

10-13-1999



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MAD
10-8-99

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

☒ New

☐ Resubmission (Non-Recordation)
Document ID #

☐ Correction of PTO Error
Reel # Frame #

☐ Corrective Document
Reel # Frame #

Conveyance Type

☐ Assignment ☐ License

☒ Security Agreement ☐ Nunc Pro Tunc Assignment

☐ Merger

☐ Change of Name

☐ Other

Effective Date
Month Day Year
10 04 1999

Conveying Party

☐ Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year
10 04 1999

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association

☐ Other

☒ Citizenship/State of Incorporation/Organization

Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

☒ Corporation ☐ Association

☐ Other

☐ Citizenship/State of Incorporation/Organization

10/12/1999 DWGUYEN 00000129 1961957

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 OP
225.00 OP

FILED

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

REEL: 001973 FRAME: 0684

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Linda R. Kastner

Address (line 1)

c/o Larham & Warkins

Address (line 2)

233 South Wacker Drive

Address (line 3)

Suite 5800

Address (line 4)

Chicago, IL 60606

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

22

Trademark Application Number(s) or Registration Number(s)

☒

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

1961957	2168868	1462974
1477182	2235815	2046177
1688162	2233921	1656880

Number of Properties

Enter the total number of properties involved.

#

10

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

265.00

Method of Payment:

Enclosed

☒

Deposit Account

☐

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

☐

No

☐

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. Charges to deposit account are authorized, as indicated herein.

Linda R. Kastner

Name of Person Signing

Signature

10/7/99

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year
10 04 1999

Name Nevada Bob's Pro Shop, Inc.

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association

☐ Other

☒ Citizenship State of Incorporation/Organization Texas

Receiving Party

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name Foothill Capital Corporation, as Agent

DBA/AKA/TA

Composed of

Address (line 1) 11111 Santa Monica Boulevard

Address (line 2) Suite 1500

Address (line 3) Los Angeles

California, USA

90025-3333

City

State/Country

Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☒ Corporation ☐ Association

☐ Other

☒ Citizenship/State of Incorporation/Organization California

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

2216544		

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") is made and entered into as of October 4, 1999 by Nevada Bob's Pro Shop, Inc., as debtor and debtor-in-possession, having an office at 4043 S. Eastern, Las Vegas, Nevada 89119 ("Borrower"), in favor of FOOTHILL CAPITAL CORPORATION, a California corporation, having an office at 11111 Santa Monica Boulevard, Suite 1500, Los Angeles, California 90025-3333, as agent ("Agent") for the Lenders described below.

WITNESSETH:

WHEREAS, Borrower, the other "Borrowers" named therein, the "Lenders" named therein and the Agent have entered into that certain Loan and Security Agreement dated as of October 4, 1999 (as amended or otherwise modified from time to time, the "Loan Agreement"), providing for the extension of credit by the Lenders to Borrower. When capitalized and used herein, terms defined in the Loan Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement; and

WHEREAS, the Lenders have required, as a condition to the extension of credit under the Loan Agreement, that Borrower grant to the Agent, for the benefit of the Lenders, a security interest in and to the Collateral (as defined herein).

AGREEMENT

NOW THEREFORE, in consideration of the premises and in order to induce the Lenders to extend credit under the Loan Agreement, Borrower hereby agrees with the Agent for its benefit and the ratable benefit of the Lenders as follows:

1. Creation of Security Interest. Borrower hereby grants to the Agent a security interest in all of Borrower's right, title and interest in and to the collateral described in Section 2 herein (the "Collateral") in order to secure the payment and performance of all Obligations.

2. Collateral. The Collateral is:

(a) all of Borrower's trademarks, trademark registrations, tradenames and trademark applications, which, in each case, are now or hereafter filed with the U.S. Patent and Trademark Office, any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other countries or used in the United States, any state, territory or possession thereof or any other country, including, without limitation, the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the

foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"); and

(b) the goodwill of Borrower's business connected with and symbolized by the Trademarks.

