

09-27-2006



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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)

Iron Age Corporation

2. Name and address of receiving party(ies)

Name: Paradox Origination Funding LLC

Internal Address: 49th Floor

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance/Execution Date(s):

Execution Date(s) September 21, 2006

- Assignment
- Security Agreement
- Joint Research Agreement
- Government Interest Assignment
- Executive Order 9424, Confirmatory License
- Other _____
- Merger
- Change of Name

Street Address: 885 Second Avenue

City: New York

State: New York

Country: United States Zip: 10017

Additional name(s) & address(es) attached? Yes No

4. Application or patent number(s):

This document is being filed together with a new application.

A. Patent Application No.(s)

See SCHEDULE A attached hereto and incorporated herein.

B. Patent No.(s)

See SCHEDULE A attached hereto and incorporated herein.

Additional numbers attached? Yes No

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

Name: Kimberly B. Saltrick, Paralegal

Internal Address: Helms Mulliss & Wicker, PLLC

Street Address: 201 North Tryon Street

City: Charlotte

State: North Carolina Zip: 28202

Phone Number: 704-343-2278

Fax Number: 704-444-8847

Email Address: kimberly.saltrick@hmw.com

6. Total number of applications and patents involved: 3

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 120.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed
- None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

09/27/2006 DBYRNE 00000135 6721161

Manuel Roberts
Signature

9/22/06
Date

MANUEL ROBERTS, ESQ.
Name of Person Signing

Total number of pages including cover sheet, attachments, and documents:

39

01 FC:8021
02 FC:8043

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

SCHEDULE A
United States Patents

ISSUE DATE	PATENT NO.	TITLE	EXP. DATE
13-Apr-2004	6,721,161	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	24-Sep-2021
03-Jan-2006	6,982,861	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	21-Mar-2021
17-Dec-2002	D467,060	Shoe Sole	17-Dec-2016

C805624
C809337

THIS AGREEMENT IS SUBJECT TO AN INTERCREDITOR AGREEMENT, OF EVEN DATE HEREWITH, AMONG PARADOX ORIGINATION FUNDING LLC AND GMAC COMMERCIAL FINANCE LLC AND ACKNOWLEDGED AND AGREED TO BY IRON AGE CORPORATION, IRON AGE CANADA LTD., IAC HOLDINGS, INC. AND IRON AGE INVESTMENT COMPANY, AND ANY SUCCESSOR OR ASSIGNEE OF ANY PARTY HERETO SHALL BE BOUND BY SUCH INTERCREDITOR AGREEMENT AS FULLY AS IF SUCH SUCCESSOR OR ASSIGNEE WERE A PARTY THERETO.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT made as of September 21, 2006 (this "Security Agreement"), by IRON AGE CORPORATION, a Delaware corporation (the "Borrower"), IRON AGE CANADA LTD., a federal corporation incorporated pursuant to the Canada Business Corporations Act (the "Canadian Subsidiary"), and IRON AGE INVESTMENT COMPANY, a Delaware corporation ("IAI" and, collectively with the Borrower and the Canadian Subsidiary, the "Grantors", and each individually a "Grantor"), in favor of PARADOX ORIGINATION FUNDING LLC, a Delaware limited liability company ("Paradox").

RECITALS

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of the date hereof by and among the Borrower, Paradox as lender, and the Canadian Subsidiary, Iron Age Holdings, Inc. and IAI as guarantors (such agreement, as amended, modified, supplemented or restated from time to time, being referred to as the "Loan and Security Agreement"), Paradox has agreed to provide a term loan to the Borrower in the amount and manner set forth in the Loan and Security Agreement (the "Loan"); and

WHEREAS, it is a condition to the obligation of Paradox to make the Loan to the Borrower that the Grantors execute and deliver to Paradox this Security Agreement.

AGREEMENT

NOW, THEREFORE, in order to induce Paradox to enter into the Loan and Security Agreement and make the Loan and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, each Grantor hereby represents, warrants, covenants and agrees with Paradox, as follows:

1. **DEFINED TERMS.** When used in this Security Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

1.1 "Collateral" shall have the meaning assigned to such term in Section 2 of this Security Agreement.

1.2 "Copyright License" means any written agreement, in which any Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any right in or to any Copyright or Copyright registration (whether such Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which any Grantor has obtained the exclusive right to use a copyright owned by a third party, a sublicense to use a copyright, a distribution agreement regarding copyrighted works and the right to prepare for sale, sell or advertise for sale, all of the inventory now or hereafter owned by any Grantor and now or hereafter covered by such license agreements.

1.3 "Copyrights" means all of the following in which any Grantor now holds or hereafter acquires any right, title or interest: (a) all copyrights, whether registered or unregistered, held or existing pursuant to the laws of the United States, any State thereof or any other country; (b) registrations, applications and recordings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country; (c) any continuations, renewals or extensions of any copyright; (d) any registrations to be issued in any pending applications; (e) any prior versions of works covered by copyright and all works based upon, derived from or incorporating such works; (f) any original embodiments of a work that are necessary for the manufacture or production of a copyrighted work including, without limitation, molds, master tapes, master film reels, master CDs, master DVDs, master disks or other master magnetic or electronic media; (g) any income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to copyrights, including, without limitation, damages, claims and recoveries for past, present or future infringement; (h) any rights to sue for past, present and future infringements of any copyright; and (i) any other rights corresponding to any of the foregoing rights throughout the world.

1.4 "GSC" means, collectively, GSC Recovery II, L.P. and GSC Recovery IIA, L.P.

1.5 "GSO" means, collectively, Hudson Straits CLO 2004, Ltd. and Foxe Basin CLO 2003 Ltd.

1.6 "GSO Loan Agreement" means the Amended and Restated Loan and Security Agreement dated as of the date hereof, among the Borrower, GSO and the other parties signatory thereto, as hereafter amended, restated, renewed, extended, supplemented, substituted or otherwise modified in accordance with the terms of the Loan and Security Agreement.

1.7 "GSO Loan Documents" means a collective reference to the GSO Loan Agreement and all other agreements, instruments and documents, including, without limitation, guaranties, mortgages, pledges, security agreements, powers of attorney, consents, and all other writings executed by the Borrower in connection therewith, and all "Loan Documents" (as defined in the GSO Loan Agreement) as such agreements may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms of the Loan and Security Agreement.

1.8 "License" means any Copyright License, Patent License, Trademark License or other license of trade secrets now held or hereafter acquired by any Grantor.

1.9 "Lien" means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

1.10 "Litigation" means any suits, actions, proceedings (administrative, judicial or in arbitration, mediation or alternative dispute resolution), claims or counterclaims for infringement, misappropriation, or other violation of any of the Copyrights, Patents, Trademarks and/or Licenses.

1.11 "Patent License" means any written agreement, in which any Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any right with respect to any Patent (whether such Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which any Grantor has obtained the exclusive right to use a patent owned by a third party, a sublicense to use a patent, a distribution agreement regarding one or more patented products or processes and the right to prepare for sale, sell or advertise for sale, all of the inventory now or hereafter owned by any Grantor and now or hereafter covered by such license agreements.

