

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Bay Club Peninsula, Inc.		09/30/2008	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	Bank of America, N.A.		
Street Address:	315 Montgomery Street		
City:	San Francisco		
State/Country:	CALIFORNIA		
Postal Code:	94104-1866		
Entity Type:	Bank: UNITED STATES		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2474732	PACIFIC ATHLETIC CLUB	
CORRESPONDENCE DATA			
Fax Number:	(415)268-7522		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	415 268 6036		
Email:	rlal@mofo.com, jkline@mofo.com		
Correspondent Name:	John Kline, Senior Paralegal		
Address Line 1:	Morrison & Foerster LLP, 425 Market St.		
Address Line 4:	San Francisco, CALIFORNIA 94105-2482		
ATTORNEY DOCKET NUMBER:	753-2654		
NAME OF SUBMITTER:	John Kline, Senior Paralegal		
Signature:	/John Kline/		
Date:	09/30/2008		

CH \$40.00 2474732

Total Attachments: 9

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PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of September 30, 2008, is made between Bay Club Peninsula, Inc., a California corporation (the "Grantor"), and Bank of America, N.A., as the Secured Party (in such capacity, the "Secured Party").

The Grantor, as borrower and the Secured Party are parties to a Credit Agreement, dated as of September 30, 2008 (as amended, modified, renewed or extended from time to time, the "Credit Agreement"). In connection therewith, pursuant to the Security Agreement, dated as of September 30, 2008 (as amended, modified, renewed or extended from time to time, the "Security Agreement"), between the Grantor and the Secured Party, Grantor has granted to the Secured Party a security interest in all of Grantor's present and future assets, including the intellectual property identified below, to secure the Secured Obligations (as defined in the Security Agreement). To supplement Secured Party's security interest in such intellectual property pursuant to the Security Agreement, Grantor is executing and delivering this Agreement.

Accordingly, the parties hereto agree as follows:

SECTION 1 Definitions; Interpretation.

(a) Terms Defined in Credit Agreement. All capitalized terms used in this Agreement (including in the recitals hereof) and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

(b) Interpretation. The rules of interpretation set forth in Sections 1.02 and 1.05 of the Credit Agreement shall be applicable to this Agreement and are incorporated herein by this reference.

SECTION 2 Security Interest.

(a) Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, and conveys to Secured Party, a security interest in all of the Grantor's right, title and interest in, to and under the following property, in each case whether now or hereafter existing or arising or in which the Grantor now has or hereafter owns, acquires or develops an interest and wherever located (collectively, the "Collateral"):

(i) all patents and patent applications, domestic or foreign, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such patents and patent applications as described in Schedule A), all rights to sue for past, present or future infringement thereof, all rights arising therefrom and pertaining thereto and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof;

(ii) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and

trade names, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such marks, names and applications as described in Schedule B), whether registered or unregistered and wherever registered, all rights to sue for past, present or future infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof;

(iii) the entire goodwill of or associated with the businesses now or hereafter conducted by the Grantor connected with and symbolized by any of the aforementioned properties and assets;

(iv) all commercial tort claims associated with or arising out of any of the aforementioned properties and assets;

(v) all accounts, all intangible intellectual or other similar property and other general intangibles associated with or arising out of any of the aforementioned properties and assets and not otherwise described above, including all license payments and payments under insurance (whether or not the Secured Party is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the foregoing Collateral; and

(vi) all products, proceeds and supporting obligations of or with respect to any and all of the foregoing Collateral.

(b) Continuing Security Interest. The Grantor agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with the Security Agreement.

SECTION 3 Supplement to Security Agreement. The terms and provisions of this Agreement are intended as a supplement to the terms and provisions of the Security Agreement. The rights and remedies of the Secured Party with respect to the security interests granted herein are without prejudice to, and are in addition to those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference.

SECTION 4 Authorization to Supplement. If the Grantor shall obtain rights to any new trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Agreement shall automatically apply thereto. The Grantor shall give prompt notice in writing to the Secured Party with respect to any such new trademarks or patents, or renewal or extension of any trademark registration. Without limiting the Grantor's obligation under this Section 4, the Grantor authorizes the Secured Party to modify this Agreement by amending Schedules A or B to include any such new patent or trademark rights. No failure to so amend Schedules A or B shall in any way affect, invalidate or detract from the Secured Party's continuing security interest in all Collateral, whether or not listed on Schedule A or B.

SECTION 5 Further Acts. On a continuing basis, the Grantor shall make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, and take all such action as may be necessary or advisable or may be requested by the Secured Party to carry out the intent and purposes of this Agreement, or for

assuring, confirming or protecting the grant or perfection of the security interest granted or purported to be granted hereby, to ensure the Grantor's compliance with this Agreement or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to the Collateral, including any documents for filing with United States Patent and Trademark Office (the "PTO") and/or any applicable state office. The Secured Party may record this Agreement, an abstract thereof, or any other document describing the Secured Party's interest in the Collateral with the PTO, including any modification hereof as provided above, at the expense of the Grantor.

SECTION 6 Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Grantor and the Secured Party and their respective successors and assigns and shall bind any Person who becomes bound as a debtor to this Agreement.

SECTION 7 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA, EXCEPT AS REQUIRED BY MANDATORY PROVISIONS OF LAW AND TO THE EXTENT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR THE REMEDIES HEREUNDER, IN RESPECT OF ANY COLLATERAL ARE GOVERNED BY THE LAW OF A JURISDICTION OTHER THAN CALIFORNIA.

SECTION 8 Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall not be amended except by the written agreement of the parties as provided in the Credit Agreement.

SECTION 9 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of this Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

SECTION 10 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

THE GRANTOR

BAY CLUB PENINSULA, INC.

By: Mindy Steiner
Name: Mindy Steiner
Title: Vice Pres, Finance

Address:

BAY CLUB PENINSULA, INC.

One Lombard St.

San Francisco, CA 94111

Attention: _____

Telephone: _____

Facsimile: _____

Electronic Mail: _____

Organizational Identification Number: C1196671

THE SECURED PARTY

BANK OF AMERICA, N.A.

By: *Ronald J. Drobny*
Name: *Ronald J. Drobny*
Title: *Senior Vice President*

Address:

BANK OF AMERICA, N.A.
315 Montgomery Street
San Francisco, CA 94104-1866
Mail Code: CA5-704-13-11
Attention: Ron Drobny
Telephone: (415) 953-9023
Facsimile: (415) 622-1878
Electronic mail: Ronald.Drobny@bankofamerica.com

SCHEDULE A
to the Patent and Trademark Security Agreement

BAY CLUB PENINSULA, INC.

Issued U.S. Patents of the Grantor

<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor</u>	<u>Title</u>
None			

Pending U.S. Patent Applications of the Grantor

<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor</u>	<u>Title</u>
None			

SCHEDULE B
to the Patent and Trademark Security Agreement

BAY CLUB PENINSULA, INC.

U.S. Trademarks of the Grantor

<u>Registration No.</u>	<u>Registration Date</u>	<u>Registered Owner</u>	<u>Mark</u>
2474732 Feb. 23 ,1999	Aug. 7, 2001 75425068	Bay Club Peninsula, Inc. Bay Club Peninsula, Inc.	PACIFIC ATHLETIC CLUB Design only

Pending U.S. Trademark Applications of the Grantor

Application No.

Filing Date

Applicant

Mark

sf-2581382

B-2.

RECORDED: 09/30/2008

**TRADEMARK
REEL: 003862 FRAME: 0301**