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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

RECORDS TRADE

DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies):
 Arena Football League, LLC

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

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

2. Name and address of receiving party(ies)
 Name: Fifth Third Bank
 Internal Address: _____
 Address: _____
 Street Address: 233 South Wacker Drive
 City: Chicago State: IL Zip: 60606

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

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

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

Execution Date: 05/29/2003

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

A. Trademark Application No.(s)
 76/440,735; 76/435,290; 76/440,734
 76/440,733; 76/435,523; 76/475,769

B. Trademark Registration No.(s)
 2,199,660; 1,855,376; 2,303,390; 2,171,072

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Deanne M. Van Natta
 Internal Address: Freeborn & Peters
 Suite 3000
 Street Address: 311 South Wacker Drive
 City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved: 137

7. Total fee (37 CFR 3.41).....\$ 3,440.00
 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.

Deanne M. Van Natta *Deanne M. Van Natta* June 23, 2003
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 29

06/26/2003 09:07 AM 00000133 76440735
 01 FC:8521 40.00 OP
 02 FC:8522 3400.00 OP

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

TRADEMARK
 REEL: 002758 FRAME: 0680

TRADEMARKS

**UNITED STATES TRADEMARKS OWNED BY
ARENA FOOTBALL LEAGUE LLC**

<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
A. PIRANHAS & Design	U.S.	75/330,723	25 July 1997	2,199,660	27 Oct 1998
AFL	U.S.	74/350,005	21 Jan 1993	1,855,376	20 Sep 1994
AFL & Design	U.S.	75/404,011	11 Dec 1997	2,303,390	28 Dec 1999
AFL & Shield Design	U.S.	76/440,735	15 Aug 2002		
AFL & Shield Design	U.S.	76/440,733	15 Aug 2002		
AFL ARENA FOOTBALL LEAGUE & Design	U.S.	76/435,290	29 Jul 2002		
AFL ARENA FOOTBALL LEAGUE & Design	U.S.	76/435,523	29 Jul 2002		
AFL ARENA FOOTBALL LEAGUE & Design	U.S.	76/440,734	15 Aug 2002		
AFL IMAGES	U.S.	76/475,769	16 Dec 2002		
AFL MEDIA & Design	U.S.	76/395,023	08 April 2002		
ALBANY FIREBIRDS	U.S.	75/267,052	31 Mar 1997	2,171,072	07 Jul 1998
ALBANY FIREBIRDS	U.S.	76/142,795	10 Oct 2000	2,611,755	27 Aug 2002
ALBANY FIREBIRDS & Design	U.S.	75/778,152	12 Aug 1999	2,557,702	09 Apr 2002
ARENA AUTHENTIC & Design	U.S.	76/256,629	14 May 2001		
ARENA FOOTBALL	U.S.	75/500,735	11 Jun 1998		
ARENA FOOTBALL & Design	U.S.	74/249,309	25 Feb 1992	2,135,130	10 Feb 1998
ARENA FOOTBALL & Design	U.S.	75/510,140	29 Jun 1998		
ARENA FOOTBALL GET IT ALL	U.S.	76/142,799	10 Oct 2000		
ARENA FOOTBALL LEAGUE	U.S.	75/335,853	04 Aug 1997	2,523,770	01 Jan 2002
ARENA FOOTBALL LEAGUE	U.S.	76/368,739	11 Feb 2002		
ARENA FOOTBALL LEAGUE & Design	U.S.	76/435,291	29 Jul 2002		
ARENA FOOTBALL LEAGUE & Design	U.S.	76/435,524	29 Jul 2002		

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<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
ARENABALL	U.S.	73/689428	07 Oct 1987	1540429	23 May 1989
ARENABOWL	U.S.	73/706665	20 Jan 1988	1602917	19 Jun 1990
ARIZONA RATTLERS	U.S.	76/142797	10 Oct 2000	2611756	27 Aug 2002
R. ARIZONA RATTLERS & Design	U.S.	74/237887	15 Jan 1992	1776064	08 Jun 1993
BRAWL INSIDE THE WALL	U.S.	75/430275	06 Feb 1998	2247499	25 May 1999
BUFFALO DESTROYERS	U.S.	75/442264	27 Feb 1998	2562102	16 Apr 2002
BUFFALO DESTROYERS & Design	U.S.	75/442267	27 Feb 1998	2562103	16 Apr 2002
BUFFALO DESTROYERS & Design	U.S.	75/441555	27 Feb 1998	2362859	27 Jun 2000
BUFFALO DESTROYERS & Design	U.S.	75/441556	27 Feb 1998	2559139	09 Apr 2002
BUFFALO DESTROYERS & Design	U.S.	75/442263	27 Feb 1998	2565516	30 Apr 2002
BUFFALO DESTROYERS (Stylized)	U.S.	75/442262	27 Feb 1998	2400531	31 Oct 2000
CAROLINA COBRAS	U.S.	75/827635	20 Oct 1999	2523267	25 Dec 2001
CHICAGO RUSH	U.S.	76/136,231	27 Sep 2000		
CHICAGO RUSH & Design	U.S.	76/243767	23 Apr 2001		
CITYHAWKS	U.S.	75/212050	11 Dec 1996	2186653	01 Sep 1998
COLORADO CRUSH	U.S.	76/409606	08 May 2002		
COLORADO CRUSH PRIMARY LOGO (Stylized C)	U.S.	76/452266	23 Sep 2002		
DALLAS DESPERADOS	U.S.	76/266647	04 Jun 2001		
Design Only (Buffalo Head In A Ring)	U.S.	75/442265	27 Feb 1998	2567708	07 May 2002
Design Only (Buffalo Head In A Ring)	U.S.	75/442261	27 Feb 1998	2421753	16 Jan 2001
Design Only (Buffalo In Motion Through A Porthole)	U.S.	75/454406	23 Mar 1998	2686843	11 Feb 2003
Design Only (Buffalo In Motion Through A Porthole)	U.S.	75/455298	23 Mar 1998	2565521	30 Apr 2002
Design Only (Cobra Snake- Carolina)	U.S.	76/142593	10 Oct 2000	2606796	13 Aug 2002
Design Only	U.S.	76/243768	23 Apr 2001		