1.12 "Patents" means all of the following in which any Grantor now holds or hereafter acquires any right, title or interest: (a) all United States or foreign patents (including, without limitation, utility, design and plant patents), all registrations and recordings thereof and all applications for United States or foreign patents, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country; (b) all reissues, divisions, continuations, renewals, continuations in part or extensions of any patent; (c) all petty patents, divisionals and patents of addition; (d) all patents to issue in any such applications; (e) all means of manufacturing patented products, including, without limitation, trade secrets, formulas, customer lists, manufacturing processes, mask works, molds and prototypes, (f) any income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to patents, including, without limitation, damages, claims and recoveries for past, present or future infringement; and (g) any rights to sue for past, present and future infringements of any patent.

1.13 "Permitted Encumbrances" means (a) Liens for taxes, assessments or other governmental charges not delinquent or being contested in good faith and by appropriate proceedings and with respect to which proper reserves have been taken by the Grantors and a stay of enforcement of any such Liens is in effect, (b) judgment Liens to the extent that such Liens have been stayed, and (c) Liens arising in connection with the GMAC CF Transaction Documents, the GSO Loan Documents and the Subordinated Debt Documents, as such Liens are subordinated to the Lien of Paradox in accordance with the Intercreditor Agreement, GSO Intercreditor Agreement and Subordination Agreement; provided that, the foregoing Liens shall have no effect on the priority of the Liens tied to the Collateral in favor of Paradox or the value of the Collateral in which Paradox has such a Lien.

1.14 "Secured Obligations" means all obligations of each Grantor of any kind under or in connection with this Security Agreement, the Loan and Security Agreement and the other Loan Documents now or hereafter existing including, without limitation, all fees, costs and expenses hereunder or thereunder.

1.15 "Subordinated Debt Documents" means a collective reference to the secured promissory notes issued by the Borrower to GSC on the date hereof in the aggregate principal amount of \$350,000 and all other agreements, instruments and documents, including, without limitation, guaranties, mortgages, pledges, security agreements, powers of attorney, consents, and all other writings executed by the Loan Parties in connection therewith as such agreements may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms of the Loan and Security Agreement and the Subordination Agreement.

1.16 "Subordination Agreement" means the Subordination Agreement dated as of the date hereof, among the Lender, GMAC CF, GSO, GSC and Borrower, as hereafter amended, restated, renewed, extended, supplemented, substituted or otherwise modified in accordance with the terms thereof.

1.17 "Trademark License" means any written agreement, in which any Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any license right in and to any Trademark (whether such Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which any Grantor has obtained the exclusive right to use a trademark owned by a third party, a sublicense to use a trademark, a distribution agreement relating to goods or services covered by one or more trademarks and the right to prepare for sale, sell or advertise for sale, all of the inventory now or hereafter owned by any Grantor and now or hereafter covered by such license agreements.

1.18 "Trademarks" means any of the following in which any Grantor now holds or hereafter acquires any right, title or interest: (a) any United States or foreign trademarks, trade names, corporate names, company names, business names, trade styles, trade dress, service marks, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof and any applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country (collectively, the "Marks"); (b) any reissues, extensions or renewals of any Marks, (c) the goodwill of the business symbolized by or associated with the Marks, (d) all domain names, (e) all means of manufacturing goods or offering services covered by the Marks, including, without limitation, trade secrets, formulas, recipes, customer lists, manufacturing processes, molds, designs, plans and prototypes, (f) any income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to the Marks, including, without limitation, payments under all licenses entered into in connection with the Marks and damages, claims, payments and recoveries for past, present or future infringement and (g) any rights to sue for past, present and future infringements of the Marks.

1.19 "UCC" means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of New York; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Paradox's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof

relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

1.20 In addition, the following terms shall be defined terms having the meaning set forth for such terms in the UCC: "Account Debtor" and "Proceeds". Each of the foregoing defined terms shall include all of such items now owned or existing, or hereafter arising or acquired by any Grantor.

1.21 All capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Loan and Security Agreement.

2. GRANT OF SECURITY INTEREST. As collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all the Secured Obligations and in order to induce Paradox to enter into the Loan and Security Agreement, each Grantor hereby grants to Paradox a security interest in all of such Grantor's right, title and interest, if any, in, to and under the following, whether now owned or existing or hereafter arising or acquired and wheresoever located (collectively, the "Collateral"):

2.1 All Copyrights, Patents and Trademarks including, without limitation, the Copyrights, Patents and Trademarks listed in Schedule A, all Licenses including, without limitation, the Licenses listed in Schedule B and any presently pending Litigation including, without limitation, the Litigation listed in Schedule C;

2.2 The accounts listed in Schedule F and all monies and other property deposited in such accounts; and

2.3 To the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing.

2.4 Notwithstanding the foregoing provisions of this Section 2, the "Collateral" shall exclude any Grantor's rights or interests in any license of software by a third party to a Grantor to the extent, but only to the extent, that such a grant would, under applicable law, result in a breach of the terms of, or constitute a default under, such license (provided, however, that "Collateral" shall include at all times any products and proceeds of any such license of software, and provided further that upon the ineffectiveness, lapse or termination of any such provision in such license, the "Collateral" shall include, and such Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect).

3. RIGHTS OF SECURED PARTY; COLLECTION OF ACCOUNTS.

3.1 Notwithstanding anything contained in this Security Agreement to the contrary, each Grantor expressly agrees that it shall remain liable under each of its Licenses to observe and perform in all material respects all the conditions and obligations to be observed and performed by it thereunder and that it shall perform all of its duties and obligations thereunder, all in accordance with and pursuant to the terms and provisions of each such License. Paradox shall not have any obligation or liability under any License by reason of or arising out of this Security Agreement or the granting to Paradox of a Lien therein or the receipt by Paradox of any payment

relating to any License pursuant hereto, nor shall Paradox be required or obligated in any manner to perform or fulfill any of the obligations of any Grantor under or pursuant to any License, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any License, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times. Each Grantor agrees that any rights granted under this Security Agreement to Paradox with respect to all of the Collateral shall be worldwide and without any liability for royalties or other related charges from Paradox to such Grantor.

3.2 Paradox authorizes each Grantor to collect its accounts and accounts receivable related to the sale, license, settlement, judgment or other disposition of, or otherwise arising from, any of the Collateral (collectively, the "Accounts"), provided that such collection is performed in a commercially reasonable manner, and Paradox may, upon the occurrence and during the continuation of any Event of Default and with prior written notice to such Grantor, limit or terminate said authority at any time. Upon the occurrence and during the continuation of any Event of Default, at the request of Paradox, each Grantor shall deliver all original and other documents evidencing and relating to such Accounts, including, without limitation, all original orders, invoices and shipping receipts.

3.3 Paradox may at any time, upon the occurrence and during the continuation of any Event of Default, with prior written notice to such Grantor of its intention to do so, notify any Account Debtors of any Grantor or any parties to the Licenses of any Grantor that the Accounts and the right, title and interest of such Grantor in and under such Licenses have been assigned to Paradox and that payments shall be made directly to Paradox. Upon the request of Paradox at any time after the occurrence and during the continuation of an Event of Default, each Grantor shall so notify such Account Debtors and parties to such Licenses. Upon the occurrence and during the continuation of any Event of Default, Paradox may, in its name or in the name of others, communicate with such Account Debtors and parties to such Licenses to verify with such parties, to Paradox's reasonable satisfaction, the existence, amount and terms of any such Accounts or Licenses.

