

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

To the director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

The American Bicycle Group, LLC

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

Citizenship (see guidelines) _____

Execution Date(s) January 17, 2007

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: RZB Finance LLC

Internal Address: _____

Street Address: 24 Grassy Plain Street

City: Bethel

State: CT

Country: USA

Zip: 06801

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other Citizenship

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)

3. Nature of conveyance:

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

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s) See Attached Exhibit A

B. Trademark Registration No.(s) See Attached Exhibit A

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown)

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

Name: Susan O'Brien

Internal Address: UCC Direct Services

Street Address: 187 Wolf Road, Suite 101

City: Albany

State: NY

Zip: 12205

Phone Number: 800-342-3676

Fax Number: 800-962-7049

Email Address: ols-udsalbany@wolterskluwers.com

6. Total number of applications and registrations involved:

3

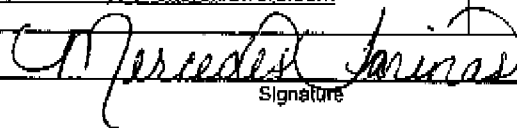
7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

- a. Credit Card Last 4 Numbers _____
Expiration Date _____
- b. Deposit Account Number _____
Authorized User Name: _____

9. Signature:



Signature

Mercedes Farinas

Name of Person Signing

9/17/08

Date

Total number of pages including cover sheet, attachments, and document. 15

Documents to be recorded (including cover sheet) should be faxed to (703) 306-6995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

OP \$90.00 1977348

SCHEDULE A
TO
TRADEMARKS SECURITY AGREEMENT

Trademarks and Registrations

TRADEMARK	REGISTRATION NUMBER
Newsboy	1977348
Real Design	2357470
Merlin	1574748

Agreements, or any other agreement, document or instrument or by operation of law or otherwise, including, without limitation, "Obligations" as defined in the Loan Agreement (all the foregoing hereinafter referred to as "Obligations").

C. WARRANTIES AND COVENANTS.

Debtor hereby covenants, represents and warrants, all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding, that:

1. Debtor will pay and perform all of the Obligations according to their terms.
2. All of the existing material Collateral is valid and subsisting in full force and effect to Debtor's knowledge, and Debtor owns sole, full, and clear title thereto, and has the right and power to grant the security interests granted hereunder. Debtor will, at Debtor's expense, perform all acts and execute all documents reasonably necessary to maintain the existence of the Collateral as valid, subsisting and registered trademarks including without limitation the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever except the security interests granted hereunder, and the licenses, if any, that are specifically described in Schedule B hereto.
3. Except as set forth in the Loan Agreement, Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating thereto, except to Secured Party, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party.
4. Debtor will, at Debtor's expense, perform all acts and execute all documents reasonably requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral signed only by Secured Party. Debtor further authorizes Secured Party to have this or any other similar security agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.
5. Debtor will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder and under the Loan Agreement.
6. Upon the occurrence and during the continuance of a Default or an Event of Default, Secured Party may, in its sole discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to maintain and preserve the Collateral, defend, protect, record, amend or enforce the Obligations, or the security interest in the Collateral granted hereunder including but not limited to, all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Debtor will be liable to

TRADEMARK SECURITY AGREEMENT

AGREEMENT made as of the 17th day of January, 2007, between **THE AMERICAN BICYCLE GROUP, LLC**, a Delaware limited liability company having its chief executive office at 9308 Ooltewah Industrial Drive, Ooltewah, Tennessee 37363 ("**Debtor**"), and **RZB FINANCE LLC**, a Delaware limited liability company having an office at 24 Grassy Plain Street, Bethel, CT 06801 ("**Secured Party**").

A. SECURITY INTEREST.

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names and/or service marks, and applications therefor, described in Schedule A annexed hereto and made a part hereof; and

WHEREAS, Secured Party has agreed to enter into or has entered into financing arrangements with Debtor, pursuant to a Loan and Security Agreement, of even date herewith, between Debtor and Secured Party (as amended, supplemented, restated or otherwise modified, the "**Loan Agreement**") and various documents, instruments, notes, mortgages, guaranties and agreements delivered contemporaneously herewith in connection therewith (all of the foregoing, together with this Agreement, as the same may now exist or may hereafter be amended, modified, renewed, extended or supplemented, are collectively referred to herein as the "**Agreements**").

NOW, THEREFORE, in order to induce Secured Party to enter into the Agreements and in consideration thereof, Debtor hereby grants to Secured Party a security interest in: (a) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: all of Debtor's trademarks, trade names, trade styles and service marks; all prints and labels on which said trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, design and applications described in Schedule A hereto (the "**Trademarks**"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Debtor against third parties for infringement of any of the Trademarks or any royalties or other amounts payable under any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "**Collateral**").