<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
(Head/Helmet-Los Angeles)					
Design Only (M & Mustang)	U.S.	74/479851	18 Jan 1994	1,912,793	15 Aug 1995
Design Only (New England- Wolf Head)	U.S.	76/081360	29 Jun 2000		
Design Only (New Orleans-Skull and Crossbones)	U.S.	76/492545	26 Feb 2003		
Design Only (New Orleans-Snakes)	U.S.	76/492544	26 Feb 2003		
Design Only (Rhino Head-Grand Rapids)	U.S.	75/392657	19 Nov 1997	2468098	10 Jul 2001
Design Only (Rhino Head-Grand Rapids)	U.S.	75/782856	23 Aug 1999	2420963	16 Jan 2001
Design Only (Shooting Star-Dallas)	U.S.	76/290990	26 Jul 2001		
DESPERADOS DALLAS & Design	U.S.	76/318241	27 Sep 2001		
DETROIT FURY	U.S.	76/255915	14 May 2001	2522571	25 Dec 2001
DETROIT FURY	U.S.	76/024961	13 Apr 2000	2584416	25 Jun 2002
DETROIT FURY & Design	U.S.	76/036886	28 Apr 2000	2660196	10 Dec 2002
DETROIT FURY & Design	U.S.	76/255916	14 May 2001	2522572	25 Dec 2001
DON'T BLINK	U.S.	75/429455	05 Feb 1998	2363604	04 Jul 2000
DRAGONS NEW YORK & Design	U.S.	76/270980	14 Jun 2001	2662105	17 Dec 2002
FIREBREATHING FOOTBALL	U.S.	76/266629	04 Jun 2001	2543017	26 Feb 2002
FLORIDA BOBCATS	U.S.	75/046953	23 Jan 1996	2188119	08 Sep 1998
FLORIDA BOBCATS & Design	U.S.	76/142592	10 Oct 2000	2561473	16 Apr 2002
FLORIDA WITH A BITE	U.S.	75/062464	23 Feb 1996	2148161	31 Mar 1998
FOOTBALL'S IN THE HOUSE	U.S.	78/168707	27 Sep 2002		
FOREST DRAGONS	U.S.	75/261873	24 Mar 1997	2187339	08 Sep 1998
GEORGIA FORCE	U.S.	76/347790	12 Dec 2001		
GEORGIA FORCE & Design	U.S.	76/365559	04 Feb 2002		
GRAND RAPIDS RAMPAGE	U.S.	75/392656	19 Nov 1997	2312359	25 Jan 2000

#532086

TRADEMARK
REEL: 002758 FRAME: 0683

<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
GRAND RAPIDS RAMPAGE	U.S.	75/771037	09 Aug 1999	2554628	02 Apr 2002
GRAND RAPIDS RAMPAGE & Design	U.S.	75/783392	23 Aug 1999	2557710	09 Apr 2002
GRAND RAPIDS RAMPAGE & Design	U.S.	75/525087	24 Jul 1998	2285149	12 Oct 1999
GRAND RAPIDS RAMPAGE & Design	U.S.	75/524347	24 Jul 1998		
HIGH SCORIN! HEART STOPPIN! HELMET POPPIN!	U.S.	75/432133	05 Feb 1998	2255222	22 Jun 1999
HOUSTON THUNDERBEARS	U.S.	75/479994	06 May 1998	2393965	10 Oct 2000
HOUSTON THUNDERBEARS	U.S.	75/479995	06 May 1998	2393966	10 Oct 2000
HOUSTON THUNDERBEARS	U.S.	75/479997	06 May 1998	2393967	10 Oct 2000
HOUSTON THUNDERBEARS & Design	U.S.	76/142780	10 Oct 2000	2593900	16 Jul 2002
IN YOUR FACE FOOTBALL	U.S.	75/194676	07 Nov 1996	2130186	20 Jan 1998
INDIANA FIREBIRDS	U.S.	76/155327	27 Oct 2000	2517033	11 Dec 2001
INDIANA FIREBIRDS & Design	U.S.	76/266646	04 Jun 2001	2573455	28 May 2002
L.A. AVENGERS	U.S.	75/711178	20 May 1999	2607837	13 Aug 2002
L.A. AVENGERS	U.S.	76/142798	10 Oct 2000	2581305	18 Jun 2002
LA & Design	U.S.	75/754854	20 Jul 1999	2553326	26 Mar 2002
LAS VEGAS GLADIATORS	U.S.	76/475958	17 Dec 2002		
LAS VEGAS GLADIATORS & Design	U.S.	76/475957	17 Dec 2002		
LONE STARS	U.S.	76/266649	04 Jun 2001		
LOS ANGELES AVENGERS	U.S.	75/710870	20 May 1999	2607836	13 Aug 2002
LOS ANGELES AVENGERS	U.S.	76/248325	30 Apr 2001	2558624	09 Apr 2002
LOS ANGELES AVENGERS & Design	U.S.	75/754853	20 Jul 1999	2541124	19 Feb 2002
MEMPHIS PHARAOHS	U.S.	74/600118	17 Nov 1994	2061855	13 May 1997
MILWAUKEE MUSTANGS	U.S.	74/430612	30 Aug 1993	1907935	25 Jul 1995

<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
MILWAUKEE MUSTANGS & Design	U.S.	75/778154	12 Aug 1999	2603345	06 Aug 2002
MILWAUKEE MUSTANGS & Design	U.S.	76/214099	22 Feb 2001	2612080	27 Aug 2002
NASHVILLE KATS	U.S.	75/023374	22 Nov 1995	2089857	19 Aug 1997
NASHVILLE KATS	U.S.	75/773775	09 Aug 1999	2366344	11 Jul 2000
NASHVILLE KATS & Design	U.S.	76/213295	21 Feb 2001	2591115	09 Jul 2002
NASHVILLE KATS & Design	U.S.	75/206980	25 Nov 1996	2191816	29 Sep 1998
NEW ENGLAND SEA WOLVES	U.S.	76/080838	29 Jun 2000	2587369	02 Jul 2002
NEW JERSEY GLADIATORS	U.S.	76/285601	16 Jul 2001	2536584	05 Feb 2002
NEW JERSEY GLADIATORS & Design	U.S.	76/285600	16 Jul 2001	2555913	02 Apr 2002
NEW ORLEANS VOODOO	U.S.	76/350619	20 Dec 2001		
NEW ORLEANS VOODOO & Design (Skull and Crossbones)	U.S.	76/492543	26 Feb 2003		
NEW ORLEANS VOODOO & Design (Skull and Top Hat)	U.S.	76/427033	02 Jul 2002		
NEW ORLEANS VOODOO & Design (Snakes)	U.S.	76/427032	02 Jul 2002		
NEW ORLEANS VOODOO (Stylized)	U.S.	76/492542	26 Feb 2003		
NEW YORK DRAGONS	U.S.	76/213294	21 Feb 2001	2506997	13 Nov 2001
OKLAHOMA WRANGLERS	U.S.	75/890814	11 Jan 2000		
ORLANDO PREDATORS	U.S.	75/266485	31 Mar 1997	2277033	14 Sep 1999
ORLANDO PREDATORS	U.S.	76/279978	03 Jul 2001	2609506	20 Aug 2002
OW (Design Only- Oklahoma)	U.S.	76/255914	14 May 2001	2522570	25 Dec 2001
P & Design (Orlando)	U.S.	76/279977	03 Jul 2001	2609505	20 Aug 2002
PHANTOMS TORONTO & Design	U.S.	76/260635	17 May 2001		
R ARIZONA RATTLEERS & Design	U.S.	75/778153	12 Aug 1999	2611184	27 Aug 2002
REAL FUN. REAL	U.S.	76/318242	27 Sep 2001		

