

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
Golf Acquisitions, LLC d/b/a Pro Golf, LLC		04/01/2009	LIMITED LIABILITY COMPANY:

RECEIVING PARTY DATA

Name:	First Equity Corporation
Street Address:	4831 Old Orchard Trail
City:	Orchard Lake
State/Country:	MICHIGAN
Postal Code:	48324
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 11

Property Type	Number	Word Mark
Registration Number:	1910544	PRO GOLF
Registration Number:	2499527	PRO GOLF DISCOUNT
Registration Number:	1084335	PRO GOLF OF AMERICA, INC.
Registration Number:	1420528	PRO GOLF
Registration Number:	1422307	PRO GOLF DISCOUNT
Registration Number:	1561168	CAMBRIDGE GOLF BAGS
Registration Number:	1602379	EXCALIBUR
Registration Number:	1602477	EXCALIBUR GOLF COMPANY
Registration Number:	1619988	EXCALIBUR
Registration Number:	1621387	S.O.T.A. STATE-OF-THE-ART GOLF COMPANY
Registration Number:	1631742	BIO TECH

CORRESPONDENCE DATA

Fax Number: (313)965-8252

900135993

**TRADEMARK
 REEL: 004003 FRAME: 0729**

CH \$290.00 1910544

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 313-965-8300
Email: jparanjpe@clarkhill.com
Correspondent Name: Jay S. Paranjpe
Address Line 1: 500 Woodward Avenue, Suite 3500
Address Line 4: Detroit, MICHIGAN 48226

ATTORNEY DOCKET NUMBER:	32529-129049
NAME OF SUBMITTER:	Jay S. Paranjpe
Signature:	/jay s. paranjpe/
Date:	06/10/2009

Total Attachments: 7

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SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is made as of April 1, 2009, between GOLF ACQUISITIONS, LLC d/b/a PRO GOLF, LLC, a Michigan limited liability company ("Debtor"), whose address is 23399 Commerce Drive, Suite B-1, Farmington Hills, Michigan 48335, and FIRST EQUITY CORPORATION, a Michigan corporation ("Secured Party"), whose address is 4831 Old Orchard Trail, Orchard Lake, Michigan 48324.

RECITALS:

A. Secured Party, as the assignee of the interests of Thomas W. and Shirley B. Itin (the "Itins"), is a member of the Company and, also as assignee of the Itins, is party to the Company's Amended and Restated Operating Agreement dated as of September 20, 2007 (the "Operating Agreement").

B. Paragraph 4.9 of the Operating Agreement guarantees monthly payments of specific amounts to the Secured Party from the Company's gross revenue ("Guaranteed Payments"), which Guaranteed Payments should have commenced on December 1, 2007, and some payments made since that date have been delinquent, erratic and incomplete.

C. In addition, pursuant to paragraph 5.9(b) of the Operating Agreement the Secured Party has a right to require the Company to purchase the membership interests of the Secured Party upon the terms and conditions set forth in the Operating Agreement (the "Put Option"). All documents, instruments and agreements now or hereafter evidencing, securing or related to the Put Option and/or the Guaranteed Payments, including, without limitation, the Operating Agreement, are collectively referred to as the "Payment Documents".

D. Debtor has agreed to secure the payment and performance of all of Debtor's indebtedness, obligations and liabilities to Secured Party, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of the Payment Documents or this Agreement (collectively, the "Obligations") by granting Secured Party a security interest in the Collateral (as defined below).

The parties hereby agree as follows:

1. **Grant of Security Interest.** Debtor hereby grants Secured Party a continuing security interest in all of Debtor's properties, assets and rights, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, as defined in Section 2 below (collectively, the "Collateral"), to secure the repayment of the Obligations.

