

Form PTO-1594

(Rev. 10/02)

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RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE

U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

Directed Electronics, Inc.

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

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

3. Nature of conveyance:

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

Execution Date: 01/21/2004

2. Name and address of receiving party(ies)

Name: Golfsmith International, Inc.

Internal

Address: _____

Street Address: 11000 North IH-35

City: Austin State: TX Zip: 78753

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

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

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) 2436051

Additional number(s) attached Yes No

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

Name: H. Lisa Calico

Internal Address: THOMPSON & KNIGHT, L.L.P.

Street Address: 98 San Jacinto Blvd., Ste 1900

City: Austin State: TX Zip: 78701

6. Total number of applications and registrations involved: _____

1

7. Total fee (37 CFR 3.41).....\$ 40

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

20-0621

(Please reference attorney docket no. 021799.141010/HLC)

DO NOT USE THIS SPACE

9. Signature.

H. Lisa Calico

Name of Person Signing

H. Lisa Calico

Signature

January 30, 2004

Date

Total number of pages including cover sheet, attachments, and document: 4

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

TRADEMARK ASSIGNMENT AND LICENSE AGREEMENT

Agreement made this st 21 day of January, 2004, by and between Golfsmith International, Inc., with its principle place of business located at 11000 North I.H. 35, Austin, Texas 78753-3195 (hereinafter "Golfsmith"), and Directed Electronics, Inc., with its principle place of business located at One Viper Way, Vista, California 92081 (hereinafter "Directed").

RECITALS

Directed is the owner of United States Trademark Registration # 2436051 in international class 28 for the mark "Viper" (hereinafter the "Registration") and has been using the mark in association with golf clubs since at least as early as April 1, 1996.

Golfsmith is a manufacturer of golf clubs, components thereof, and other golf related products (hereinafter the "Golfsmith goods") and has been using the mark "Viper" (hereinafter the "Viper Mark") in association with the Golfsmith goods since it acquired Snake Eyes Golf Clubs, Inc., in 1998.

Snake Eyes Golf Clubs was a manufacturer of golf clubs and other golf related products and had used the Viper Mark in association with golf clubs and other golf related products since at least as early as 1994.

Certain controversies have arisen between Golfsmith and Directed with respect to their respective rights in and to the Viper Mark in association with the Golfsmith goods.

The parties wish to resolve all those controversies by this **Trademark Assignment and License Agreement** (the "Agreement").

NOW THEREFORE, for good and valuable consideration receipt of which is hereby acknowledged, and of the mutual benefits and obligations set forth in this Agreement, the parties agree as follows:

The preamble to this Agreement is hereby incorporated and by this reference shall hereby become part of this Agreement as if set forth herein.

TRADEMARK ASSIGNMENT

Directed hereby assigns, conveys and transfers to Golfsmith any and all right, title and interest it has as owner and user or otherwise, in the United States Trademark Registration # 2436051 issued on March 20, 2001 together with any associated good will. Directed acknowledges Golfsmith's sole ownership of the Registration in class 28 for golf clubs, and that Golfsmith is free to use the Viper Mark as it may, in its sole discretion and as it deems appropriate in association with the Golfsmith goods.

Directed hereby authorizes and requests the United States Commissioner of Patents and Trademarks to record Golfsmith as the owner of the United States Trademark Registration # 2436051 and to issue to Golfsmith, in lieu of Directed, in accordance with this instrument, all future certificates, notices and any other documents bearing on the Registration.

Directed makes no representation, warranty, covenant or undertaking, express or implied, with respect to the existence of any specific items constituting the trademarks, or the condition, quality, merchantability, fitness for a particular purpose, non-infringement or value of the Viper Mark or Registration. The Registration is transferred and assigned without recourse on an absolute "as is, where is" basis.

The parties hereby agree this Agreement is not to be construed as an admission or denial to any right or claim in connection with the Viper Mark by either party.

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Directed does not convey any rights, title or interest to any other registrations, Viper trademarks, or other trademarks owned, used or licensed by Directed that have not been specifically referenced herein. Except as explicitly described in this Agreement, Directed reserves the right to continue and/or expand its use of the mark VIPER in areas and on products not related to the Golfsmith goods.

This instrument shall inure to the benefit of Golfsmith and its successor and assigns and shall be binding upon Directed and its successors and assigns.

In full consideration of the Assignment set forth herein, Golfsmith agrees to, within ten (10) days after the execution of this Agreement by both parties, ship at no charge to Directed, at the address above, fifteen full sets of the Product. Full sets shall be defined for purposes of this Agreement as three woods (1,3 & 5), and nine irons (3-9, PW, SW).