<u>Trademark</u>	<u>Country</u>	<u>Serial Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>
CLOSE. REAL FOOTBALL.					
RED DOGS	U.S.	75/266486	31 Mar 1997	2171067	07 Jul 1998
ROCK & ROLL FOOTBALL	U.S.	74/258292	23 Mar 1992	1797263	05 Oct 1993
ROCK & ROLL FOOTBALL	U.S.	74/257825	23 Mar 1992	1729529	03 Nov 1992
SABERCATS	U.S.	74/600069	17 Nov 1994	2057890	29 Apr 1997
SAN JOSE SABERCATS	U.S.	76/256628	14 May 2001	2525112	01 Jan 2002
SAN JOSE SABERCATS & Design	U.S.	76/332829	02 Nov 2001	2668630	31 Dec 2002
TAMPA BAY STORM	U.S.	75/267053	31 Mar 1997	2172595	14 Jul 1998
TAMPA BAY STORM	U.S.	76/256627	14 May 2001		
TAMPA BAY STORM & Design	U.S.	76/214098	22 Feb 2001		
TEXAS TERROR	U.S.	75/047312	23 Jan 1996	2104086	07 Oct 1997
THE 50 YARD INDOOR WAR	U.S.	706648	20 Jan 1988	1520192	10 Jan 1989
THE FASTEST GAME ON TURF	U.S.	75/429494	05 Feb 1998	2235540	23 Mar 1999
TORONTO PHANTOMS	U.S.	76/136513	27 Sep 2000	2541755	19 Feb 2002
WALL2WALL BRAWL	U.S.	76/401640	29 Apr 2002	2677936	21 Jan 2003
WAR ON THE FLOOR	U.S.	75/768220	05 Aug 1999	2640105	22 Oct 2002
WRANGLERS	U.S.	75/255910	14 May 2001	2708521	22 Apr 2003
OKLAHOMA & Design					
DALLAS DESPERADOS	U.S.	76/216827	27 Feb 2001	2626402	24 Sep 2002
DALLAS DESPERADOS	U.S.	76/391154	03 Apr 2002		
DESIGN ONLY (Rhino Head-Grand Rapids)	U.S.	75/392658	19 Nov 1997		
DESPERADOS	U.S.	76/216896	27 Feb 2001	2626403	24 Sep 2002
DESPERADOS	U.S.	76/389841	02 Apr 2002		
GRAND RAPIDS	U.S.	75/392655	19 Nov 1997		
RAMPAGE					

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") dated as of May 29, 2003 is among ARENA FOOTBALL LEAGUE, LLC (the "Company"), each subsidiary of the Company listed on the signature pages hereof, each other person or entity which from time to time becomes a party hereto (collectively, including the Company, the "Debtors" and individually each a "Debtor") and FIFTH THIRD BANK (the "Lender") (for itself and the other Lender Parties).

WITNESSETH:

WHEREAS, the Company and the Lender have entered into a Credit Agreement dated as of the date hereof (as amended, restated or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, each Debtor other than the Company has guaranteed all obligations of the Company under or in connection with the Credit Agreement and certain hedging obligations pursuant to a Subsidiary Guaranty (as amended, restated or otherwise modified from time to time, the "Subsidiary Guaranty"); and

WHEREAS, the obligations of the Company under the Loan Documents (as defined in the Credit Agreement) and the obligations of each other Debtor under the Subsidiary Guaranty are to be secured pursuant to this Agreement;

NOW, THEREFORE, for and in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. When used herein, (a) the terms Account, Account Debtor, Certificated Security, Chattel Paper, Commodity Account, Commodity Contract, Deposit Account, Document, Equipment, Fixture, Goods, Instrument, Inventory, Investment Property, Security, Security Entitlement, Securities Account and Uncertificated Security shall have the respective meanings assigned to such terms in the UCC (as defined below), (b) capitalized terms used but not defined have the respective meanings assigned to such terms in the Credit Agreement and (c) the following terms have the following meanings (such definitions to be applicable to both the singular and plural forms of such terms):

Agreement – see the introductory paragraph.

Assignee Deposit Account – see Section 4.

Collateral – see Section 2.

Commercial Tort Claim means, with respect to each Debtor, all of such Debtor's "commercial tort claims" as defined in the UCC and as set forth on Schedule IV.

Company – see the introductory paragraph.

Computer Hardware and Software means, with respect to any Debtor, (i) all computer and other electronic data processing hardware, whether now or hereafter owned, licensed or leased by such Debtor, including, without limitation, all integrated computer systems, central processing units, memory units, display terminals, printers, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware; (ii) all software programs, whether now or hereafter owned, licensed or leased by such Debtor, designed for use on the computers and electronic data processing hardware described in clause (i) above, including, without limitation, all operating system software, utilities and application programs in whatsoever form (source code and object code in magnetic tape, disk or hard copy format or any other listings whatsoever); (iii) all firmware associated therewith, whether now or hereafter owned, licensed or leased by such Debtor; (iv) all rights with respect thereto, including, without limitation, any and all licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications, and any substitutions, replacements, additions or model conversions of any of the foregoing; and (v) all documentation for such hardware, software and firmware described in the preceding clauses (i), (ii), and (iii), whether now or hereafter owned, licensed or leased by such Debtor, including, without limitation, flow charts, logic diagrams, manuals, specifications, training materials, charts and pseudo codes.

Costs and Expenses means, with respect to any Debtor, all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by the Lender in connection with (i) the execution, delivery and performance of this Agreement by such Debtor, (ii) protecting, preserving or maintaining any Collateral of such Debtor, (iii) collecting the Liabilities of such Debtor and (iv) enforcing any rights of the Lender hereunder in respect of the Collateral of such Debtor.