3. Restrictions on Future Agreements. Until the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated, Borrower will not without the Agent's prior written consent, (a) enter into any agreement, including, without limitation, any license agreement that is inconsistent with Borrower's obligations under this Agreement, any other Loan Document to which Borrower is a party, or the Loan Agreement, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of any Trademark), that would affect the validity or enforceability of the rights transferred to the Agent under this Agreement, or (c) enter into any agreement, including, without limitation, any license agreement that may restrict or inhibit the Agent's rights to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of an Event of Default.

4. New Trademarks. Borrower represents and warrants that the Trademarks listed on Schedule A constitute all of the registered trademarks, tradenames and applications which are as of the Closing Date owned by or are pending on behalf of Borrower in the United States or any state of the United States (as set forth on Schedule A) and that, except as set forth on Schedule B hereto, Borrower is not aware of any such trademarks and tradenames which are not registered in the United States or any state thereof. If, before the Obligations shall have been satisfied in full, Borrower shall (a) (i) obtain any registration or apply for any registration after the date hereof in the United States Patent and Trademark Office or in any similar office or agency of a state, territory or possession of the United States or (ii) obtain rights to any trademarks or tradenames used in the United States or any state, territory or possession thereof, or (b) (i) become entitled to the benefit of any trademark application, trademark, tradename or trademark registration in the United States or any state, territory or possession thereof or (ii) become entitled to the benefit of any trademark or tradenames used in the United States or any state, territory or possession thereof, the provisions of Section 1 shall automatically apply thereto and Borrower shall give to the Agent prompt written notice thereof. Borrower hereby authorizes the Agent to modify this Agreement by amending Schedule A to include any future trademarks, trademark registrations, trademark applications and tradenames that are Trademarks, as applicable, under Section 2 or under this Section 4.

5. Additional Representations and Warranties. Borrower hereby represents, warrants, covenants and agrees that:

(a) Except as otherwise provided herein or in the Loan Agreement, it is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trademarks shall continue in force, free from any Lien in favor of any Person.

(b) It has the full right and power to grant the security interest in the Collateral made hereby.

(c) It has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral except, but without in any way limiting the provisions of subsection 5(b) above, for license agreements to use such Collateral granted to licensees and consents and other agreements which limit the right of Borrower or its licensees to use the Trademarks or sue for infringement.

(d) So long as any Obligations remain outstanding under the Loan Agreement or the Loan Agreement has not terminated, it will not execute, and there will not be on file in any public office, any financing statement or other document or instruments evidencing or giving notice of liens affecting the Collateral.

(e) To the best of Borrower's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademarks which would adversely affect the fair market value of the Collateral or the benefits of this Agreement granted to the Agent, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of the Agent hereunder and Borrower will continue to maintain monitoring and enforcement practices which fully and adequately protect the Collateral. Borrower has advised the Agent of its trademark monitoring and enforcement practices, and will not materially modify such practices without the prior written consent of the Agent.

6. Royalties; Terms. Borrower hereby agrees that the permitted use by the Agent of all Trademarks shall be worldwide without any liability for royalties or other related charges from the Agent to Borrower. The term of the security interest granted herein shall extend until the earlier of (a) the expiration of each of the respective Trademarks, or (b) the Obligations have been paid in full and the Loan Agreement has been terminated.

7. Agent's Right to Inspect. Borrower agrees that from and after the occurrence of an Event of Default and the provision by the Agent of written notice to Borrower of the Agent's intention to enforce its rights and claims against any of the Collateral, the Agent shall have the right to establish such additional product quality controls as the Agent, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks. Borrower agrees (a) not to sell or assign its interest in, or grant any license under the Trademarks that is inconsistent with Borrower's obligations under this Agreement, any other Loan Document to which Borrower is a party, or the Loan Agreement, without the prior written consent of the Agent; (b) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of such products as of the date hereof; (c) not reduce the quality of such products without the Agent's express written consent; and (d) to provide the Agent, upon request, with a certificate of an officer of Borrower certifying Borrower's compliance with the foregoing.

8. Termination of Agent's Security Interest. This Agreement is made for collateral purposes only. Upon payment in full of all Obligations and termination of the Loan

Agreement, the Agent shall, at Borrower's sole cost and expense, execute and deliver to Borrower all termination statements and other instruments as may be necessary or proper to terminate the Agent's security interest in the Collateral, subject to any disposition thereof which may have been made by the Agent pursuant to Section 15 or any other provision hereof or pursuant to the Loan Agreement.