2. **Definition of Collateral.** As used in this Agreement, Collateral means individually and collectively, "Accounts", "Chattel Paper", "Deposit Accounts", "Inventory", "Equipment", "Documents", "Instruments", "Fixtures", "Investment Property", "Letter-of-Credit Rights" and "General Intangibles", as such terms are now or hereafter defined in the Uniform Commercial Code of the State of Michigan. Without in any way limiting the foregoing, the Collateral includes all cash, cash equivalents, accounts receivable, franchise agreements and brand names and trademarks of the Debtor, including the registered trademarks identified on Schedule I attached hereto.

3. **Authorization to File Financing Statements.** By executing this Agreement, Debtor acknowledges that Secured Party is irrevocably authorized to file financing statements, and amendments thereto, with respect to all of Debtor's personal property in any jurisdiction. Debtor also authorizes Secured Party to file as to any Collateral regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the applicable jurisdiction.

4. **Further Assurance as to Collateral.** To enable Secured Party to perfect and enforce its security interest in the Collateral, and without limitation on Debtor's other obligations under this Agreement, Debtor agrees to promptly notify Secured Party if: (a) Debtor shall at any time hold or acquire any promissory notes or tangible chattel paper; (b) any Collateral is at any time in the possession of a bailee; (c) Debtor is at any time a beneficiary under a letter of credit; or (d) Debtor shall at any time hold or acquire a commercial tort claim.

5. **Representations and Warranties Concerning Debtor's Legal Status.** Debtor represents and warrants to Secured Party that (a) Debtor's exact legal name, type of organization and jurisdiction of organization is as set forth on the first page of this Agreement, (b) Debtor is solely organized as a legal entity in the jurisdiction set forth on the first page of this Agreement and in no other, (c) Debtor's organizational identification number is as set forth on the signature page, and (d) Debtor's place of business or, if more than one, its chief executive office, is as set forth on the first page of this Agreement.

6. **Covenants Concerning Debtor's Legal Status.** Without providing at least 30 days prior written notice to Secured Party, Debtor shall not change its legal name, place of business or, if more than one such place, chief executive office, mailing address or organizational identification number, type of organization, jurisdiction of organization or other legal structure.

7. **Covenants Concerning Collateral, Etc.** Debtor further covenants with Secured Party that: (a) the Collateral, to the extent not delivered to Secured Party pursuant to Section 4, will be kept at the location set forth on the first page or at such other locations set forth and attached to this Agreement and Debtor will not remove the Collateral from such locations, without providing at least 30 days prior written notice to Secured Party, (b) except for security interests granted to Comerica Bank prior to the date hereof ("Comerica"), Debtor shall have rights in or power to transfer the Collateral free from any right or claim of any other person, lien, security interest or other encumbrance, and Debtor shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to Secured Party, (c) Debtor shall not pledge, mortgage or create, or suffer to exist any right of any person in or claim by any person to the Collateral, or any security interest, lien or encumbrance in the Collateral in favor of any person, other than Comerica and Secured Party, (d) Debtor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon, (e) Debtor will permit Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located, (f) Debtor will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement, (g) Debtor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, *1*

storage or disposal of hazardous materials or substances, and (h) Debtor will not sell or otherwise dispose, or offer to sell or otherwise dispose, of the Collateral or any interest therein except for (i) sales and leases of inventory and licenses of general intangibles in the ordinary course of business and (ii) so long as no Event of Default has occurred and is continuing, sales or other dispositions of obsolescent items of equipment consistent with past practices.

8. **Collateral Protection Expenses.** In Secured Party's discretion, if Debtor fails to do so, Secured Party may discharge taxes and other encumbrances at any time levied or placed on any of the Collateral, maintain any of the collateral, make repairs thereto and pay any necessary filing fees or insurance premiums. Debtor agrees to reimburse Secured Party on demand for all expenditures so made. Secured Party shall have no obligation to Debtor to make any such expenditures and the making of any such expenditures shall not be construed as a waiver or cure of any Event of Default, as defined in Section 10 below.