Credit Agreement – see the recitals.

Debtor – see the introductory paragraph.

Default means the occurrence of any of the following events: (i) any Unmatured Event of Default under Section 12.1.4 of the Credit Agreement, (ii) any Event of Default or (iii) any warranty of any Debtor herein is untrue or misleading in any material respect and, as a result thereof, the Lender's security interest in any material portion of the Collateral is not perfected or the Lender's rights and remedies with respect to any material portion of the Collateral is materially impaired or otherwise materially adversely affected.

General Intangibles means, with respect to any Debtor, all of such Debtor's "general intangibles" as defined in the UCC and, in any event, includes (without limitation) all of such Debtor's licenses, franchises, tax refund claims, guarantee claims, security interests and rights to indemnification.

Intellectual Property means all of the following, whether now owned or hereafter acquired: trade secrets and other proprietary information; customer lists; trademarks, service marks, business names, trade names, designs, logos, indicia, and/or other source and/or business identifiers and the goodwill of the business relating thereto and all registrations or applications for registrations which have heretofore been or may hereafter be issued thereon throughout the world and any renewals thereof ("Trademarks"); copyrights (including, without limitation, copyrights for computer programs) and copyright registrations or applications for registrations which have heretofore been or may hereafter be issued throughout the world and all renewals or reversions thereof; inventions (whether or not patentable); patent applications and patents and any reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof ("Patents"); industrial designs, industrial design applications and registered industrial designs; license agreements related to any of the foregoing and income therefrom ("Licenses"); mask works, flow diagrams, specification sheets, source codes, object codes and other physical manifestations, embodiments or incorporations of any of the foregoing; the right to sue for all past, present and future infringements, misappropriations or dilutions of any of the foregoing; and all common law and other rights throughout the world in and to all of the foregoing.

Lender – see the introductory paragraph.

Lender Party means the Lender and any Affiliate of the Lender which is a party to a Hedging Agreement with the Company.

Liabilities means (a) with respect to the Company, (i) all obligations of the Company under or in connection with the Credit Agreement or any other Loan Document (including this Agreement) and (ii) all Hedging Obligations of the Company to any Lender Party; and (b) with respect to any other Debtor, all obligations of such Debtor under or in connection with the Subsidiary Guaranty or any other Loan Document (including this Agreement), in each case (x) howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, due or to become due and (y) as such documents may be amended, restated or otherwise modified from time to time.

Non-Tangible Collateral means, with respect to any Debtor, collectively, such Debtor's Accounts and General Intangibles.

Permitted Liens – see Section 3.

Subsidiary Guaranty – see the recitals.

UCC means the Uniform Commercial Code as in effect from time to time in the State of Illinois.

2. Grant of Security Interest. As security for the payment and performance of all Liabilities, each Debtor hereby assigns, pledges and conveys to the Lender (for itself and for the benefit of the other Lender Parties) (excluding Intellectual Property), and grants to the Lender (for itself and for the benefit of the other Lender Parties) a continuing security interest in (including Intellectual Property) all of such Debtor's right, title, and interest in the following, whether now or hereafter existing or acquired:

- (i) Accounts;
- (ii) Chattel Paper;
- (iii) Commercial Tort Claims;
- (iv) Computer Hardware and Software;
- (v) Deposit Accounts;
- (vi) Documents;
- (vii) General Intangibles;
- (viii) Goods (including, without limitation, all its Equipment, Fixtures and Inventory), together with all accessions, additions, attachments, improvements, substitutions and replacements thereto and therefor;
- (ix) Instruments;
- (x) Intellectual Property;
- (xi) Investment Property (including Commodity Accounts, Commodity Contracts, Securities (whether Certificated Securities or Uncertificated Securities), Security Entitlements and Securities Accounts);
- (xii) money (of every jurisdiction whatsoever); and
- (xiii) to the extent not included in the foregoing, other personal property of any kind or description;

together with all of such Debtor's right, title and interest in all books, records, writings, data bases, information and other property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to any of the foregoing, all claims and/or insurance proceeds arising out of the loss, nonconformity or any interference with the use of, or any defects or infringements of rights in, or damage to, any of the foregoing, and all proceeds, products, offspring, rents, issues, profits and returns of and from, and all distributions on and rights arising out of, any of the foregoing.

All of the foregoing are herein collectively called the "Collateral".

Notwithstanding the foregoing, "Collateral" shall not include (1) any general intangible or other right arising under any contract, instrument, license or other document to the extent (but only to the extent) that the grant of a security interest would (x) result in a breach of the terms of, or constitute a default under, such contract, instrument, license or other document (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407 or 9-408 or any successor provision of the Uniform Commercial Code of any relevant jurisdiction

or any other applicable law) unless and until any required consent shall have been obtained (provided that each Debtor agrees to use commercially reasonable efforts to obtain any such required consent) or (y) give any other party to such contract, instrument, license or other document the right to terminate its obligations thereunder pursuant to a valid and enforceable provision (provided that each Debtor agrees to use commercially reasonable efforts to obtain the waiver of each such right); or (2) any Intellectual Property to the extent (but only to the extent) that the grant of a security interest would render such Intellectual Property invalid or unenforceable (except that if and when a security interest in such Intellectual Property may be granted without adversely affecting the validity or enforceability of such Intellectual Property, the Lender will be deemed to have been granted a security interest in such Intellectual Property as of the date hereof).