9. Duties of Borrower. Borrower shall (a) prosecute diligently any trademark application that is part of the Trademarks pending as of the date hereof or thereafter until the Obligations shall have been paid in full and the Loan Agreement shall have been terminated, (b) make application for trademarks, as appropriate, (c) preserve and maintain all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trademarks, (d) not abandon any right to file a trademark application nor any pending trademark application, in each case if material to Borrower's business, if the value thereof could reasonably be expected to justify the cost of obtaining such trademark, and (e) not abandon any given Trademark material to Borrower's business without the consent of the Agent. Any expenses incurred in connection with the applications referred to in this Section 9 shall be borne by Borrower. Borrower agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings and to cause such attorney to keep the Agent and its counsel advised on a current basis of any such applications or proceedings.

If Borrower fails to comply with any of the foregoing duties, the Agent may so comply in Borrower's name to the extent permitted by law, but at Borrower's expense, and Borrower hereby agrees to reimburse the Agent in full for all expenses, including the fees and disbursements of attorneys and paralegals (including charges for inside counsel) incurred by the Agent in protecting, defending and maintaining the Collateral.

In the event that Borrower shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to discharge any Lien prohibited hereby, or shall fail to comply with any other duty hereunder, the Agent may, but shall not be required to pay, satisfy, discharge or bond the same for the account of Borrower, and all moneys so paid out shall be Obligations of Borrower repayable on demand, together with interest at a per annum rate of two percent (2%) above the Reference Rate.

Borrower shall take all action necessary to preserve and maintain the validity, perfection and first priority of the Agent's security interest granted herein in the Collateral.

10. Agent's Right to Sue. From and after the occurrence of an Event of Default and the provision by the Agent of written notice to Borrower of the Agent's intention to enforce its right and claims against any of the Collateral, the Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Collateral, and any licenses thereunder, and, if the Agent shall commence any such suit, Borrower shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents required by the Agent in aid of such enforcement and Borrower shall indemnify and shall, upon demand, promptly reimburse the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this Section 10.

11. Waivers. No course of dealing between Borrower and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction. If any provision hereof shall render an otherwise valid Trademark invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trademark is thereby preserved and Borrower shall make suitable other valid arrangements to provide the Agent with equivalent protections to that intended hereby.

13. Amendments. This Agreement or any provision thereof may be changed, waived, or terminated only in the manner set forth in Section 4 hereof or Section 16.1 of the Loan Agreement.

14. Remedies. If any Event of Default shall have occurred and be continuing, then the Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code (the "Code") (whether or not the Code applies to the affected Collateral) and also may (a) require Borrower, and Borrower hereby agrees that it will upon the request of the Agent, forthwith, (i) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (ii) take such other action as the Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (b) without notice except as specified below, sell the Trademarks and the goodwill of the businesses related thereto or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as the Agent may deem commercially reasonable. Borrower agrees that at least ten (10) days' notice to Borrower of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. The Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. The Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

15. Cumulative Remedies; Power of Attorney; Effect on Loan Agreement. All of the Agent's rights and remedies with respect to the Collateral, whether established hereby, by the Loan Agreement, by any other agreements, or by law shall be cumulative and may be exercised singularly or concurrently. Borrower hereby authorizes the Agent to make, constitute and appoint any officer or agent of the Agent as the Agent may select, in its sole discretion, as

Borrower's true and lawful attorney-in-fact which power of attorney shall be irrevocable and shall be deemed to be coupled with an interest, with power, from and after the occurrence of an Event of Default (a) to (i) endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for the Agent in the use of the Collateral including, without limitation, if Borrower fails to execute and deliver within three (3) Business Days the assignment substantially in the form of Exhibit A hereto, or (ii) take any other actions with respect to the Collateral as the Agent deems in the best interest of the Agent, and (b) after the provision by the Agent of written notice to Borrower of the Agent's intention to enforce its rights and claims against any of the Collateral, to (i) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to anyone. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Obligations shall have been paid in full and the Loan Agreement has been terminated. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies. The Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Code as enacted in any jurisdiction in which the Collateral may be located. Recourse to security will not be required at any time.

16. Notice. Any notice, approval, consent or other communication to any party hereunder shall be in the form and manner, and to the addresses as set forth in the Loan Agreement.