4. REPRESENTATIONS AND WARRANTIES. Each Grantor hereby represents and warrants to Paradox that:

4.1 Except for Permitted Encumbrances and the security interest granted to Paradox under this Security Agreement, each Grantor is the sole legal and equitable owner of all right, title and interest in and to each item of the Collateral in which it purports to grant a security interest hereunder, having good and marketable title thereto, free and clear of any and all Liens, and will continue to be the sole legal and equitable owner of all right, title and interest in and to each item of the Collateral, so long as the Copyrights, Patents, Trademarks and Licenses shall continue in force.

4.2 Except for those with respect to Permitted Encumbrances, (i) no effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral exists, and (ii) each Grantor 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.

4.3 This Security Agreement creates a legal and valid security interest on and in all of the Collateral in which any Grantor now has rights. Upon the filing of appropriate financing statements and the filing of a copy of this Security Agreement with the United States Copyright Office, Paradox will have a fully perfected first priority security interest (subject to Permitted Encumbrances) in all of the Collateral in which any Grantor now has rights in the United States. This Security Agreement will create a legal and valid and fully perfected first priority security interest in the Collateral in which any Grantor later acquires rights, when any Grantor acquires those rights and Paradox makes additional filings with the United States Copyright Office, Patent and Trademark Office and/or other offices as are necessary to perfect Paradox's security interest in subsequent ownership rights and interests of such Grantor in the Collateral.

4.4 Except for those with respect to Permitted Encumbrances, so long as any Secured Obligation remains outstanding, each Grantor will not execute, and there will not be on file in any public office, any effective financing statement or other document or instrument covering the Collateral.

4.5 On the date hereof, each Grantor's chief executive office, principal place of business and the place where such Grantor maintains its records concerning the Collateral are located at the address set forth on the signature page hereof on the date hereof, and such Grantor's corporate name, type of organization, jurisdiction of organization, and corporate identification number set forth on the signature page hereof on the date hereof are all true and correct.

4.6 Each Grantor has the full right and power to grant the security interest in the Collateral made hereby.

4.7 All information furnished to Paradox concerning the Collateral and proceeds thereof, for the purpose of inducing Paradox to enter into the Loan and Security Agreement and the transaction contemplated thereby, is or will be at the time the information is furnished, accurate and correct in all material respects.

4.8 To the best of each Grantor's knowledge and belief, no infringement, breach or unauthorized use presently is being made of any of the Collateral which has or may reasonably be expected to have, alone or in the aggregate, an adverse effect on the value or enforceability of, or any rights of any Grantor or Paradox in, any material Collateral. Each Grantor has advised Paradox of the existence of all material contractual restrictions on the use of the Collateral.

4.9 To the best of each Grantor's knowledge and belief, (i) there are no obligations to, covenants to or restrictions from third parties affecting such Grantor's use, disclosure, enforcement, transfer or licensing of the Collateral (other than (A) this Security Agreement, (B) the Loan and Security Agreement, (C) the other Loan Documents, (D) the GMAC CF Transaction Documents, (E) the GSO Loan Documents, and (G) the Subordinated Debt Documents); (ii) all Collateral that is owned by any Grantor is valid and enforceable; (iii) each Grantor has the right to use all Collateral that is necessary for the operation of such Grantor's

business as presently conducted and as proposed by such Grantor to be conducted; (iv) the Grantors have taken all actions necessary to maintain and protect all Collateral and no loss of such Collateral is pending, reasonably foreseeable or threatened; (v) there has been no claim made or threatened by or against any Grantor asserting the invalidity, misuse or unenforceability of any item of Collateral or challenging any Grantor's right to use or ownership of any item of Collateral, and there are no grounds for any such claim or challenge; (vi) there is not and has not been any actual or threatened infringement, misappropriation, breach or other violation of any Collateral, and there are no facts raising a likelihood of infringement, misappropriation, breach or other violation; (vii) except for Permitted Encumbrances, the consummation of the transactions contemplated by (or previously undertaken in reliance on) (A) this Security Agreement, (B) the Loan and Security Agreement, (C) the other Loan Documents, (D) the GMAC CF Transaction Documents, (E) the GSO Loan Documents, and (G) the Subordinated Debt Documents) will not alter, impair or extinguish any rights of any Grantor in the Collateral; (viii) no Grantor has infringed, misappropriated or otherwise violated, and no Grantor infringes, misappropriates, or otherwise violates, any intellectual property or proprietary right of any other person or entity; and (ix) there has been no claim made or, to the Grantors' knowledge, threatened against any Grantor alleging infringement, misappropriation or other violation of intellectual property.

5. **COVENANTS.** Each Grantor covenants and agrees with Paradox that from and after the date of this Security Agreement and until the Secured Obligations have been performed and paid in full:

5.1 **Disposition of Collateral.** No Grantor shall sell, lease, assign, transfer or otherwise dispose of any of the Collateral, or contract to do so. No Grantor shall, without Paradox's prior written consent, enter into any agreement or amend, alter or modify any existing agreement, including, without limitation, any license, related to any or all of the Collateral. Each Grantor also agrees to maintain the quality of any and all merchandise and/or services in connection with which the Trademarks are used, substantially consistent with or better than the quality of said merchandise and/or services as of the date hereof.

5.2 **Relocation of Business or Collateral.** No Grantor shall relocate its chief executive office, principal place of business or its records from such address(es) provided to Paradox pursuant to Section 4(d) above without prior written notice to Paradox.

5.3 **Limitation on Liens on Collateral.** No Grantor shall, directly or indirectly, create, permit or suffer to exist, and shall defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral (other than Permitted Encumbrances).

5.4 **Maintenance of Records.** Each Grantor shall keep and maintain at its own cost and expense records of the Collateral that are complete in all material respects.

5.5 **Registration and Maintenance of Intellectual Property Rights.** Except as would not have an adverse effect on the value or enforceability of, or any rights of any Grantor or Paradox in, any material Collateral, each Grantor shall (i) use commercially reasonable efforts to prosecute any Patent, Trademark or Copyright pending as of the date hereof or thereafter, (ii) promptly make applications for, register or cause to be registered (to the extent not already

registered and consistent with good faith business judgment) any Copyright, Copyright License, any Patent, Patent License, any Trademark or Trademark License, which is (a) set forth in Schedule A or Schedule B or (b) is individually or in the aggregate, material to the conduct of any Grantor's business, with the United States Copyright Office or Patent and Trademark Office, as applicable, including, without limitation, in all such cases the filing and payment of maintenance, registration and/or renewal fees, the filing of applications for renewal, affidavits of use, affidavits of noncontestability, the filing and diligent prosecution of opposition, interference and cancellation proceedings, and promptly responding to all United States Copyright Office or Patent and Trademark Office requests and inquiries. Except as would not have an adverse effect on the value or enforceability of, or any rights of any Grantor or Paradox in, any material Collateral, each Grantor also agrees to preserve and maintain all rights in the Collateral. Any expenses incurred in connection with prosecution, registration and maintenance shall be borne by the Grantors. Each Grantor further agrees to retain experienced patent, trademark and copyright attorneys for the filing and prosecution of all such applications and other proceedings when and if applicable. Except as would not have an adverse effect on the value or enforceability of, or any rights of any Grantor or Paradox in, any material Collateral, no Grantor shall, without Paradox's prior written consent, abandon any rights in or fail to pay any maintenance or renewal fee for any Patent, Trademark or Copyright listed in Schedule A or breach, terminate, fail to renew or extend, or fail to perform any duties or obligations for any License listed in Schedule B. Each Grantor further agrees that it will not take any action, or permit any action to be taken by any Person to the extent that such Person is subject to its control, including licensees, or fail to take any action, which would affect the validity, priority, perfection or enforcement of the rights granted to Paradox under this Security Agreement, and any such action if it shall take place shall be null and void and of no effect whatsoever. If any Grantor fails to comply with any of the foregoing provisions of this Section 5.5, Paradox shall have the right (but shall not be obligated) to do so on behalf of such Grantor to the extent permitted by law, but at Grantors' expense, and each Grantor hereby agrees, jointly and severally, to reimburse Paradox in full for all expenses, including the fees and disbursements of counsel incurred by Paradox in procuring, protecting, defending and maintaining the Collateral. In the event that any Grantor shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to comply with any other duty under this Security Agreement, Paradox may, but shall not be required to, pay, satisfy, discharge or bond the same for the account of such Grantor, and all monies so paid out shall be Secured Obligations of Grantors repayable on demand, together with interest at the rate applicable to the Loan.