3. Warranties. Each Debtor warrants that: (i) no financing statement (other than any which may have been filed on behalf of the Lender or in connection with Permitted Liens (as defined below), any financing statement filed as a precautionary filing in connection with an operating lease and any Lien securing Debt to be Repaid) covering any of the Collateral is on file in any public office; (ii) such Debtor is the lawful owner, lessee or licensee (as applicable) of all Collateral, free of all liens and claims whatsoever, other than the security interest hereunder and liens and claims expressly permitted by the Credit Agreement ("Permitted Liens") and, with respect to Collateral in which such Debtor is the lessee or licensee, other than the ownership rights of the licensor or lessor with respect to such Collateral, with full power and authority to execute this Agreement and perform such Debtor's obligations hereunder, and to subject the Collateral to the security interest hereunder; (iii) all information with respect to Collateral and Account Debtors set forth in any schedule, certificate or other writing at any time heretofore or hereafter furnished by such Debtor to the Lender or any other Lender Party and all other written information heretofore or hereafter furnished by such Debtor to the Lender or any other Lender Party in connection with the Credit Agreement will be true and correct in all material respects as of the date furnished; (iv) such Debtor's true legal name as registered in the jurisdiction in which such Debtor is organized or incorporated, jurisdiction of organization or incorporation, federal employer identification number, organizational identification number, if any, as designated by the state of its organization or incorporation, chief executive office and principal place of business, in each case as of the date hereof, are set forth on Schedule I hereto; (v) each other location where such Debtor maintains a place of business or has any Goods (other than Goods in the possession of officers or employees and Goods temporarily with third parties for repair, maintenance or similar purposes, in each case in the ordinary course of business), in each case as of the date hereof, is set forth on Schedule II hereto; (vi) except as disclosed on Schedule III, as of the date of this Agreement such Debtor is not known, and during the five years preceding the date hereof has not previously been known, by any trade name; (vii) except as disclosed on Schedule III, during the five years preceding the date hereof such Debtor has not been known by any legal name different from the one set forth on the signature page of this Agreement nor has such Debtor been the subject of any merger or other corporate reorganization; (viii) Schedule IV hereto contains a complete listing of all of each Debtor's Commercial Tort Claims; and (ix) Schedule V hereto contains a complete listing of all such Debtor's Intellectual Property which is subject to registration statutes.

4. Collections, etc. Until such time during the existence of a Default as the Lender shall notify such Debtor of the revocation of such power and authority, each Debtor (a) may, in the ordinary course of its business, at its own expense, sell, lease or furnish under contracts of service any of the Inventory normally held by such Debtor for such purpose, use and consume, in the ordinary course of its business, any raw materials, work in process or materials normally held by such Debtor for such purpose, and use, in the ordinary course of its business (but subject to the terms of the Credit Agreement), the cash proceeds of Collateral and other money which constitutes Collateral, (b) will, at its own expense, endeavor to collect (in a manner consistent with past practice), as and when due, all amounts due under any of the Non-Tangible Collateral and (c) may grant, in the ordinary course of business, to any party obligated on any of the Non-Tangible Collateral, any rebate, refund or allowance, and may accept, in connection therewith, the return of Goods, the sale or lease of which shall have given rise to such Non-Tangible Collateral. The Lender, however, may, at any time that a Default exists, whether before or after any revocation of such power and authority or the maturity of any of the Liabilities, notify any Account Debtor or other Person obligated on any of the Collateral to make payment or otherwise render performance to or for the benefit of the Lender and enforce, by suit or otherwise, the obligations of an Account Debtor or other Person obligated on Collateral and exercise the rights of such Debtor with respect to the obligation of the Account Debtor or other Person obligated on Collateral to make payment or otherwise render performance to the Debtor, and with respect to any property that secures the obligation of the Account Debtor or other Person obligated on the Collateral. In connection with the exercise of such rights and remedies, the Lender may surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby. Upon request of the Lender during the existence of a Default, each Debtor will, at its own expense, notify any parties obligated on any of the Non-Tangible Collateral to make payment to the Lender for the benefit of the Lender Parties of any amounts due or to become due thereunder.

Upon request by the Lender during the existence of a Default, each Debtor will forthwith, upon receipt, transmit and deliver to the Lender, in the form received, all cash, checks, drafts and other instruments or writings for the payment of money (properly endorsed, where required, so that such items may be collected by the Lender) which may be received by such Debtor at any time in full or partial payment or otherwise as proceeds of any of the Collateral. Except as the Lender may otherwise consent in writing, any such items which may be so received by any Debtor during the existence of a Default will not be commingled with any other of its funds or property, but will be held separate and apart from its own funds or property and upon express trust for the Lender until delivery is made to the Lender. Each Debtor will comply with the terms and conditions of any consent given by the Lender pursuant to the foregoing sentence.

During the existence of a Default, all items or amounts which are delivered by any Debtor to the Lender on account of partial or full payment or otherwise as proceeds of any of the Collateral pursuant to the foregoing paragraph shall be deposited to the credit of a deposit account (each an "Assignee Deposit Account") of such Debtor maintained with the Lender over which the Lender has sole dominion and control, as security for payment of the Liabilities. No Debtor shall have any right to withdraw any funds deposited in the applicable Assignee Deposit Account. So long as a Default continues to exist, the Lender may, from time to time, in its

discretion, and shall upon request of the applicable Debtor made not more than once in any week, apply all or any of the then balance, representing collected funds, in the Assignee Deposit Account, toward payment of the Liabilities, whether or not then due, in such order of application as the Lender may determine, and the Lender may, from time to time in its discretion release all or any of such balance to the applicable Debtor; provided that if such Default shall no longer exist, the Lender shall release the balance in the Assignee Deposit Account to the applicable Debtor.

During the existence of a Default, the Lender is authorized to endorse, in the name of the applicable Debtor, any item, howsoever received by the Lender, representing any payment on or other proceeds of any of the Collateral.

5. Certificates, Scheduled and Reports. Each Debtor will from time to time deliver to the Lender such schedules, certificates and reports respecting all or any of the Collateral at the time subject to the security interest hereunder, and the items or amounts received by such Debtor in full or partial payment of any of the Collateral, each as the Lender may reasonably request. Any such schedule, certificate or report shall be executed by a duly authorized officer of such Debtor and shall be in such form and detail as the Lender may reasonably specify. Each Debtor shall immediately notify the Lender of the occurrence of any event causing any loss or depreciation in the value of its Inventory or other Goods which is material to the Company and its Subsidiaries taken as a whole, and such notice shall specify or reasonably estimate the amount of such loss of depreciation.

6. Agreements of the Debtors. Each Debtor (a) will, upon request of the Lender, execute and deliver to the Lender such financing statements and other documents (and pay the cost of filing or recording the same in all public offices reasonably deemed appropriate by the Lender) and do such other acts and things (including, without limitation, delivery to the Lender of any Instruments or Certificated Securities which constitute Collateral), all as the Lender may from time to time reasonably request, to establish and maintain a valid and perfected security interest in the Collateral (free of all other liens, claims and rights of third parties whatsoever, other than Permitted Liens) to secure the payment of the Liabilities; (b) will not maintain any place of business at any location other than in the United States; (c) will not change its state of organization or incorporation or its name, identity or corporate structure such that any financing statement filed to perfect the Lender's interests under this Agreement would become seriously misleading, unless such Debtor shall have given the Lender not less than 30 days' prior notice of such change (provided that this Section 6(c) shall not be deemed to authorize any change or transaction prohibited under the Credit Agreement); (d) will keep its records concerning the Non-Tangible Collateral in such a manner as will enable the Lender or its designees to determine at any time the status of the Non-Tangible Collateral; (e) will furnish the Lender such information concerning such Debtor, the Collateral and the Account Debtors as the Lender may from time to time reasonably request; (f) will, subject to the terms of the Credit Agreement, permit the Lender and its designees, from time to time, on reasonable notice and at reasonable times and intervals during normal business hours (or at any time without notice during the existence of a Default) to inspect such Debtor's Inventory and other Goods, and to inspect, audit and make copies of and extracts from all records and all other papers in the possession of such Debtor pertaining to the Collateral and the Account Debtors, and will, upon request of the Lender during the existence of