17. Continuing Security Interest; Transfer of Notes. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until payment in full (after the Loan Agreement has been terminated) of the Obligations, (b) be binding upon Borrower, its successors and assigns, and (c) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent, the Lenders and their respective successors, transferees and assigns as permitted under the Loan Agreement. Without limiting the generality of the foregoing clause (c), any Lender may, except as limited by the express terms of the Loan Agreement, assign or otherwise transfer any of its interests in the Loan Agreement held by it to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise.

18. Authority of Agent. The Agent shall have and be entitled to exercise all powers hereunder which are specifically delegated to the Agent by the terms hereof, together with such powers as are reasonably incident thereto. The Agent may perform any of its duties hereunder or in connection with the Collateral by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of counsel concerning all such matters. Neither the Agent nor any director, officer, employee, attorney or agent of the Agent shall be liable to Borrower for any action taken or omitted to be taken by it or them hereunder, except for its or their own gross negligence or willful misconduct; nor shall the Agent be responsible for the validity, effectiveness or sufficiency hereof or of any document or security

furnished pursuant hereto. The Agent and its directors, officers, employees, attorneys and agents shall be entitled to rely on any communication, instrument or document believed by it or them to be genuine and correct and to have been signed or sent by the proper person or persons. Borrower agrees to indemnify and hold harmless the Agent and any other person from and against any and all costs, expenses (including fees and expenses of attorneys and paralegals (including charges of inside counsel)), claims or liability incurred by the Agent or such person hereunder, unless such claim or liability shall be due to willful misconduct or gross negligence on the part of the Agent or such person.

19. Interpretation of Agreement. Time is of the essence of each provision of this Agreement of which time is an element. All terms not defined herein shall have the meaning set forth in the Code, except where the context otherwise requires. To the extent any term or provision of this Agreement conflicts with the Loan Agreement and is not dealt with more specifically herein, the Loan Agreement shall control with respect to such term or provision.

20. Reinstatement. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by the Agent or any Lender in respect of the Obligations is rescinded or must otherwise be restored or returned by the Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower or upon the appointment of any intervenor or conservator of, or trustee or similar official for, the Borrower or any substantial part of its assets, or otherwise, all as though such payments had not been made.

21. Final Expression. This Agreement, together with any other agreement executed in connection herewith, is intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

22. Survival of Provisions. All representations, warranties and covenants of Borrower contained herein shall survive the execution and delivery of this Agreement, and shall terminate only upon the full and final payment and performance by Borrower of its indebtedness and obligations secured hereby.

23. Release; Termination of Agreement.

(a) Upon Agent's written consent, Borrower may sell or dispose of any Collateral. If consented to by Agent, the Agent shall execute and deliver to Borrower a release or releases (including, without limitation, Uniform Commercial Code termination statements and instruments of satisfaction, discharge, or reconveyance) in form reasonably satisfactory to the Agent to release the lien of this Agreement with respect to such released Collateral. Such releases shall be without warranty by or recourse to the Agent, except as to the absence of any prior assignments by the Agent of its interest in the Collateral, and shall be at the expense of Borrower.

(b) This Agreement shall terminate upon full and final payment and performance of all the Obligations. At such time, the Agent shall, at the request of Borrower, reassign and redeliver to Borrower all of the Collateral hereunder which has not been sold, disposed of, retained or applied by the Agent in accordance with the terms hereof. Such reassignment and redelivery shall be without warranty by or recourse to the Agent, except as to the absence of any prior assignments by the Agent of its interest in the Collateral, and shall be at the expense of Borrower.

24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement.

25. Statute of Limitations. Borrower hereby waives the right to plead any statute of limitations as a defense to any indebtedness or obligations hereunder or secured hereby to the full extent permitted by law.

26. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL; WAIVER OF DAMAGES.

(a) THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED UNDER THE LAWS OF THE STATE OF ILLINOIS, AND ANY DISPUTE ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN BORROWER, THE AGENT AND THE LENDERS IN CONNECTION WITH THIS AGREEMENT, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH THE INTERNAL LAWS (AS OPPOSED TO THE CONFLICTS OF LAWS PROVISIONS) AND DECISIONS OF THE STATE OF ILLINOIS.