9. **Notification to Account Debtors and Other Persons.** If an Event of Default shall have occurred and be continuing, Debtor shall, at Secured Party's request and option, notify account debtors and other persons obligated on any of the Collateral of the security interest of Secured Party in the Collateral and that payment thereof is to be made directly to Secured Party. In any event, Secured Party may itself, if an Event of Default shall have occurred and be continuing, without notice to or demand upon Debtor, so notify account debtors and other persons obligated on the Collateral. After the making of such a request or the giving of any such notification, Debtor shall hold any proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by Debtor as trustee for Secured Party without commingling the same with other funds of Debtor and shall turn the same over to Secured Party in the identical form received, together with any necessary endorsements or assignments. Secured Party shall apply the proceeds of collection of accounts, chattel paper, general intangibles, instruments and other Collateral received by Secured Party to the Obligations, such proceeds to be immediately credited after final payment in cash or other immediately available funds of the items giving rise to them.

10. **Event of Default.** A default under this Agreement shall be deemed to exist upon the occurrence of any of the following (an "Event of Default"):

(a) **Default under Payment Documents.** Debtor fails to make a payment when due under any of the Payment Documents;

(b) **Misrepresentation By Debtor.** Any representation or warranty by Debtor in this Agreement shall be inaccurate or incomplete in any material respect; or

(c) **Breach of Covenant.** Debtor fails to perform in any material respect any of Debtor's covenants or agreements under any Payment Document or this Agreement.

11. **Remedies.** Upon the occurrence of an Event of Default, Secured Party may, at its option, and without notice to or demand on Debtor and in addition to all rights and remedies available to Secured Party under the Payment Documents, any other writing or agreement related to the Obligations, at law, in equity, or otherwise, do any one or more of the following:

(a) **General Enforcement.** Foreclose or otherwise enforce Secured Party's security interest in the Collateral and/or enforce Debtor's rights with respect to the Collateral in any manner permitted by law or as provided for in this Agreement.

(b) **Sale, etc.** Sell, lease, or otherwise dispose of any Collateral at one or more public or private sales at Secured Party's place of business or any other place or places, whether or not such Collateral is present at the place of sale, on such terms and in such manner as Secured Party may determine. Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be deemed to adversely affect the commercial reasonableness of any sale of the Collateral.

(c) **Assembly of Collateral.** Require Debtor to assemble the Collateral and make it available to Secured Party or a third party to be designated by Secured Party.

(d) **Take Possession of Collateral.** Enter onto property where any Collateral is located and take possession thereof with or without judicial process.

(e) **Preparation of Collateral for Sale.** If Secured Party shall reasonably determine that preparation of the Collateral for sale is appropriate, taking into account the Secured Party's risk of not being able to collect the preparation costs from the proceeds of sale, Secured Party may store, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent Secured Party deems appropriate and in connection with such preparation and disposition, without charge, use (to the extent permitted by law) any trademark, trade name, copyright, patent, or technical process used by Debtor.

(f) **Manner of Sale.** Debtor shall be given ten (10) days prior notice of the time and place of any public sale or of the time after which any private sale or other intended disposition of Collateral is to be made, which notice Debtor hereby agrees shall be deemed reasonable notice thereof. Secured Party may sell the Collateral without giving any warranties as to the Collateral and may specifically disclaim any warranties of title or the like. If Secured Party sells any of the Collateral upon credit, Debtor will be credited only with cash payments actually made by the purchaser, received by the Secured Party and applied to the Obligations. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor shall be credited with the cash proceeds of the sale.

(g) **Delivery to and Rights of Purchaser.** Upon any sale or other disposition of Collateral pursuant to this Agreement, Secured Party shall have the right to deliver, assign, and transfer to the purchaser thereof the Collateral or portion thereof so sold or disposed of. Each purchaser at any such sale or other disposition (including Secured Party) shall hold the Collateral free from any claim or right of whatever kind, including any equity or rights of redemption of Debtor, and Debtor specifically waives (to the extent permitted by law) all rights of redemption, stay or appraisal which it has or may have under any rule of law or statute now existing or hereafter adopted.