TRADEMARK LICENSE BACK

1. License Grant. Subject to the limitations set forth in this Agreement, Golfsmith grants to Directed a royalty free, fully paid, perpetual license for the use of the Viper Mark on golf clubs and golf merchandise (herein the "Product(s)") solely used for marketing purposes related to the sale of Directed's products in connection with Directed's annual charity golf event.

2. Quality Standard. Directed shall conform its use of the Viper Mark on the Products to the same standard of quality as Directed used on its goods and services as of the execution of this Agreement. The quality of the goods as used by Directed as of the execution of this Agreement shall be deemed acceptable by Golfsmith.

3. Validity of Rights. Directed shall not contest Golfsmith's ownership of the Viper Mark or Directed's obligation to assign any rights hereunder including any rights Directed may create in the Viper Mark. Directed shall not contest or impair these rights, either directly or indirectly, or in any way assist others to contest or impair the same and hereby expressly acknowledge Golfsmith's superior rights in connection with the Golfsmith goods. This obligation shall survive any termination of this Agreement.

4. Termination.

(a) Directed may terminate the license back term provided for in this Agreement at any time on thirty (30) days prior written notice. Golfsmith may terminate the license back term in the event of a breach of the terms of this Agreement, if such breach is not cured within thirty (30) days after receipt of written notice of the breach.

(b) The license back granted under this Agreement shall immediately terminate without notice if Directed becomes insolvent, is adjudicated bankrupt, files a petition under any bankruptcy law, or is certified as bankrupt pursuant to an involuntary petition.

(c) On termination of this Agreement for any reason except for uncured breach by Directed, Directed shall have one (1) year in which to discontinue all use of the Products relating to the Golfsmith goods, including sale by it of any remaining merchandise bearing the marks (the "Liquidation Period"). In the event of uncured breach, or the end of the Liquidation Period, Directed shall immediately cease all further use of the Products relating to the Golfsmith goods, and shall destroy any remaining Products relating to the Golfsmith goods.

5. Relationship of Parties. Directed and Golfsmith are separate and distinct entities and are neither partners, joint venturers nor agents of the other. Neither party is the legal representative of the other nor has the power to obligate, bind or act for the other in any manner.

6. Governing Law and Venue. This Agreement is made in the State of California and shall be governed by California law.

7. Attorney Fees. The prevailing party in any litigation relating to this Agreement shall be entitled to recover its reasonable attorney fees from the other party for all matters, including but not limited to appeals.

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8. Litigation Support. In the event Directed shall become aware of any infringement by any third party of any right licensed under this Agreement or any other use of the Viper Mark or any term confusingly similar thereto, it may, but shall not have an obligation to promptly notify Golfsmith in writing of such infringement or use, and may, for reasonable reimbursement of expenses, do such acts to assist Golfsmith and supply such information as is reasonably necessary or desirable in relation thereto. Golfsmith shall take actions that, in its sole discretion, are necessary to enforce its rights, including the engagement of legal counsel of its own choosing.

9. Golfsmith's obligation to defend the Viper Mark or Registration herein shall be made at its sole and exclusive discretion.

10. Golfsmith agrees not to license, authorize, consent or cooperate with any third party to market and/or promote products in connection or associated with Directed's products, including but not limited to vehicle anti-theft systems, remote starts, audio systems and components, rear seat entertainment, vehicle tracking devices, computer software, outerwear, cups, mugs and hats.

12. If any term in this Agreement is held to be invalid, illegal or incapable of being enforced, all other conditions or provisions shall nevertheless remain in full force and effect.

13. In the spirit of cooperation established by this Agreement, the parties shall use all reasonable measures to avoid disparagement of the other party, its products and its employees or agents.

14. Entire Agreement. This is the entire agreement between the parties and may not be modified or amended except by a written document signed by Golfsmith and Directed. This Agreement may be signed in more than one counterpart, in which case each counterpart shall constitute an original of this Agreement. Section headings are for convenience only and are not intended to expand or restrict the scope or substance of the provisions of this Agreement. Wherever used herein, the singular shall include the plural, the plural shall include the singular, and pronouns shall be read as masculine, feminine or neuter as the context requires.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed personally or, as appropriate, by its duly authorized officers to become effective as of the day and year first above written.

DIRECTED ELECTRONICS, INC.

GOLFSMITH INTERNATIONAL, INC.

By: 

By: 

Print Name: James E. Minarik

Print Name: Curtis S. Young

Title: President & CEO

Title: Vice President