(b) EXCEPT AS PROVIDED IN THE NEXT PARAGRAPH, BORROWER AND THE AGENT AGREE THAT ALL DISPUTES BETWEEN THEM ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED ONLY BY STATE OR FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, BUT BORROWER AND THE AGENT ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF THE COUNTY OF COOK, STATE OF ILLINOIS. BORROWER WAIVES IN ALL DISPUTES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS.

(c) BORROWER AGREES THAT THE AGENT AND ANY LENDER SHALL HAVE THE RIGHT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TO PROCEED AGAINST BORROWER OR ITS PROPERTY IN A COURT IN ANY LOCATION REASONABLY SELECTED IN GOOD FAITH TO ENABLE THE AGENT OR

ANY LENDER TO REALIZE ON SUCH PROPERTY, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE AGENT OR ANY LENDER. BORROWER AGREES THAT IT WILL NOT ASSERT ANY PERMISSIVE COUNTERCLAIMS IN ANY PROCEEDING BROUGHT BY THE AGENT OR ANY LENDER TO REALIZE ON SUCH PROPERTY, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE AGENT OR ANY LENDER. BORROWER WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH THE AGENT OR ANY LENDER HAS COMMENCED A PROCEEDING DESCRIBED IN THIS PARAGRAPH INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS.

(d) BORROWER AND THE AGENT EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT. INSTEAD, ANY DISPUTES RESOLVED IN COURT WILL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

(e) BORROWER (I) AGREES THAT NEITHER THE AGENT NOR ANY LENDER SHALL HAVE ANY LIABILITY TO BORROWER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) FOR LOSSES SUFFERED BY BORROWER IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO, THE TRANSACTIONS CONTEMPLATED AND THE RELATIONSHIP ESTABLISHED BY THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, UNLESS IT IS DETERMINED BY A JUDGMENT OF A COURT THAT IS BINDING ON THE AGENT OR SUCH LENDER, AS THE CASE MAY BE (WHICH JUDGMENT SHALL BE FINAL AND NOT SUBJECT TO REVIEW ON APPEAL), THAT SUCH LOSSES WERE THE RESULT OF ACTS OR OMISSIONS ON THE PART OF THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, CONSTITUTING GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW AND (II) WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY CLAIM AGAINST THE AGENT OR ANY LENDER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE), EXCEPT A CLAIM BASED UPON GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW. WHETHER OR NOT SUCH DAMAGES ARE RELATED TO A CLAIM THAT IS SUBJECT TO THE WAIVER EFFECTED ABOVE AND WHETHER OR NOT SUCH WAIVER IS EFFECTIVE, NEITHER THE AGENT NOR ANY LENDER SHALL HAVE ANY LIABILITY WITH RESPECT TO, AND BORROWER HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY CLAIM FOR, ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES SUFFERED BY BORROWER IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO THE TRANSACTIONS CONTEMPLATED OR THE RELATIONSHIP ESTABLISHED BY THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, UNLESS IT IS DETERMINED BY

A JUDGMENT OF A COURT THAT IS BINDING ON THE AGENT OR SUCH LENDER, AS THE CASE MAY BE (WHICH JUDGMENT SHALL BE FINAL AND NOT SUBJECT TO REVIEW ON APPEAL), THAT SUCH DAMAGES WERE THE RESULT OF ACTS OR OMISSIONS ON THE PART OF THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, CONSTITUTING WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW.

(f) BORROWER WAIVES ALL RIGHTS OF NOTICE AND HEARING OF ANY KIND PRIOR TO THE EXERCISE BY THE AGENT OR ANY LENDER OF ITS RIGHTS FROM AND AFTER THE OCCURRENCE OF AN EVENT OF DEFAULT TO REPOSSESS THE COLLATERAL WITH JUDICIAL PROCESS OR TO REPLEVY, ATTACH OR LEVY UPON THE COLLATERAL OR OTHER SECURITY FOR THE OBLIGATIONS. BORROWER WAIVES THE POSTING OF ANY BOND OTHERWISE REQUIRED OF THE AGENT OR ANY LENDER IN CONNECTION WITH ANY JUDICIAL PROCESS OR PROCEEDING TO OBTAIN POSSESSION OF, REPLEVY, ATTACH OR LEVY UPON COLLATERAL OR OTHER SECURITY FOR THE OBLIGATIONS, TO ENFORCE ANY JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE AGENT OR ANY LENDER, OR TO ENFORCE BY SPECIFIC PERFORMANCE, TEMPORARY RESTRAINING ORDER, PRELIMINARY OR PERMANENT INJUNCTION THIS SECURITY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT BETWEEN BORROWER, AGENT AND THE LENDERS.