5.6 Notification Regarding Changes in Intellectual Property. Each Grantor shall promptly advise Paradox of any right, title or interest of such Grantor obtained after the date hereof in or to any material Copyright, Patent, Trademark or License not specified on Schedule A hereto, the provisions of Section 2 above shall automatically apply thereto, and each Grantor hereby authorizes and appoints Paradox as such Grantor's attorney-in-fact solely to the extent necessary to modify or amend such Schedule, as necessary, to reflect any addition or deletion to such ownership rights, and pursuant to Schedule D, to make any additional filings. Each Grantor hereby authorizes Paradox to modify this Security Agreement by amending Schedules A and B to include any future Copyrights, Patents, Trademarks or Licenses that are Collateral under Section 2 above. Paradox will make good faith efforts to provide copies of such amended Schedules A and B to Grantors, provided that, Paradox's failure to provide such copies shall not constitute a breach of this Agreement nor render such amendments ineffective. In addition to

any requirements in this Security Agreement for notification, each Grantor shall also provide Paradox with quarterly reports that identify the status of the Collateral, any new Copyrights, Patents, Trademarks and/or Licenses, any newly filed applications, the status of any pending applications, the payment of any maintenance or renewal fees, the status of Litigation and licensing, any threats of Litigation, the identification of any known or suspected infringers and the discovery of any prior art or any other information that may affect the validity or enforceability of the Collateral.

5.7 Defense of Intellectual Property. Each Grantor shall (i) protect, defend and maintain the validity and enforceability of all material current and future Copyrights, Patents and Trademarks, (ii) use its commercially reasonable efforts to detect material infringements of such Copyrights, Patents and Trademarks and promptly advise Paradox in writing of material infringements detected and (iii) not allow any material Copyrights, Patents or Trademarks to be abandoned, forfeited or dedicated to the public. Grantors shall not commence, or cause to be commenced, any legal action, proceeding, lawsuit, mediation or arbitration relating to the Collateral without the prior written consent of Paradox, such consent not to be unreasonably withheld, nor shall any Grantor engage in any activity or conduct that could reasonably be expected to give rise to declaratory judgment jurisdiction. At Grantors' sole expense, Paradox shall have the right (but shall not be obligated) to select counsel and/or participate in any action, proceeding, lawsuit, mediation or arbitration that could affect the rights in, validity or enforceability of the Collateral. In addition, any proposed settlement or compromise of any action, proceeding, lawsuit, mediation or arbitration that could affect value, validity or enforceability of, or any rights of any Grantor or Paradox in, the Collateral must be approved, in writing, by Paradox.

5.8 Further Assurances; Pledge of Instruments. At any time and from time to time, upon the written reasonable request of Paradox, and at the sole expense of Grantors, each Grantor shall promptly and duly execute and deliver any and all such further instruments and documents (including, without limitation, control agreements) and take such further action as Paradox may reasonably deem necessary or desirable to obtain the full benefits of this Security Agreement, including, without limitation, facilitating the filing of UCC-1 Financing Statements in all applicable jurisdictions and this Security Agreement (and any amendment hereto) or any other document that Paradox may reasonably deem necessary, including, without limitation, any filing described in Schedule D or any other collateral assignment, (and any amendments thereto) with the United States Copyright Office, Patent and Trademark Office and/or the state or foreign equivalents of these offices, as applicable.

5.9 Right of Inspection and Audit. Upon reasonable notice to each Grantor (unless an Event of Default has occurred and is continuing, in which case no notice is necessary), Paradox shall at all times have full and free access during normal business hours (or during an Event of Default at any time) to all the books, records, correspondence, office, facilities and operations of the Grantors relating to the Collateral, including, without limitation, Grantors' quality control processes, and Paradox or any agents or representatives of Paradox may examine the same, take extracts therefrom and make photocopies thereof, and each Grantor agrees to render to Paradox, at Grantors' cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto, provided, however, that (unless an Event of Default has occurred and is continuing) (a) Grantor shall have the right to be present during Paradox's

examination and (b) such examination shall not unreasonably interfere with the conduct of Grantor's business.

5.10 Continuous Perfection. No Grantor shall change its name, identity, corporate structure, jurisdiction of organization or corporation identification number in any manner which might make any financing or continuation statement filed in connection herewith seriously misleading within the meaning of Section 9-506 of the UCC (or any other then applicable provision of the UCC) unless such Grantor gives Paradox thirty (30) days prior written notice thereof and takes all action necessary or reasonably requested by Paradox to amend such financing statement or continuation statement so that it is not seriously misleading.

5.11 Power of Attorney. Effective only upon the occurrence and during the continuation of an Event of Default, each Grantor hereby irrevocably appoints Paradox (and any of Paradox's designated officers or employees) as such Grantor's true and lawful attorney to in accordance with the terms hereof: (a) send requests for verification of Accounts and Licenses or notify account debtors or licensees of Paradox's security interest in the Accounts and Licenses; (b) endorse such Grantor's name on any checks or other forms of payment or security that may come into Paradox's possession in connection with the Collateral; (c) sign such Grantor's name on any invoice or bill of lading relating to any Account, drafts against account debtors, schedules and assignments of Accounts and Licenses, verifications of Accounts and Licenses, and notices to account debtors and licensees, (d) make, settle and adjust all claims under and decisions with respect to such Grantor's policies of insurance relating to the Collateral; (e) settle and adjust disputes and claims respecting the Accounts and Licenses directly with account debtors and licensees, for amounts and upon terms which Paradox determines to be reasonable; (f) modify, in its sole discretion, any intellectual property security agreement entered into between such Grantor and Paradox without first obtaining such Grantor's approval of or signature to such modification by amending reference to any right, title or interest in any Copyright, Patent, Trademark or License, acquired by any Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyright, Patent, Trademark or License, in which any Grantor no longer has or claims any right, title or interest; (g) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Paradox in the use of the Collateral, (h) take any other actions with respect to the Collateral as Paradox deems in the best interest of Paradox (consistent with any enforceable restrictions in Licenses to any Grantor); (i) grant or issue any exclusive or non-exclusive license under the Collateral to anyone (consistent with any enforceable restrictions in Licenses to any Grantor) or (j) assign, pledge, convey or transfer title in or dispose of the Collateral to anyone, including Paradox or a third party to the extent permitted under the UCC, free and clear of any encumbrance upon title thereof (other than any encumbrance created by this Security Agreement and consistent with any enforceable restrictions in Licenses to any Grantor). Each Grantor hereby irrevocably appoints Paradox (and any of Paradox's designated officers or employees) as such Grantor's true and lawful attorney to and in accordance with the terms hereof: (x) file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of such Grantor where permitted by law; and (y) with respect to the Trademarks, file a copy of this Security Agreement with the U.S. Patent and Trademark Office. The appointment of Paradox as each Grantor's attorney in fact, and each and every one of Paradox's rights and powers, being coupled with an interest, is irrevocable until all of the Secured Obligations have been fully repaid and performed and Paradox's obligation to provide

advances under the Loan Documents is terminated. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue of this Security Agreement.

