

10-28-2004



102870156

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

10-27-04

1. Name of conveying party(ies):
SPECTRUM CLUBS, INC.

- Individual(s)
- General Partnership
- Corporation-State TEXAS
- 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: 09/30/2004

2. Name and address of receiving party(ies)
Name: ANTARES CAPITAL CORPORATION, as Agent

Internal Address: Suite 4400

Street Address: 311 South Wacker Drive

City: Chicago State: IL Zip: 60606

- 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) 2827496

Additional number(s) attached Yes No

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

Name: _____

Attn: Penelope J.A. Agodoa
Federal Research Company, LLC
1030 15th Street, NW, Suite 920
Washington, DC 20005
202.783.2700

Street Address: _____

City: _____ State: _____ Zip: _____

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: _____

DO NOT USE THIS SPACE

9. Signature.

Penelope S. Johnson
Name of Person Signing

Penelope S. Johnson
Signature

10/22/2004
Date

Total number of pages including cover sheet, attachments, and document: 6

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

10/28/2004 GT0N11 00000023 2827496

01 FC:8521

40.00 OP

TRADEMARK
REEL: 003071 FRAME: 0450

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT, dated as of September 30, 2004, is by and between SPECTRUM CLUBS, INC., a Texas corporation ("Grantor") and Antares Capital Corporation, as agent ("Agent") for the benefit of the Lenders (defined below).

WHEREAS, Grantor owns the Trademarks, Trademark registrations, and Trademark applications listed on Schedule 1 annexed hereto, and is a party to the Trademark licenses listed on Schedule 1 annexed hereto; and

WHEREAS, Racquetball and Fitness Clubs, Inc., a Texas corporation and wholly-owned subsidiary of Grantor ("Borrower"), has entered into that Credit Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with Agent, Callidus Capital Finance, LLC, as syndication agent, and the financial institutions that from time to time become lenders under the Credit Agreement (collectively, the "Lenders") providing for extensions of credit and other financial accommodations to be made to Borrower by Lenders; and

WHEREAS, pursuant to the terms of that certain Holdings Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), between Grantor and Agent (in such capacity, "Grantee"), Grantor has granted to Grantee for the benefit of Agent and Lenders a security interest in substantially all the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired "Trademarks" (as defined in the Security Agreement), Trademark registrations, Trademark applications and Trademark licenses, together with the goodwill of the business symbolized by Grantor's Trademarks, and all proceeds thereof, to secure the payment of the "Liabilities" (as defined in the Security Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

- (1) each Trademark, Trademark registration and Trademark application, including, without limitation, the Trademarks, Trademark registrations (together with any reissues, continuations or extensions thereof) and Trademark applications referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application;
- (2) each Trademark license and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark license; and
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark or Trademark registration including, without limitation, the Trademarks and Trademark registrations referred to in Schedule 1 annexed hereto, the Trademark registrations issued with respect to the Trademark applications referred in Schedule 1 and

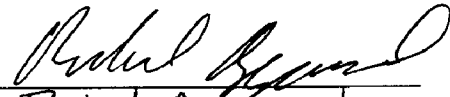
the Trademarks licensed under any Trademark license, or (b) injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark license.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement and is not intended to increase the rights of Grantee or the obligations of Grantor beyond the rights and obligations contained in the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer as of the date first above written.

SPECTRUM CLUBS, INC., a Texas corporation

By: 
Name: Rahul Aggarwal
Title: Secretary

Acknowledged:

ANTARES CAPITAL CORPORATION,
a Delaware corporation, as Agent

By: _____
Name: _____
Title: Director

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer as of the date first above written.

SPECTRUM CLUBS, INC., a Texas corporation

By: _____
Name: _____
Title: _____

Acknowledged:

ANTARES CAPITAL CORPORATION,
a Delaware corporation, as Agent

By: 
Name: Michael P. King
Title: Director Director

U.S. TRADEMARK REGISTRATIONS

<u>MARK</u>	<u>REG. NO.</u>	<u>DATE</u>
Be a Loser and Win!	2827496	03/30/2004

FOREIGN TRADEMARK REGISTRATIONS

none

U.S. TRADEMARK APPLICATIONS

none

FOREIGN TRADEMARK APPLICATIONS

none

TRADEMARK LICENSES

<u>Name of Agreement</u>	<u>Parties</u>	<u>Date of Agreement</u>
		none