[Signature Page Follows]

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

NEVADA BOB'S PRO SHOP, INC., as debtor and debtor-in-possession

By: _____

Name: _____

Title: _____

March Acquisition, Inc., as the successor by merger to Nevada Bob's Pro Shop, Inc., hereby agrees to perform all duties of Borrower under this Trademark Security Agreement.

MARCH ACQUISITION, INC.
(to be renamed Nevada Bob's Pro Shop, Inc.)

By: _____

Title: _____

By acceptance hereof as of this 4th day of October, 1999, the Agent agrees to be bound by the provisions hereof.

FOOTHILL CAPITAL CORPORATION,
as Agent

By: _____

Name: _____

Title: _____

SCHEDULE A
To
TRADEMARK SECURITY AGREEMENT

Dated as of October 4, 1999

Trademarks Owned by Nevada Bob's Pro Shop, Inc.

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>REGISTRATION NUMBER</u>
Nevada Bob & Design (Racket)	March 12, 1996	1,961,957
Nevada Bob's	February 16, 1988	1,477,182
Nevada Bob's	May 19, 1992	1,688,162
Nevada Bob & Design (Flag)	June 30, 1998	2,168,868
Nevada Bob's & Design (Flag)	March 30, 1999	2,235,815
Nevada Bob's	March 23, 1999	2,233,921
Prima	October 27, 1987	1,462,974
Prima	March 18, 1997	2,046,177
Strater	September 10, 1991	1,656,880
Tri-Roller	January 5, 1999	2,216,544

Australia

NEVADA BOB & DESIGN (Racket)	A494,557	November 27, 1990
NEVADA BOB'S	A494,556	November 2, 1990
PRIMA	B490,706	March 13, 1991
PRIMA (Stylized)	B463,976	November 2, 1989
PRIMA (Stylized)	B640,259	July 9, 1996
MISCELLANEOUS DESIGN (golfer with golf bag)	A463,977	November 2, 1989

Benelux

NEVADA BOB & DESIGN (Racket)	557,106	April 15, 1994
NEVADA BOB'S	557,105	April 15, 1994
NEVADA BOB'S	536,412	May 10, 1993
PRIMA	434,120	May 10, 1988

Brunei

NEVADA BOB & DESIGN (Racket)	18,529	September 23, 1991
NEVADA BOB'S	19,623	September 23, 1991
PRIMA	16,776	July 9, 1990

Canada

PRIMA	TMA 346,930	October 21, 1988
NEVADA BOB & DESIGN (Racket)	TMA 381,382	March 8, 1991
NEVADA BOB'S	TMA 395,510	March 13, 1992
NEVADA BOB'S GOLF AND TENNIS	TMA 330,756	August 7, 1987
TRI-ROLLER	SN No. 881, 799	June 18, 1998

China

BOB'S (Block letter)	772,100	November 21, 1994
BOB'S (Block letter)	772,706	November 28, 1994
BOB'S (Block letter)	773,378	December 7, 1994
BOB'S (Script)	772,099	November 21, 1994
BOB'S (Script)	772,707	November 28, 1994
BOB'S (Script)	773,377	December 7, 1994
PRIMA (Block letter)	774,968	December 28, 1994
PRIMA (Stylized)	724,128	January 1995

TRADEMARK**REEL: 001973 FRAME: 0699**

PRIMA (Stylized)	705,859	September 14, 1994
PRIMA (Stylized)	774,969	December 28, 1994
PRIMA (Block letter)	777,616	February 14, 1995
PRIMA (Stylized)	777,615	February 14, 1995
NEVADA BOB & DESIGN (Flag)	774,615	December 28, 1994
NEVADA BOB & DESIGN (Flag)	778,382	February 21, 1995
NEVADA BOB & DESIGN (Flag)	778,570	February 28, 1995