a Default, deliver to the Lender all of such records and papers; (g) will, upon request of the Lender, stamp on its records concerning the Collateral and add on all Chattel Paper constituting a portion of the Collateral, a notation, in form reasonably satisfactory to the Lender, of the security interest of the Lender hereunder; (h) except as permitted by the Credit Agreement, will not sell, lease, assign or create or permit to exist any lien on or security interest in any Collateral other than Permitted Liens and liens and security interests in favor of the Lender; (i) will at all times keep all of its Inventory and other Goods insured under policies maintained with responsible insurance companies against loss, damage, theft and other risks to such extent as is customarily maintained by companies similarly situated, and cause all such policies to provide that loss thereunder shall be payable to the Lender as its interest may appear (it being understood that (A) so long as no Default exists, the Lender shall deliver any proceeds of such insurance which may be received by it to such Debtor and (B) whenever a Default exists, the Lender may apply any proceeds of such insurance which may be received by it toward payment of the Liabilities, whether or not due, in such order of application as the Lender may determine) and such policies or certificates thereof shall, if the Lender so requests, be deposited with or furnished to the Lender; (j) will take such actions as are reasonably necessary to keep its Inventory in good repair and condition, ordinary wear and tear, condemnation and casualty excepted; (k) will take such actions as are reasonably necessary to keep its Equipment (other than obsolete Equipment) in good repair and condition and in good working or running order, ordinary wear and tear, condemnation and casualty excepted; (l) will promptly pay when due all material license fees, registration fees, taxes, assessments and other charges which may be levied upon or assessed against the ownership, operation, possession, maintenance or use of its Equipment and other Goods (as applicable); provided, however, that such Debtor shall not be required to pay any such fee, tax, assessment or other charge if the validity thereof is being contested by such Debtor in good faith by appropriate proceedings, so long as forfeiture of any substantial part of its Equipment or other Goods will not result from the failure of such Debtor to pay any such fee, tax, assessment or other charge during the period of such contest; (m) will, upon reasonable request of the Lender, (i) cause to be noted on the applicable certificate, in the event any of its Equipment is covered by a certificate of title, the security interest of the Lender in the Equipment covered thereby and (ii) deliver all such certificates to the Lender or its designees; (n) will take all steps reasonably necessary to protect, preserve and maintain all of its rights in the Collateral; (o) will keep all of the tangible Collateral, Deposit Accounts and Investment Property in the continental United States, and (p) will, promptly notify the Lender in writing upon incurring or otherwise obtaining a Commercial Tort Claim after the date hereof, and upon request of the Lender, will promptly enter into an amendment to this Agreement, and do such other acts and things deemed appropriate by the Lender to establish and maintain a valid and perfected security interest in such Commercial Tort Claim.

Each Debtor hereby authorizes the Lender to file (without the signature of such Debtor) any financing statement, continuation statement or amendment to financing statement in any jurisdiction and with any filing office as the Lender may determine, in its sole discretion, is necessary or advisable to perfect the security interest granted to the Lender hereunder or in connection herewith. Any such financing statement or amendment may describe the Collateral in the same manner as described in any security agreement or pledge agreement entered into by the parties in connection herewith, or may contain an indication or description of collateral that describes such property in any other manner as the Lender may determine, in its sole discretion,

is necessary, advisable or prudent to ensure the perfection of the security interest in the collateral granted to the Lender hereunder or in connection herewith, including, without limitation, describing such property as "all assets" or "all personal property", whether now owned or hereafter acquired.

Any reasonable expenses incurred in protecting, preserving and maintaining any Collateral shall be borne by the applicable Debtor. Whenever a Default exists, the Lender shall have the right to bring suit to enforce any or all of the Intellectual Property or licenses thereunder, in which event the applicable Debtor shall at the request of the Lender do any and all lawful acts and execute any and all proper documents required by the Lender in aid of such enforcement, and such Debtor shall promptly, upon demand, reimburse and indemnify the Lender for all reasonable costs and expenses incurred by the Lender in the exercise of its rights under this Section 6, except to the extent any of the foregoing result from the gross negligence or willful misconduct of the Lender. Notwithstanding the foregoing, the Lender shall have no obligations or liabilities regarding the Collateral or any thereof by reason of, or arising out of, this Agreement.

7. Intellectual Property Provisions.

(a) No Debtor will, without the Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and each Debtor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Lender under this Agreement or the rights associated with the Trademarks, Patents or Licenses.

(b) If, prior to the termination of this Agreement, any Debtor shall (i) obtain rights to any new Intellectual Property, (ii) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension or continuation-in-part of any patent or any improvement on any patent or patent license, (iii) become entitled to the benefit of any Intellectual Property whether as licensee or licensor or (iv) enter into any new Intellectual Property license agreement, the provisions of Section 2 above shall automatically apply thereto. Each applicable Debtor shall give to the Lender written notice of events described in clauses (i), (ii), (iii) and (iv) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Each Debtor hereby authorizes the Lender to (A) modify this Agreement unilaterally by amending Schedule V to include any future Intellectual Property and (B) file, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule V thereto, as the case may be, such future Intellectual Property.

(c) Each Debtor hereby agrees that the use by the Lender of the Intellectual Property as authorized hereunder in connection with the Lender's exercise of its rights and remedies hereunder shall be coextensive with such Debtor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Lender or the other Lender Parties to such Debtor.