(h) **Application of Proceeds from Sale.** Out of the cash proceeds arising from the sale and/or collection of the Collateral, Secured Party shall retain any and all sums then owing to Secured Party with respect to the Obligations and all reasonable expenses of retaking.

holding, preparing for disposition, processing and disposing of the Collateral and, to the extent not prohibited by law, reasonable attorneys' fees and legal expenses incurred by Secured Party. If for any reason the Collateral shall fail to satisfy all of the foregoing items, Debtor shall pay to Secured Party the resulting deficiency upon demand. Any surplus remaining, subject to the rights of the holder of a subordinated security interest or lien, will be paid to Debtor or its successors or assigns.

12. **Cumulative Rights.** The rights, powers, and remedies of Secured Party under this Agreement shall be in addition to all rights, powers, and remedies given to Secured Party by virtue of any statute or rule of law, any Payment Document or any other agreement, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing Secured Party's security interest in the Collateral.

13. **No Waiver by Secured Party.** Secured Party shall not be deemed to have waived any of its rights or remedies in respect of the Obligations or the Collateral unless such waiver shall be in writing and signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right or remedy shall operate as a waiver of such right or remedy or any other right or remedy. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. All rights and remedies of Secured Party with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as Secured Party deems expedient.

14. **Suretyship Waivers by Debtor.** Debtor waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Obligations and the Collateral, Debtor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as Secured Party may deem advisable. Secured Party shall have no duty as to the collection or protection of the Collateral or any income therefrom, the preservation of rights against prior parties, or the preservation of any rights pertaining thereto beyond the safe custody thereof. Debtor further waives any and all other suretyship defenses.

15. **Governing Law; Consent to Jurisdiction.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF MICHIGAN. Debtor agrees that any action or claim arising out of, or any dispute in connection with, this Agreement, any rights, remedies, obligations, or duties hereunder, or the performance or enforcement hereof or thereof, may be brought in the courts of Michigan or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon Debtor by mail at the address set forth on the signature page. Debtor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

16. **Waiver of Jury Trial.** DEBTOR ACKNOWLEDGES THAT IT MAY HAVE A CONSTITUTIONAL RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM.

DISPUTE OR LAWSUIT ARISING BETWEEN DEBTOR AND SECURED PARTY, BUT THAT SUCH RIGHT MAY BE WAIVED. IN THIS COMMERCIAL MATTER, DEBTOR BELIEVES THAT IT IS IN ITS BEST INTEREST TO WAIVE SUCH RIGHT. ACCORDINGLY, DEBTOR DOES HEREBY WAIVE SUCH RIGHT TO A JURY TRIAL.

17. Miscellaneous. The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon Debtor and its successors and assigns, and shall inure to the benefit of Secured Party and its successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Debtor acknowledges receipt of a copy of this Agreement.

The parties have executed this Security Agreement as of the date first above written.

GOLF ACQUISITIONS, LLC, d/b/a PRO
GOLF, LLC

By: 

Its: Manager

By: 

Its: Manager

By: 

Its: Manager

Debtor's Organizational number assigned by
the jurisdiction of its organization
D23027

FIRST EQUITY CORPORATION

By: 

Its: President

SCHEDULE 1

REGISTERED TRADEMARKS

<u>Name</u>	<u>Registration Number</u>
Pro Golf	1910544
Pro Golf Discount	2499527
Pro Golf of America, Inc.	1084335
Pro Golf	1420528
Pro Golf Discount	1422307
Cambridge Golf Bags	1561168
Excalibur	1602379
Excalibur Golf Company	1602477
Excalibur	1619988
S.O.T.A. State-of-the-Art Golf Company	1621387
Bio Tech	1631742