Denmark

NEVADA BOB & DESIGN (Racket)	VR 00.004 1996	January 5, 1996
NEVADA BOB & DESIGN (Racket)	VR 01.031 1997	March 7, 1997
NEVADA BOB'S	VR 00.005 1996	January 5, 1996
NEVADA BOB'S	VR 01.032 1997	March 7, 1997
PRIMA (Stylized)	VR 03.002 1996	May 17, 1996

Finland

NEVADA BOB'S	212,622	January 29, 1999
NEVADA BOB & DESIGN (Flag)	208,954	January 30, 1998
PRIMA	SN No. 4017/96	September 30, 1996

France

NEVADA BOB & DESIGN (Racket)	94526599	June 28, 1994
NEVADA BOB'S	94526598	June 28, 1994
PRIMA (Stylized)	1,476,799	May 19, 1987

Germany

NEVADA BOB & DESIGN (Racket)	2,912,315	October 25, 1995
NEVADA BOB'S	2,912,314	October 25, 1995

Iceland

NEVADA BOB'S	653/1998	May 6, 1998
NEVADA BOB & DESIGN (Flag)	654/1998	May 6, 1998

Indonesia

NEVADA BOB'S	322,856	January 5, 1995
NEVADA BOB'S	322,857	January 5, 1995
NEVADA BOB & DESIGN (Racket)	323,732	January 6, 1996

NEVADA BOB & DESIGN (Racket)	323,117	January 5, 1996
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Ireland

NEVADA BOB & DESIGN (Racket)	152,847	January 21, 1992
NEVADA BOB'S	146,528	January 21, 1992
NEVADA BOB & DESIGN (Flag)	SN No. 99/0294	January 29, 1999
PRIMA	SN No. 147222	February 19, 1992

Italy

PRIMA	500,004	November 10, 1988
NEVADA BOB'S	SN No. M197C-005023	May 30, 1997
NEVADA BOB & DESIGN (Flag)	SN No. M197C-005024	May 30, 1997

Japan

TOURPRIMA III (Stylized)	2,359,624	December 25, 1991
NEVADA BOB'S	2,710,000	September 29, 1995

Korea

TOUR PRIMA	260,784	April 13, 1993
TOUR PRIMA	261,574	April 27, 1993

Malaysia

NEVADA BOB & DESIGN (Racket)	91/05960	September 26, 1991
NEVADA BOB'S	91/05959	September 26, 1991

Mexico

NEVADA BOB & DESIGN (Racket)	514,436	January 22, 1996
NEVADA BOB'S	509,629	November 8, 1995
PRIMA	516,620	February 12, 1996

New Zealand

NEVADA BOB & DESIGN (Racket)	B205,301	October 8, 1990
NEVADA BOB & DESIGN (Flag)	252,703	August 21, 1995
NEVADA BOB & DESIGN (Flag)	252,704	August 21, 1995
NEVADA BOB'S	B205,300	October 8, 1990
NEVADA BOB'S	252,701	August 21, 1995
NEVADA BOB'S	252,702	August 21, 1995
PRIMA	B233,840	February 1, 1994
PRIMA	B233,799	January 28, 1994

Norway

NEVADA BOB & DESIGN (Racket)	170,172	November 30, 1995
NEVADA BOB'S	170,171	November 30, 1995
PRIMA (Stylized)	186,813	November 27, 1997

Philippines

NEVADA BOB'S	SN No. 115369	November 7, 1996
NEVADA BOB'S	SN No. 115370	November 7, 1996
NEVADA BOB'S	SN No. 115371	November 7, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 115372	November 7, 1996
PRIMA	SN No. 115367	November 7, 1996
PRIMA	SN No. 115368	November 7, 1996

Singapore

NEVADA BOB & DESIGN (Racket)	7243/89	November 4, 1989
NEVADA BOB & DESIGN (Racket)	536/91	January 31, 1991
NEVADA BOB'S	7242/89	November 4, 1989
PRIMA	B2548/90	April 7, 1990
NEVADA BOB'S	SN No. 13363/96	December 13, 1996

