pledge and License. The term of the security interest and license granted to Secured Party herein shall expire upon the earlier of: (1) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses pledged hereunder; or (2) full satisfaction of all of Debtor's Obligations to Secured Party and the Lenders. Upon payment in full of the Obligations, Secured Party shall execute and deliver to Debtor all satisfactions and other instruments as may be necessary to release Secured Party's interest under this Agreement.

G. Duties of Debtor. Debtor shall, as it deems reasonably necessary and appropriate in the normal course of its business: (1) pay all taxes, fees or other amounts necessary to maintain in full force and effect all of the Patents, Trademarks, Copyrights and Licenses; (2) prosecute diligently any Patent, Copyright and/or Trademark rights and/or application acquired by Debtor now or hereafter; (3) make application on all patentable inventions and on all Trademarks and Copyrights, as appropriate; (4) diligently file and prosecute any continuations, continuations-in-part, applications for reissue, applications for certificate of correction, affidavits of use, proofs of use, renewals and like matters and otherwise preserve and maintain all of Secured Party's rights in and to the Patent(s), Trademark(s), Copyright(s) and License(s); and (5) promptly notify Secured Party in writing of any new Patent, Trademark, Copyright or License, or any material change in the status of Debtor's interests in any Patent, Trademark, Copyright or License. All expenses incurred in fulfilling Debtor's duties hereunder shall be borne solely and exclusively by Debtor. Secured Party and the Lenders shall have no obligation or liability to pay any taxes or fees regarding Secured Party's interest in or use of the Patents, Trademarks, Copyrights or Licenses; nor shall Secured Party and the Lenders have any duties in connection with application for, protection and/or maintenance of any Patents, Trademarks Copyrights or Licenses. Debtor

shall not abandon, forfeit or dedicate to the public any rights in and to any patentable invention or in any Patent, Trademark or Copyright in which the Debtor has an interest without prior written consent of the Secured Party.

H. Delivery of Source Code. To the extent any of the Collateral constitutes, incorporates or is used in connection with any software programs or computer based applications, Debtor agrees to deliver to Secured Party a copy (on diskette or other tangible medium satisfactory to Secured Party) of the source code for such software and/or computer applications upon request and at no charge to Secured Party.

I. Entire Agreement/Waivers. This Agreement constitutes the entire agreement of the parties. No provision of this Agreement may be waived or modified in any manner (including this paragraph) without the prior written consent of Debtor and Secured Party. No course of dealing between Debtor and Secured Party, nor any failure to exercise, or any delay in exercising, on the part of Secured Party, any right or privilege hereunder shall operate as a waiver of such right or privilege, or preclude Secured Party from any other or further exercise of any right or privilege.

J. Cumulative Remedies. All of Secured Party's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereunder or by the Security Agreements, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Foreclosure and disposition of Secured Party's rights and interests in the Patents, Trademarks, Copyrights and Licenses may be made pursuant to Chapter 409 of the Wisconsin Statutes (except to the extent expressly superseded by federal law).

K. Syndicated Lender Provisions. The obligations of the Lenders are several and not joint and the rights of any Lender to exercise any rights, remedies and powers granted to Secured Party hereunder are subject to Section 9 of the Credit Agreement in all respects; and in the event of any conflict between this Agreement and the Credit Agreement as to the rights, obligations, duties and activities of the Secured Party and the Lenders shall be governed by the Credit Agreement, but in no event shall any conflicts between or restrictions on the exercise of any rights or remedies as between the Secured Party be assertable by Debtor against Secured Party or any of the Lenders in any proceeding or in anyway affect Debtor's performance and payment of its Obligations hereunder any and all indemnities and duties of the Debtor now to the Lenders notwithstanding anything to the contrary herein.

L. Choice of Law and Forum/Beneficiaries. THE VALIDITY, INTERPRETATION AN ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF WISCONSIN (IRRESPECTIVE OF SUCH STATE'S RULES ON CONFLICTS OF LAWS) EXCEPT TO THE EXTENT EXPRESSLY SUPERSEDED BY FEDERAL LAWS. BORROWER AND SECURED PARTY CONSENT TO THE PERSONAL JURISDICTION OF ANY STATE OR FEDERAL COURT IN MILWAUKEE COUNTY, WISCONSIN, REGARDING ANY CLAIMS ARISING, DIRECTLY OR INDIRECTLY, UNDER THIS AGREEMENT, AND WAIVE ANY OBJECTION BASED ON FORUM NON CONVENIENS AND TRIAL BY JURY. THIS AGREEMENT SHALL BE BINDING UPON THE BORROWER, AND ITS SUCCESSORS

AND ASSIGNS; AND SHALL INURE TO THE BENEFIT OF SECURED PARTY, AND ITS SUCCESSORS AND ASSIGNS.

Dated this ~~22~~ day of January, 2003 at Milwaukee, Wisconsin.

SOFTSPIKES, INC.

By: William R. Ellis
Name: ~~Richard Otekysk~~ William R. Ellis
Title: ~~President~~ Vice President

**M&I MARSHALL & ILSLEY BANK,
as Agent for the Lenders**

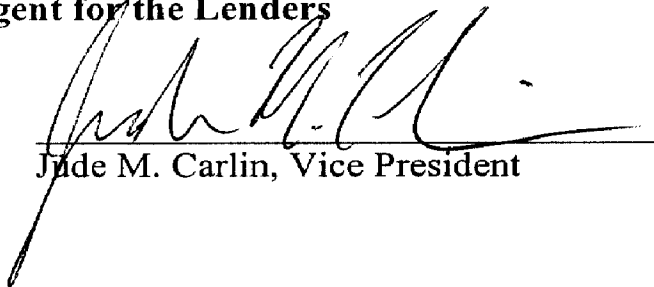
By: _____
Jude M. Carlin, Vice President

Dated this 22 day of January, 2003 at Milwaukee, Wisconsin.

SOFTSPIKES, INC.

By: _____
Name: Richard Oleksyk
Title: President

**M&I MARSHALL & ILSLEY BANK,
as Agent for the Lenders**

By: 
Jude M. Carlin, Vice President