6. RIGHTS AND REMEDIES UPON DEFAULT.

6.1 If any Event of Default shall occur and be continuing, Paradox may exercise in addition to all other rights and remedies granted to it under this Security Agreement and under any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, each Grantor expressly agrees that in any such event, and during the existence and continuation of an Event of Default, Paradox, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon any Grantor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith maintain collect, receive, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, license, assign, give an option or options to purchase or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof (consistent with any enforceable restrictions in Licenses to any Grantor), in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of Paradox's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Paradox shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption each Grantor hereby releases. During the period of any Event of Default, all proceeds from the use of the Trademarks by any Grantor shall inure to the benefit of Paradox. Paradox shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale as provided in Section 6.4 hereof, each Grantor remaining liable for any deficiency remaining unpaid after such application, and to the extent required by the UCC, only after so paying over such net proceeds and after the payment by Paradox of any other amount required by any provision of law, need Paradox account for the surplus, if any, to the Grantors. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against Paradox arising out of the repossession, retention or sale of the Collateral except such as arise out of the gross negligence or willful misconduct of Paradox. Each Grantor agrees that Paradox need not give more than ten (10) days' notice (which notification shall be deemed given when mailed, postage prepaid, or personally delivered, addressed to each Grantor at its address set forth on the signature page hereof) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. The Grantors shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Paradox is entitled, the Grantors also being liable for the reasonable fees of any attorneys employed by Paradox to collect such deficiency.

6.2 Each Grantor also agrees, jointly and severally, to pay all fees, costs and expenses of Paradox, including, without limitation, reasonable attorneys' fees, reasonably incurred in connection with the enforcement of any of its rights and remedies hereunder.

6.3 Each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

6.4 The Proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be distributed by Paradox in the following order of priorities:

FIRST, to Paradox in an amount sufficient to pay in full the reasonable costs of Paradox in connection with such sale, disposition or other realization, including all fees, costs, expenses, liabilities and advances reasonably incurred or made by Paradox in connection therewith, including, without limitation, reasonable attorneys' fees;

SECOND, to Paradox in an amount equal to the then unpaid Secured Obligations; and

FINALLY, upon payment in full of the Secured Obligations, to the Grantors or their representatives, in accordance with the UCC or as a court of competent jurisdiction may direct.

7. **PARADOX'S RIGHT TO SUE.** From and after the occurrence and during continuation of an Event of Default, Paradox shall have a right, but shall in no way be obligated, to bring suit for past, present and future damages in its own name and for its own benefit to enforce the Copyrights, Patents, Trademarks and Licenses, and if Paradox commences any such suit, each Grantor shall, at the request of Paradox, use commercially reasonable efforts to do any and all lawful acts and execute any and all proper documents required by Paradox in aid of such enforcement.

8. **RESERVED.**

9. **LIMITATION ON PARADOX'S DUTY IN RESPECT OF COLLATERAL.** Paradox shall deal with the Collateral in the same manner as it deals with similar property for its own account. Paradox shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if it takes such action as any Grantor requests in writing, but failure of Paradox to comply with any such request shall not in itself be deemed a failure to act reasonably and no failure of Paradox to do any act not so requested shall be deemed a failure to act reasonably.

10. **RESERVED.**

11. **MISCELLANEOUS.**

11.1 **No Waiver; Cumulative Remedies.**

11.1.1 Paradox shall not by any act, delay, omission or otherwise be deemed to have waived any of its respective rights or remedies hereunder, nor shall any single or partial exercise of any right or remedy hereunder on any one occasion preclude the further exercise thereof or the exercise of any other right or remedy.

11.1.2 The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently and are not exclusive of any rights and remedies provided by law. Each

Grantor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Paradox but rather is intended to facilitate the exercise of such rights and remedies. Paradox shall have, in addition to all other rights and remedies given it by the terms of the Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the UCC. Recourse to security will not be required at any time.

11.1.3 None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by each Grantor and Paradox.

11.2 Releases.

11.2.1 This Security Agreement is made for collateral purposes only. Subject to Section 11.2.2 below, at such time as the Secured Obligations shall have been paid and performed in full and the Grantors have no further obligations under or with respect to the Loan and Security Agreement or the other Loan Documents, the Collateral shall be automatically released from the Liens created hereby, and this Security Agreement and all obligations of Paradox and the Grantors hereunder shall automatically terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to Grantors. At the request and sole expense of any Grantor following any such termination, Paradox shall deliver to Grantors all termination statements, releases or other instruments as may be necessary or proper to revert in the Grantors (without recourse to or warranty by Paradox, except for encumbrances created by Paradox, provided that no such recourse or warranty shall apply to any Collateral sold or otherwise disposed of by Paradox pursuant to this Security Agreement) all right, title and interest in and to the Collateral granted in this Security Agreement, subject to any acceptance or disposition of Collateral which may have been made by Paradox pursuant to this Security Agreement.

11.2.2 This Security Agreement and the security interests granted herein shall remain in full force and effect and continue to be effective if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, avoided, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance" or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is avoided, rescinded, reduced, restored or returned, the Secured Obligations and the security interests granted herein shall be reinstated and the Secured Obligations shall be deemed reduced only by such amount paid and not so avoided, rescinded, reduced, restored or returned. The provisions of this Section 11.2.2 shall survive repayment of all of the Secured Obligations, and the termination of this Security Agreement in any manner.

11.3 **Successor and Assigns.** This Security Agreement and all obligations of each Grantor hereunder shall be binding upon the successors and permitted assigns of such Grantor, and shall, together with the rights and remedies of Paradox hereunder, inure to the benefit of Paradox, any future holder of any of the Secured Obligations and their respective successors and assigns. To the extent permitted by the Loan and Security Agreement, Paradox may, without cost or expense to any Grantor, assign all or any part of, or any interest (undivided or divided) in,

Paradox's rights and benefits under this Security Agreement including, without limitation, the right, title or interest in and to the Collateral. To the extent of any assignment by Paradox, the assignee shall have the same rights and benefits against each Grantor hereunder as it would have had if such assignee were Paradox. No Grantor may assign this Security Agreement without the prior written consent of Paradox, which consent may be granted or withheld at the sole discretion of Paradox. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the Lien granted to Paradox hereunder.

11.4 Notices. All notifications and other communications permitted or required under this Agreement shall be in writing and delivered to the Persons and in the manner specified in the Loan and Security Agreement.

11.5 Counterparts. This Security Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

11.6 Severability. If any provision of this Security Agreement is held to be unenforceable under applicable law for any reason, it shall be adjusted, if possible, rather than voided in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Security Agreement shall be deemed valid and enforceable to the fullest extent possible under applicable law.

11.7 Governing Law. IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS SECURITY AGREEMENT AND THE SECURED OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE EXCEPT TO THE EXTENT THAT PERFECTION OR THE EFFECT OF PERFECTION OF ANY SECURITY INTEREST IN THE COLLATERAL MAY BE GOVERNED BY THE LAWS OF ANY OTHER JURISDICTION.