NEVADA BOB'S	SN No. 13364/96	December 13, 1996
NEVADA BOB'S	SN No. 13365/96	December 13, 1996
NEVADA BOB'S	SN No. 13366/96	December 13, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 13359/96	December 13, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 13360/96	December 13, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 13361/96	December 13, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 13362/96	December 13, 1996

South Africa

NEVADA BOB & DESIGN (Racket)	B95/04201	April 4, 1995
NEVADA BOB'S	B95/04202	April 4, 1995
PRIMA	SN No. 95/04198	April 4, 1995
PRIMA	SN No. 97/06257	April 24, 1997

Spain

NEVADA BOB & DESIGN (Racket)	1,903,583	April 5, 1995
NEVADA BOB & DESIGN (Racket)	1,903,586	March 6, 1996
NEVADA BOB & DESIGN (Racket)	1,903,587	March 12, 1996
NEVADA BOB'S	1,903,584	March 6, 1996
PRIMA	1,267,066	February 5, 1991

Sweden

NEVADA BOB'S	301,147	May 5, 1995
NEVADA BOB & DESIGN (Racket)	301,148	May 5, 1995

Switzerland

NEVADA BOB & DESIGN (Racket)	431,290	April 14, 1994
NEVADA BOB'S	431,273	April 14, 1994
PRIMA	355,724	March 27, 1987

Taiwan

NEVADA BOB & DESIGN (Racket)	39,189	October 1, 1989
NEVADA BOB'S	39,321	October 1, 1989
PRIMA (Stylized)	480,787	April 1, 1990
NEVADA BOB'S	SN No. 87041238	August 20, 1998
NEVADA BOB & DESIGN (Flag)	SN No. 87041239	August 20, 1998

Thailand

PRIMA	146,442	August 14, 1990
NEVADA BOB'S	KOR87463	November 5, 1996
NEVADA BOB'S	SN No. 321329	November 5, 1996
NEVADA BOB'S	Bor6541	November 5, 1996
NEVADA BOB & DESIGN (Racket)	SN No. 321331	November 5, 1996
NEVADA BOB & DESIGN (Racket)	SN No. 321332	November 5, 1996
NEVADA BOB & DESIGN (Racket)	SN No. 321333/BOR6542	November 5, 1996
NEVADA BOB & DESIGN (Flag)	SN No. 376505	December 16, 1998
NEVADA BOB & DESIGN (Flag)	SN No. 376506	December 16, 1998
NEVADA BOB & DESIGN (Flag)	SN No. 376507	December 16, 1998

United Kingdom

NEVADA BOB & DESIGN (Racket)	1,355,960	August 23, 1988
NEVADA BOB & DESIGN (Racket)	2,031,349	August 22, 1995
NEVADA BOB'S	2,031,352	August 22, 1995
NEVADA BOB'S	1,355,958	August 23, 1988
PRIMA (Stylized)	SN No. 2032158	September 1, 1995
PRIMA (Stylized)	B1313241	June 17, 1987

SCHEDULE B
To
TRADEMARK SECURITY AGREEMENT

Dated as of October 4, 1999

Unregistered Trademarks

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of _____, by and between Nevada Bob's Pro Shop, Inc., a Texas corporation (f/k/a March Acquisition, Inc.), having an office at 4043 S. Eastern, Las Vegas, Nevada 89119 ("Assignor"), in favor of FOOTHILL CAPITAL CORPORATION, a California corporation, having an office at 11111 Santa Monica Boulevard, Suite 1500, Los Angeles, California 90025-3333 ("Assignee"), as Agent for the "Lenders" which are or may hereafter become parties to that certain Loan Agreement dated October ___, 1999 (as amended or otherwise modified from time to time, the "Loan Agreement"), among Assignor and the other parties named therein.

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Trademark Security Agreement dated as of October ___, 1999, made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled.

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), and (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks. The Trademarks and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or future assignment or encumbrance of any or all of the Collateral, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

4. Binding Effect; Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

_____,
a _____ corporation

By: _____

Name: _____

Title: _____

SCHEDULE I

<u>Trademarks</u>	Trademark Registration Number or (<u>Application Serial Number</u>)	Registration or (<u>Filing Date</u>)
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[To be completed at time of outright assignment, to reflect all their existing Trademarks.]