B. OBLIGATIONS SECURED.

The security interests granted to Secured Party in this Agreement shall secure the prompt and indefeasible payment and performance of all now existing and future obligations, liabilities and indebtedness of Debtor to Secured Party of every kind, nature and description, direct or indirect, absolute or contingent, whether arising under this Agreement, the other

Secured Party for any such payment, which payment shall be deemed a borrowing by Debtor from Secured Party, and shall be payable in accordance with the Loan Agreement.

7. As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States or in any foreign country other than those described in Schedule A annexed hereto.

8. Debtor shall notify Secured Party in writing of the filing of any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein within thirty (30) days following such filing. Upon request of Secured Party, Debtor shall execute and deliver to Secured Party any and all assignments, agreements, instruments, documents, and such other papers as may be reasonably requested by Secured Party to evidence the security interests of Secured Party in such Trademark.

9. Debtor has not abandoned any of the Trademarks material to the conduct of the business and Debtor will not do any act, nor omit to do any act, whereby any of the Trademarks material to the conduct of the business of Debtor may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable. Debtor shall notify Secured Party promptly if Debtor knows or has reason to know of any reason why any application, registration, or recording may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable.

10. Debtor will render any reasonable assistance, as Secured Party may reasonably determine is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

11. Debtor will promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark material to the conduct of the business of Debtor or of any use by any person of any other process or product which infringes upon any Trademark material to the conduct of the business of Debtor. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

12. Debtor assumes all responsibility and liability arising from the use of the Trademarks, and Debtor hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof).

13. In any action or proceeding instituted by Secured Party in connection with any matters arising at any time out of or with respect to this Agreement, Debtor will not interpose any counterclaim of any nature.

D. EVENTS OF DEFAULT.

All Obligations shall, at Secured Party's option, become immediately due and payable without notice of demand upon the occurrence of an Event of Default, as such term is defined in the Loan Agreement (an "Event of Default").

E. RIGHTS AND REMEDIES.

Upon the occurrence of any Event of Default and at any time thereafter, during which such Event of Default is continuing, in addition to all other rights and remedies of Secured Party, whether provided under law, the Agreements or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder.

1. Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary of Debtor.

2. Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its sole discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

3. Secured Party may assign, sell, or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations, except that Secured Party agrees to provide Debtor with ten (10) days prior written notice of any proposed disposition of the Collateral. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in Secured Party's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, Debtor shall be liable for any deficiency.

4. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to subparagraph E.3 hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in subparagraph C.5 hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording or registration. Debtor agrees to pay Secured Party on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees.

5. Secured Party may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its sole discretion determine. Debtor shall remain liable to Secured Party for any expenses or obligations remaining unpaid after the application of such proceeds, and Debtor will pay Secured Party on demand any such unpaid amount, together with interest at the rate set forth in the Agreements.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Agreements, this Agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

F. SUBORDINATION OF LIEN.

Anything herein to the contrary notwithstanding, in the event that Debtor hereafter consummates a Permitted Trademark Financing, as such term is defined in the Loan Agreement, with a third party lender (the "IP Lender"), then Secured Party shall, pursuant to the terms of an Intercreditor Agreement among Secured Party, the IP Lender and Borrower, in form that consistent with the terms of the Loan Agreement and otherwise satisfactory to Lender, agree to subordinate its lien and security interest in the Collateral solely to the lien and security interest securing the Permitted Trademark Financing.

G. MISCELLANEOUS.

1. Any failure or delay by Secured Party to require strict performance by Debtor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Debtor, specifying such waiver.

2. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been duly given or made: if by hand, immediately upon delivery; if by telecopy (fax), telex or telegram, immediately upon receipt; if by any overnight delivery service, one day after dispatch; and if mailed by certified mail, return receipt requested, for five (5) days after mailing. All notices, requests and demands are to be given or made to the respective parties at the following addresses (or to such other addresses as either party may designate by notice in accordance with the provisions of this paragraph):

If to Debtor: **THE AMERICAN BICYCLE GROUP, LLC**
9308 Ooltewah Industrial Drive
Ooltewah, Tennessee 37363
Attn: _____

If to Secured Party: **RZB FINANCE LLC**
24 Grassy Plain Street,
Bethel, CT 06801
Attn: _____

3. In the event any term or provision of this Agreement conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

4. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

5. This Agreement shall be binding upon and for the benefit of the parties hereto and their respective legal representatives, successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

6. The security interest granted to Secured Party shall terminate and the Collateral will be reassigned to Debtor, at Debtor's sole expense, upon termination of the Loan Agreement and indefeasible payment in full to Secured Party of all Obligations thereunder.