11.8 Consent to Jurisdiction and Service of Process; Waiver of Jury Trial. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST EACH PARTY HERETO WITH RESPECT TO THIS SECURITY AGREEMENT MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION SITTING IN THE CITY OF NEW YORK, NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS SECURITY AGREEMENT, EACH PARTY HERETO ACCEPTS, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NONEXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS SECURITY AGREEMENT FROM WHICH NO APPEAL HAS BEEN TAKEN OR IS AVAILABLE. EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO ITS NOTICE ADDRESS, SUCH SERVICE TO BECOME EFFECTIVE TEN (10) DAYS AFTER SUCH MAILING.

EACH OF PARTIES HERETO IRREVOCABLY WAIVES (I) TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS SECURITY AGREEMENT AND (II) ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION OF THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS SECURITY AGREEMENT IN ANY JURISDICTION SET FORTH ABOVE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF THE SECURED PARTY TO BRING PROCEEDINGS AGAINST ANY GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION.

11.9 Advice of Counsel. Each Grantor represents to Paradox that such Grantor's attorneys have reviewed this Security Agreement and that it has discussed this Security Agreement with its attorneys.

11.10 Section and Heading Titles. The section and heading titles are for convenience and reference only and shall not affect in any way the interpretation of any of the provisions of this Security Agreement.

11.11 No Inconsistent Requirements. This Security Agreement, the Loan and Security Agreement and the other Loan Documents may use or require several different limitations, requirements, covenants, representations, warranties, tests or measurements ("Limitations") to regulate the same or similar matters. All such Limitations, are cumulative and shall each be performed, observed or complied with in accordance with their terms.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be executed and delivered by its duly authorized officer on the date first set forth above.

IRON AGE CORPORATION

By: _____
Printed Name: Gary Lortie
Title: SVP

Type of Organization:
Corporation
Jurisdiction of Organization:
Delaware
Corporate Identification Number:
0885983 (Delaware)
25-1376723 (FEIN)

Address:
260 Friberg Parkway
Suite 2000
Westborough, MA 01581

IRON AGE CANADA LTD.

By: _____
Printed Name: Gary Lortie
Title: SVP

Type of Organization:
Corporation
Jurisdiction of Organization:
Canada
Corporate Identification Number:
370606-1 (Canada)

Address:
200 Friberg Parkway
Suite 2000
Westborough, MA 01581

IRON AGE INVESTMENT COMPANY


By: _____
Printed Name: Gary Lortie
Title: SVP

Type of Organization:
Corporation
Jurisdiction of Organization:
Delaware
Corporate Identification Number:
2251582 (Delaware)
51-0331324 (FEIN)

Address:
200 Friberg Parkway
Suite 2000
Westborough, MA 01581

ACCEPTED AND ACKNOWLEDGED BY:

PARADOX ORIENTATION FUNDING LLC

By: 

Name: Richard Gallo

Title: Vice President

Schedule A To Security Agreement

INTELLECTUAL PROPERTY

Copyrights

NONE

Trademarks

I. United States Trademarks

Owner: Iron Age Corporation.

ACTIVE MARKS

Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class Goods
ARMOR 75 XL-2	76/195492	1/17/2001	2673949	1/14/2003	25
ARMOR 75X-TRA LITE (& DESIGN)	75/342582	8/18/1997	2197972	10/20/1998	25
ATVS BY KNAPP	73/629844	11/3/1986	1477784	2/23/1988	25
CHIP-TEC	76/332819	10/31/2001	2684659	2/4/2003	25
E-SHOELUTIONS	76/071326	6/15/2000	2618725	9/10/2002	35
E-SHOELUTIONS (Stylized)	78/960811	8/25/2006			42
FREEDOM TOE	73/400845	10/26/1982	1276282	5/1/1984	25
GRABBER	72/381260	1/18/1971	928349	2/1/1972	9
GRABBERS	75/530025	8/3/1998	2291073	11/9/1999	25
HYDROTEX	78/475133	8/27/2004			25
IA (Design)	76/443365	8/23/2002	2727043	6/17/2003	25
IRON AGE	74/626667	1/24/1995	1966512	4/9/1996	42
IRON AGE	78/460215	8/2/2004	2998039	9/20/2005	25
IRON AGE	78/727724	10/6/2005			9
IRON AGE	78/737481	10/20/2005			9
IRON AGE	78/737484	10/20/2005			25
IRON AGE (& DESIGN)	76/314396	9/19/2001	2730271	6/24/2003	25
IRON AGE (STYLIZED)	72/001059	1/19/1956	634888	9/25/1956	25
IRON AGE THE AUTHORITY IN WORK	78/460216	8/2/2004	3062420	2/28/2006	42
IRON AGE THE AUTHORITY IN WORK	78/460219	8/2/2004	3062421	2/28/2006	25
IRON AGE WORKPLACE FOOTWEAR	78/460218	8/2/2004			25
IRONMAN	78/461212	8/3/2004	2998100	9/20/2005	25
KNAPP	75/522896	7/16/1998	2315779	2/8/2000	25
KNAPP	75/536442	8/14/1998	2331271	3/21/2000	35
KNAPP SHOES (& DESIGN)	72/189710	3/26/1964	785262	2/16/1965	25
METAPRO	72/408395	11/22/1971	949859	1/2/1973	9
SAFE-GARD	73/125367	5/5/1977	1082707	1/17/1978	25
TWO-SHOT	73/283785	10/29/1980	1201228	7/13/1982	25

INACTIVE MARKS

Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class Goods
AMERICA'S CHOICE IN WORK SHOES	75/713177	5/24/1999	2424606	1/30/2001	
HIGH WIDE PROFILE II	75/418663	1/9/1998	2230555	3/9/1999	
IRON AGE	75/728611	6/15/1999	2338623	4/4/2000	
IRON AGE (& DESIGN)	73/314475	6/11/1981	1212263	10/12/1982	
IRON AGE MAXIMUM	74/070897	6/19/1990	1671179	1/7/1992	
IRON AGE MAXIMUM PLUX 2000	75/626374	1/26/1999	2351532	5/23/2000	
IRON AGE PLUS	75/077586	3/25/1996	2120443	12/9/1997	
IRON AGE PLUS	75/077586	3/25/1996	2112932	11/11/1997	
IRON AGE SPORTWORK II AND 1992	74/070762	6/19/1990	1677695	3/3/1992	
KNAPP ATVS BUILT TO GO ANYWHERE	74/580683	9/30/1994	1967884	4/16/1996	
KNAPP ATVS BUILT TO GO ANYWHERE	74/580704	9/30/1994	1919898	9/19/1995	
KNAPP ATVS U.S.A. 2000 SERIES	74/454002	11/3/1993	1905063	7/11/1995	
KNAPP ATVS U.S.A. 2000 SERIES	74/454030	11/3/1993	1901251	6/20/1995	
KNAPP FREE-WAY CUSHIONED SHOES	72/043459	1/6/1958	671243	12/16/1958	
KNAPP MASTERCRAFT CUSIONED COMFORT & DESIGN	73/177390	7/7/1978	1133194	4/15/1980	
MIGHTY TOUCH	74/503977	3/11/1994	1919851	9/19/1995	
MIGHTY TOUCH RUGGED LEATHER BOOTS (& DESIGN)	74/503978	3/11/1994	1919852	9/19/1995	
MT. DURA	75/625300	1/22/1999	2407139	11/21/2000	
MT. DURA (& DESIGN)	75/625484	1/22/1999	2407141	11/21/2000	
OIL RESISTANT GUARANTEED SHU- LIFE SOLE NON- MARKING	72/169638	5/24/1963	781371	11/17/1964	
ROUGH CREEK	75/095927	4/29/1996	2082503	7/22/1997	
RUFFHIDES	74/491094	2/15/1994	2171489	7/7/1996	
SPORTWORK	75/319369	7/3/1997	2189220	9/15/1998	

Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class Goods
THE ORIGINAL IRON AGE CYCLE BOOT DESIGN	76/200245	1/25/2001	2671174	1/7/2003	
THE SOLES OF WORKING AMERICA	75/462254	4/6/1998	2234295	3/23/1999	
TRAILBREAKERS	73/464234	2/6/1984	1312443	1/1/1985	
TUF-SHOT	73/474773	4/10/1984	1344676	6/25/1985	

II. Foreign Trademarks

Owner: Iron Age Corporation

ACTIVE MARKS

Country	Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class - Goods
Australia	IRON AGE	822342	2/3/2000	822342	2/3/2000	
Benelux	IRON AGE	488206	12/7/1990	488506	12/7/1990	
Canada	E-SHOELUTION S	1082028	11/9/2000	598646	1/6/2004	
Canada	GRABBERS	1000898	12/29/1998	541750	3/1/2001	
Canada	IRON AGE	401496	8/23/1976	223537	10/7/1997	
Canada	IRON AGE	775314	2/13/1995	473865	3/26/1997	
Canada	SAFE-GARD	869158	2/11/1998	511663	5/10/1999	
China P.R.	IRON AGE	92031129	6/19/1992	642723	5/21/1993	25
Community Trademark	IRON AGE	4911641	2/20/2006			9
Denmark	IRON AGE	VA05231/1980	11/26/1980	VR02318/1981		
France	IRON AGE	243299	11/27/1980	1621306	10/15/1990	
Germany	IRON AGE	C29823/25 Wz	11/27/1980	1022860	11/27/1980	
Great Britain	GRABBERS	2233084	5/18/2000	2233084	5/18/2000	
Great Britain	IRON AGE	1512133	9/9/1992	1512133	9/9/1992	
Great Britain	IRON AGE	1144205	11/19/1980	1144205	11/19/1980	
Hong Kong	IRON AGE	92/11108	5/12/1992	199304875	5/12/1992	9
Japan	IRON AGE	07/080174	8/3/1995	3338462	8/8/1997	
Mexico	CHIP-TEC	543100	4/16/2002	779145	2/20/2003	
Mexico	E-SHOELUTION S	459028	11/21/2000	689865	2/28/2001	
Mexico	IRON AGE	111295	4/22/1991	419038	8/3/1992	
Mexico	SAFE-GARD	325962	3/16/1998	599938	3/16/1998	
New Zealand	IRON AGE	607636	2/3/2000	607636	2/3/2000	
New Zealand	IRON AGE	607635	2/3/2000	607635	2/3/2000	
Norway	IRON AGE	19803361	11/26/1980	110047	12/3/1981	
Philippines	IRON AGE	102857	9/20/1995	41995-104101	12/14/1999	
Philippines	IRON AGE	102856	9/20/1995	41995-104100	11/28/2000	

Country	Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class - Goods
Republic of Korea	IRON AGE	96-12449	3/29/1996	386476	12/15/1997	
Republic of Korea	IRON AGE	96-3290	3/29/1996	41362	2/19/1997	
Sweden	IRON AGE	10911	2/8/2001	176255	4/16/1981	
Taiwan	IRON AGE	81-027119	3/16/1989	434908	6/2/1992	

INACTIVE MARKS

Country	Trademark	Application Number	Application Date	Registration Number	Registration Date	International Class - Goods
Canada	CHIP-TEC	1136788	4/9/2002			
Canada	WORKSPORT	893041	10/13/1998	550825	9/14/2001	
Finland	GRABBERS BY KNAPP	T200001882	5/31/2000	220852	5/15/2001	
Mexico	ARMOR 75X-TRA LITE (& Design)	322891	2/18/1998	581659	7/6/1998	
Mexico	IRON AGE	233379	6/1/1995	509304	10/31/1995	
Mexico	KNAPP GRABBERS	385744	8/5/1999	623378	9/20/1999	
Mexico	SPORTWORK	318773	1/4/1998	5736674	3/30/1998	

Patents

I. United States

Owner: Iron Age Corporation

ISSUE DATE	PATENT NO.	TITLE	EXP. DATE
13-Apr-2004	6,721,161	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	24-Sep-2021
03-Jan-2006	6,982,861	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	21-Mar-2021
17-Dec-2002	D467,060	Shoe Sole	17-Dec-2016

II. Foreign

Owner: Iron Age Corporation

ISSUE DATE	PATENT NO.	TITLE	COUNTRY
21-Sep-2004	221086	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	TAIWAN

APPLICATION DATE	APPLICATION NO.	TITLE	COUNTRY
23-Oct-2001	PCT/US01/46103	Sole Structure For Electrostatic Dissipative Footwear And Method Of Making Same	PATENT COOPERATION TREATY

Schedule B To Security Agreement

LICENSES

- (a) Trademark License Agreement, dated as of September 28, 1999, by and between Iron Age Corporation and Bear Archery, Inc., a company with principal offices located at 4600 S.W. 41st Blvd., Gainesville, FL 32608-4999.
- (b) License Agreement, dated as of October 17, 2002, by and between Iron Age Corporation and The Rockport Company, LLC, a Delaware limited liability company, as amended by Amendment No. 1, dated as of August 15, 2003, and Amendment No. 2, dated as of July 19, 2004.
- (c) Service Mark License Agreement, dated as of January 29, 1995, by and between Iron Age Investment Company and Iron Age de Mexico, S.A. de C.V.
- (d) Service Mark License Agreement, dated as of January 29, 1995, by and between Iron Age Investment Company and Iron Age Canada, Ltd.
- (e) Iron Age Trademark License Agreement, dated as of August 15, 1994, by and between Iron Age Corporation and W.L. Gore & Associates, Inc.
- (f) Falcon Trademark License Agreement, dated as of July 25, 1994, by and between Falcon Shoe Mfg. Co. and W.L. Gore & Associates, Inc.
- (g) Sublicense Agreement, effective as of October 11, 2001, by and between Iron Age Corporation and The Timberland Company.
- (h) License Agreement, effective as of October 11, 2001, by and among Iron Age Corporation, Chien A. Lee and Donald R. Jensen.
- (i) Purchase and License Agreement, dated as of May 1, 2003, by and between Iron Age Corporation and Quasar Group, Inc.
- (j) License Agreement between Reebok International Ltd. together with Reebok Sports Limited, and Iron Age Corporation, dated as of June 17, 2006.

Schedule C To Security Agreement

PENDING LITIGATION

NONE

Schedule D To Security Agreement

UCC or Other Filing Jurisdictions

- Delaware (Iron Age Corporation)
- Ontario, Canada (Iron Age Canada Ltd.)
- Delaware (Iron Age Investment Company)

Other Filings

1. U.S. Copyright Office

A. Each Grantor has executed in blank and delivered to Paradox an assignment of Copyright Licenses and Copyrights set forth in Schedules A and B hereto. The assignment is in the form of Schedule E hereto. Each Grantor hereby authorizes Paradox to complete and record with the U.S. Copyright Office each assignment upon the occurrence of an Event of Default that is continuing at the time of filing.