(d) Each Debtor shall have the duty, to the extent desirable in the normal conduct of such Debtor's business, to: (i) prosecute diligently any application that is part of the Intellectual Property pending as of the date hereof or hereafter until the termination of this Agreement, and (ii) make application for unpatented but patentable inventions, copyrights, trademarks or service marks. Each Debtor further agrees (A) not to abandon any Intellectual Property without the prior written consent of the Lender and (B) to use its best efforts to maintain in full force and effect the Intellectual Property that are or shall be necessary or economically desirable in the operation of such Debtor's business. Any expenses incurred in connection with the foregoing shall be borne by the applicable Debtor. Neither the Lender nor any of the other Lender Parties shall have any duty with respect to the Intellectual Property. Without limiting the generality of the foregoing, neither the Lender nor any of the other Lender Parties shall be under any obligation to take any steps necessary to preserve rights in the Intellectual Property against any other parties, but the Lender may do so at its option during the existence of a Default, and all expenses incurred in connection therewith shall be for the sole account of the applicable Debtor and shall be added to the Liabilities secured hereby.

8. Default. (a) Whenever a Default exists, the Lender may exercise from time to time any rights and remedies available to it under the UCC, under any other applicable law and in the subsections set forth below in this Section 8.

(b) Each Debtor agrees, in case of Default, (i) to assemble, at its expense, all its Inventory and other Goods (other than Fixtures) at a convenient place or places acceptable to the Lender, and (ii) at the Lender's request, to execute all such documents and do all such other things which may be necessary in order to enable the Lender or its nominee to be registered as owner of the Intellectual Property with any competent registration authority.

(c) Each Debtor hereby agrees and acknowledges that (i) with respect to Collateral that is: (A) perishable or threatens to decline speedily in value or (B) is of a type customarily sold on a recognized market (including Investment Property), no notice of disposition need be given; and (ii) with respect to Collateral not described in clause (i) above, notification sent after Default and at least ten days before any proposed disposition provides notice with a reasonable time before disposition.

(d) Each Debtor hereby agrees and acknowledges that a commercially reasonable disposition of Inventory, Equipment, Computer Hardware and Software or Intellectual Property may be by lease or license of, in addition to the sale of, such Collateral. Each Debtor further agrees and acknowledges that a disposition (i) made in the usual manner on any recognized market, (ii) at the price current in any recognized market at the time of disposition or (iii) in conformity with reasonable commercial practices among dealers in the type of property subject to the disposition shall, in each case, be deemed commercially reasonable.

(e) Any cash proceeds of any disposition by the Lender of any of the Collateral shall be applied by the Lender to payment of Costs and Expenses, and thereafter to the payment of any and all of the Liabilities in such order of application as the Lender may from time to time elect, and thereafter any surplus will be paid to the applicable Debtor or as a court of competent jurisdiction shall direct. The Lender need not apply or pay over for application noncash proceeds

of collection and enforcement unless (i) the failure to do so would be commercially unreasonable and (ii) the applicable Debtor has provided the Lender with a written demand to apply or pay over such noncash proceeds on such basis.

(f) Each Debtor hereby irrevocably designates, constitutes and appoints the Lender (and all Persons designated by the Lender in its sole and absolute discretion) as such Debtor's true and lawful attorney-in-fact, and authorizes the Lender and any of the Lender's designees, in such Debtor's or the Lender's name, to take any action and execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement during the existence of a Default and the giving by the Lender of notice to such Debtor of the Lender's intention to enforce its rights and claims against such Debtor, to (i) endorse such Debtor's name on all applications, documents, papers and instruments necessary or desirable for the Lender in the use of the Intellectual Property, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Intellectual Property to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Intellectual Property to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Intellectual Property as the Lender deems in its own or the Lender Parties' best interest. This power of attorney is coupled with an interest and shall be irrevocable until all of the Liabilities shall have been paid in full in cash (other than contingent indemnification liabilities not yet due and payable) and the Commitments have terminated.

9. Limitation on Duty in Respect of Collateral. Beyond the exercise of reasonable care in the custody and preservation thereof, the Lender will have no duty as to any Collateral in its possession or control or in the possession or control of any sub-agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession or control if such Collateral is accorded treatment substantially equal to that which it accords its own property, and will not be liable or responsible for any loss or damage to any Collateral, or for any diminution in the value thereof, by reason of any act or omission of any sub-agent or bailee selected by the Lender in good faith or by reason of any act or omission by the Lender pursuant to written instructions of the applicable Debtor (but failure of the Lender to comply with any such instruction shall not of itself be deemed a failure to exercise reasonable care), except to the extent such liability arises from the Lender's gross negligence or willful misconduct.

To the extent that applicable law imposes duties on the Lender to exercise remedies in a commercially reasonable manner, each Debtor acknowledges and agrees that it is not commercially unreasonable for the Lender (a) to fail to incur expenses reasonably deemed significant by the Lender to prepare Collateral for disposition or otherwise to complete raw material or work-in-process into finished goods or other finished products for disposition, (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to fail to exercise collection remedies against Account Debtors or other Persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against Collateral, (d) to exercise collection remedies against Account Debtors and other Persons obligated on Collateral directly or through the use of

collection agencies and other collection specialists, (e) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other Persons, whether or not in the same business as such Debtor, for expressions of interest in acquiring all or any portion of the Collateral, (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the collateral is of a specialized nature, (h) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, including, without limitation, any warranties of title, (k) to purchase insurance of credit enhancements to insure the Lender against risks of loss, collection or disposition of Collateral, or to provide to the Lender a guaranteed return from the collection or disposition of Collateral, or (l) to the extent deemed appropriate by the Lender, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Lender in the collection or disposition of any of the Collateral. Each Debtor acknowledges that the purpose of this Section is to provide non-exhaustive indications of what actions or omissions by the Lender would not be commercially unreasonable in the Lender's exercise of remedies against the Collateral and that other actions or omissions by the Lender shall not be deemed commercially unreasonable solely on account of not being indicated in this Section. Without limitation upon the foregoing, nothing contained in this Section shall be construed to grant any right to a Debtor or to impose any duties on the Lender that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section.

10. General. All notices and requests hereunder shall be in writing (including facsimile transmission) and shall be sent (i) if to the Lender, to its address shown on Schedule 13.3 to the Credit Agreement or such other addresses as it may, by written notice to the Company, have designated as its address for such purpose, and (ii) if to any Debtor, to its address shown on Schedule I hereto or to such other address as such Debtor may, by written notice to the Lender, have designated as its address for such purpose. Notices sent by facsimile transmission shall be deemed to have been given when sent and receipt of such facsimile is confirmed; notices sent by mail shall be deemed to have been given three Business Days after the date when sent by registered or certified mail, postage prepaid; and notices sent by hand delivery or overnight courier shall be deemed to have been given when received.