7. The validity, interpretation and effect of this Agreement shall be governed by the laws of the United States of America and the laws of the State of New York. Debtor hereby irrevocably submits and consents to the nonexclusive jurisdiction of the State and Federal Courts located in the State of New York any other State where any Collateral is located with respect to any action or proceeding arising out of this Agreement, the Obligations, or any matter arising therefrom or relating thereto. In any such action or proceeding, Debtor waives personal service of the summons and complaint or other process and papers therein and agrees that the service thereof may be made by mail directed to Debtor at its chief executive office set forth herein or other address thereof of which Secured Party has received notice as provided herein, service to be deemed complete five (5) days after mailing, or as permitted under the rules of either of said Courts. Any such action or proceeding commenced by Debtor against Secured Party will be litigated only in a Federal Court located in the Southern District of New York, or a New York State Court located in New York County and Debtor waives any objection based on forum non conveniens and any objection to venue in connection therewith.

8. The parties hereto waive trial by jury in any action or proceeding of any kind or nature in any court whether arising out of, under or by reason of this Agreement, the other Agreements or any matter or proceeding relating thereto.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

conveniensi and any objection to venue in connection therewith.

8. The parties hereto waive trial by jury in any action or proceeding of any kind or nature in any court whether arising out of, under or by reason of this Agreement, the other Agreements or any matter or proceeding relating thereto.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

**THE AMERICAN BICYCLE GROUP, LLC,
Debtor**

By: 

Title: President

RZB FINANCE LLC, Secured Party

By: _____

Title: _____

By: _____

Title: _____

conveniens and any objection to venue in connection therewith.

8. The parties hereto waive trial by jury in any action or proceeding of any kind or nature in any court whether arising out of, under or by reason of this Agreement, the other Agreements or any matter or proceeding relating thereto.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

**THE AMERICAN BICYCLE GROUP, LLC,
Debtor**

By: _____

Title: _____

RZB FINANCE LLC, Secured Party

By:  _____

Title: _____

By:  _____

Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of January, 2007, before me personally came _____, to me known, who being duly sworn, did depose and say, that he is the _____ of The American Bicycle Group, LLC, the limited liability company described in and which executed the foregoing instrument; and that he is authorized to execute said instrument on behalf of said company.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 12th day of January, 2007, before me personally came Christopher Heedl, to me known, who being duly sworn, did depose and say, that he is the Group Vice President of RZB Finance LLC, the limited liability company described in and which executed the foregoing instrument and that he is authorized to execute said instrument on behalf of said company.

Annabella Taylor

Notary Public
ANNABELLA TAYLOR
Notary Public, State of New York
No. 01TA8000035
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 8, 2009

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 12th day of January, 2007, before me personally came Paul Gelfess, to me known, who being duly sworn, did depose and say, that he is the First Vice President of RZB Finance LLC, the limited liability company described in and which executed the foregoing instrument and that he is authorized to execute said instrument on behalf of said company.

Annabella Taylor

Notary Public

ANNABELLA TAYLOR
Notary Public, State of New York
No. 01TA8000035
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 8, 2009

Signature Page to Trademark Security Agreement

TRADEMARK
REEL: 003855 FRAME: 0211

EXHIBIT 1

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that **THE AMERICAN BICYCLE GROUP, LLC**, having an office at 24 Grassy Plain Street, Bethel, Connecticut 06801 (hereinafter "**Debtor**"), hereby appoints and constitutes **RZB FINANCE LLC**, ("**Secured Party**"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Secured Party, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all of right, title, and interest of Debtor in and to any trademarks or patents and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its sole discretion, deems necessary or advisable to further the purposes described in paragraph 1 hereof.

This Power of Attorney, being a power coupled with an interest, is made pursuant to a Trademark Security Agreement between Debtor and Secured Party, dated January ____, 2007 (the "**Security Agreement**") and may not be revoked until indefeasible payment in full of all Debtor's "**Obligations**", as such term is defined in the Security Agreement.

Dated as of January ____, 2007

The American Bicycle Group, LLC

By: _____

Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of January, 2007, before me personally came _____, to me known, who being duly sworn, did depose and say, that s/he is the _____ of The American Bicycle Group, LLC, the limited liability company described in and which executed the foregoing instrument; and that he is authorized to sign said instrument on behalf of said company.

Notary Public

**SCHEDULE B
to
TRADEMARK SECURITY AGREEMENT**

Permitted Licenses

None

2:002! DOC