No delay on the part of any party in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by any party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. No amendment or modification of this Agreement shall be effective unless the same shall be in writing and signed and delivered by the Lender and the Company, and then such amendment or modification shall be effective only in the specific instance and for the specific purpose for which given. No waiver or consent with respect to any provision of this Agreement shall be effective unless contained in a writing signed by the waiving/consenting party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

If any of the Collateral shall be sold, transferred or otherwise disposed of by any Debtor in a transaction permitted by the Credit Agreement, then the Lender, at the request and sole expense of such Debtor, shall execute and deliver to such Debtor all releases and other documents reasonably necessary for the release of Liens created hereby on such Collateral.

This Agreement shall remain in full force and effect until all Liabilities have been paid in full in cash (other than contingent indemnification liabilities not yet due and payable) and all Commitments have terminated. Upon any such termination, the Lender will, upon any Debtor's request and at such Debtor's sole expense, (i) deliver to such Debtor, without any representation, warranty or recourse of any kind whatsoever (other than the absence of Liens created by the Lender), all of such Debtor's Collateral held by the Lender hereunder as shall not have been sold or otherwise applied pursuant to the terms hereof, and (ii) execute and deliver to such Debtor such documents, including UCC-3 terminations, as such Debtor shall reasonably request to evidence such termination and the release of the security interest granted hereby. If at any time all or any part of any payment theretofore applied by the Lender or any other Lender Party to any of the Liabilities is or must be rescinded or returned by the Lender or such other Lender Party for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of any Debtor), such Liabilities shall, for the purposes of this Agreement, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Lender or such other Lender Party, and this Agreement shall continue to be effective or be reinstated, as the case may be, as to such Liabilities, all as though such application by the Lender or such other Lender Party had not been made.

THIS AGREEMENT IS GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW (EXCEPT 735 ILLINOIS COMPILED STATUTE §105/5-5) except to the extent that, pursuant to Illinois law, the perfection, the effect of perfection or nonperfection or the priority of any security interest granted hereunder may be determined in accordance with the laws of a different jurisdiction. Whenever possible, each provision of this Agreement shall be interpreted in such manner to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

The rights and privileges of the parties hereunder shall inure to the benefit of their successors and permitted assigns.

This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Delivery of an executed counterpart of a signature page hereto by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement. At any time after the date of this Agreement, one or more additional persons or entities may become parties hereto by executing and delivering to the Lender a counterpart of this Agreement (including supplements to the Schedules hereto). Immediately upon such execution and delivery (and without any further

action), each such additional person or entity will become a party to, and will be bound by all the terms of, this Agreement.

ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, SHALL BE BROUGHT AND MAINTAINED EXCLUSIVELY, AT THE LENDER'S OPTION, IN (a) THE COURTS OF THE STATE OF ILLINOIS OR IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS OR (b) THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK; PROVIDED THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT THE LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH DEBTOR HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS, THE COURTS OF THE STATE OF NEW YORK, THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS SET FORTH ABOVE; FOR THE AVOIDANCE OF DOUBT, THE LENDER IS NOT HEREBY SUBMITTING TO THE JURISDICTION OF ANY SUCH COURTS. EACH DEBTOR FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID (WITH PROOF OF DELIVERY), TO THE ADDRESS OF ITS CHIEF EXECUTIVE OFFICE SET FORTH SCHEDULE I HERETO (OR SUCH OTHER ADDRESS AS IT SHALL HAVE SPECIFIED IN WRITING TO THE LENDER AS ITS ADDRESS FOR NOTICES HEREUNDER) OR BY PERSONAL SERVICE WITHIN OR WITHOUT THE STATE OF ILLINOIS AND WITHIN OR WITHOUT THE STATE OF NEW YORK. EACH DEBTOR HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

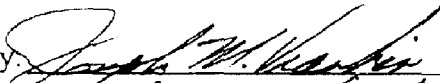
EACH OF EACH DEBTOR, THE LENDER AND (BY ACCEPTING THE BENEFITS HEREOF) EACH OTHER LENDER PARTY HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREwith OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH ANY OF THE FOREGOING, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH DEBTOR ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER

PROVISION OF EACH OTHER LOAN DOCUMENT TO WHICH IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER, FOR THE BENEFIT OF ITSELF AND THE OTHER LENDER PARTIES, ENTERING INTO THIS AGREEMENT AND EACH SUCH OTHER LOAN DOCUMENT.

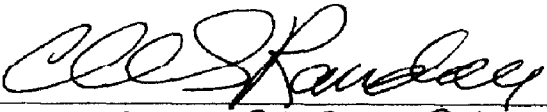
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above written.

ARENA FOOTBALL LEAGUE, LLC

By: 
Name: Joseph M. Vanden
Title: CHIEF FINANCIAL OFFICER

FIFTH THIRD BANK

By: 
Name: CHRISTOPHER S. RANDALL
Title: VP - TEAM LEADER

**SCHEDULE I
TO SECURITY AGREEMENT**

ORGANIZATIONAL INFORMATION

Arena Football League, LLC:

Debtor's federal employment identification number:
36-4270778

Debtor's state organizational identification number:

Delaware -- 2988285

Michigan -- B9209A

Arizona -- R-1005278-0

California -- 199914710021

Florida -- M00000000571

Georgia - 0208075

Illinois -- 00294365

Indiana -- 2001102500275

North Carolina -- 0632546

New York -- 05-91426-6

Texas -- 07052538-23

Colorado -- Applied For

Nevada -- Applied For

Debtor's state of incorporation/organization:

Delaware/Limited Liability Company (January 4, 1999)

Debtor's true and correct name as registered in its state of incorporation/organization:

Arena Football League, LLC

Debtor's chief executive office:

105 Madison Avenue

9th Floor

New York, NY 10016

Debtor's principal place of business:

Arena Football League
20 North Wacker Drive
Suite 1231
Chicago, Illinois 60606

and

Arena Football League
105 Madison Avenue
9th Floor
New York, NY 10016

**SCHEDULE II
TO SECURITY AGREEMENT**

ADDRESSES OF ALL LOCATIONS AT WHICH GOODS ARE LOCATED

Arena Football League
20 North Wacker Drive
Suite 1231
Chicago, Illinois 60606

and

Arena Football League
105 Madison Avenue
9th Floor
New York, NY 10016

and

Eagle Globallogistics
3854 Broadmoor
Suite 115
Grand Rapids, MI
(Warehouse Storage Facility)

**SCHEDULE III
TO SECURITY AGREEMENT**

TRADE NAMES

Arena Football League, LLC:

Arena Football League

**SCHEDULE IV
TO SECURITY AGREEMENT**

COMMERCIAL TORT CLAIMS

None