B. Each Grantor hereby authorizes Paradox to file a copy of this Security Agreement with the U.S. Copyright Office for each Copyright License and Copyright set forth in Schedules A and B hereto.

2. U.S. Patent and Trademark Office

A. **Patents.** Each Grantor has executed conditional assignments (in the form of Schedule E hereto) for each Patent License and Patent set forth in Schedule A and B hereto. Each Grantor hereby authorizes Paradox to file the conditional assignments with the U.S. Patent and Trademark Office (or the appropriate foreign patent office).

B. Trademarks

1. Each Grantor has executed in blank and delivered to Paradox an assignment of Trademark Licenses and Trademarks set forth in Schedules A and B hereto. The assignment is in the form of Schedule E hereto. Each Grantor hereby authorizes Paradox to complete and record with the U.S. Patent and Trademark (or the appropriate foreign or state office) each assignment upon the occurrence of an Event of Default that is continuing at the time of filing.

2. Each Grantor hereby authorizes Paradox to file a copy of this Security Agreement with the U.S. Patent and Trademark Office for each Trademark License and Trademark now or hereafter set forth in Schedules A and B hereto.

3. Foreign Filings

Each Grantor shall promptly and duly execute, deliver and/or file any and all documents and instruments with any foreign recording office with respect to the Collateral and take such further action as Paradox may reasonably deem necessary or desirable to perfect its security interest in the Collateral in any foreign jurisdiction, including, without limitation, any foreign patent, trademark and/or copyright office.

Schedule E To Security Agreement

Form Assignment Documents

1. FORM OF COPYRIGHT ASSIGNMENT

COPYRIGHT ASSIGNMENT

This Assignment Agreement (this "Assignment") is made this ___ day of _____, 200__, by and between [NAME], a [TYPE OF ENTITY] ("Assignor") and [NAME], a [TYPE OF ENTITY] ("Assignee") for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged.

Assignor hereby assigns, grants and delivers (and hereby further agrees to assign, grant and deliver) exclusively unto Assignee all rights, titles and interests of every kind and nature whatsoever in and to the [DESCRIBE COPYRIGHTED MATERIAL], Copyright Registration Nos. _____, copies of which are attached hereto as Annex 1 and incorporated herein by reference, and all copies, versions, and derivatives thereof, (collectively, the "Works"), including all copyrights therein and thereto, all licenses to or for the Works, all renewals thereof, and all copyright registrations therefor. The rights assigned include, but are not limited to, all rights to secure copyright registration, renewals and extensions for those copyrights in the United States and every other country of the world, as well as all rights of publication, right to license, rights to create derivative works and all other rights which are incident to copyright ownership, together with all claims for damages and other remedies by reason of past infringement of any of the foregoing intellectual property rights, with the right to sue for, and collect, the same for Assignee's own use and benefit. Assignor hereby waives and transfers to Assignee any and all moral rights that Assignor may have under the law of any jurisdiction to the maximum extent permissible under law, and acknowledges that Assignee shall have the right to add to, subtract from, rearrange, edit and/or change the Works.

Assignor further agrees to execute and deliver to Assignee, its successors and assigns, such other and further instruments and documents as Assignee reasonably may request for the purpose of establishing, evidencing and enforcing or defending its complete, exclusive, perpetual and worldwide ownership of all rights, titles and interests of every kind and nature whatsoever, including all copyrights, in and to any Work, and Assignor hereby constitutes and appoints Assignee as its agent and attorney-in-fact, with full power of substitution, to execute and deliver such documents or instruments as Assignor may fail or refuse to execute and deliver, this power and agency being coupled with an interest and being irrevocable.

Should there be any conflict between any provision of this Assignment and any present or future law (statutory or common law), contrary to which the parties have no legal or enforceable right to contract, the latter shall prevail, but in such event the provision of this Assignment affected shall be curtailed and limited only to the extent necessary to bring it within legal and enforceable requirements, and the other provisions of this Assignment shall not be affected but shall remain in full force and effect.

Agreed to and accepted this ___ day of _____ 200__

[ASSIGNOR]:

[ASSIGNEE]:

By: _____
Name:
Title:

By: _____
Name:
Title:

Annex 1

[PHOTO OR COPY OF THE WORK PLUS REGISTRATION INFO]

2. FORM OF CONDITIONAL ASSIGNMENT OF PATENTS

CONDITIONAL ASSIGNMENT OF PATENTS

THIS CONDITIONAL ASSIGNMENT is made this ____ day of _____, 200__, by and between [NAME], a [TYPE OF ENTITY] ("Assignee"), and _____, a _____ corporation having its principal offices at _____ ("Assignor").

WITNESSETH:

WHEREAS, Assignor is the sole owner of all right, title and interest in and to or the licensee of the patents, patent applications and inventions identified on attached Annex 1, which is incorporated by reference, and all corresponding patents and patent applications in all jurisdictions worldwide, and divisions, continuations, continuations-in-part, reissues, reexaminations, renewals or extensions thereof, any patent issuing thereon, and all licenses to or for such patents (collectively, the "Patents");

WHEREAS, simultaneously with the execution of this Conditional Assignment Assignor received a term loan (the "Loan") from the Assignee pursuant to that certain Loan and Security Agreement dated as of September 21, 2006, among the Assignor, the affiliates of Assignor parties thereto, and the Assignee (such agreement, as amended, restated, supplemented or otherwise modified from time to time, the "Loan and Security Agreement");

WHEREAS, as a material inducement to Paradox providing the Loan, Grantor has simultaneously executed an Intellectual Property Security Agreement dated as of the date hereof, by and among the Assignor, Assignee and certain affiliates of Assignor named therein (the "Intellectual Property Security Agreement") among other matters, granting a lien in and a conditional assignment of the Patents;

WHEREAS, pursuant to the Intellectual Property Security Agreement and 37 C.F.R. § 3.56, Assignor desires to assign to Assignee, upon an Event of Default (as defined in the Loan and Security Agreement) the entire right, title and interest in and to the Patents and Assignee wishes to obtain, upon an Event of Default, the entire right, title and interest in and to the Patents;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Assignor, pursuant to 37 C.F.R. §3.56, conditionally assigns all right, title and interest in and to the Patents, including all rights to sue and recover for the past infringement thereof, and any and all causes of action related thereto, to Assignee, provided that such assignment is conditioned upon the occurrence of an Event of Default. Upon the occurrence of an Event of Default, all right, title and interest in and to the Patents along with any and all rights of enforcement with respect to the Patents, including all rights to sue and recover for the past infringement thereof, and any and all causes of action related thereto shall be, and are hereby, immediately and irrevocably assigned, transferred, set over and conveyed to Assignee.

2. Assignor also agrees at any time to execute and to deliver upon request of Assignee such additional documents as the Assignee may deem necessary or desirable to secure patent protection throughout the world, and otherwise to do whatever necessary to give the full effect to and perfect the rights of the Assignee under this Assignment, including the execution, delivery and procurement of such other documents evidencing this Assignment as the Assignee may deem necessary or desirable.

3. The parties acknowledge and agree that this assignment is conditional upon the occurrence of an Event of Default and that presently, and until the occurrence of an Event of Default, there has been no assignment of the Patents. Therefore, until an Event of Default has occurred, the Assignor enjoys all of the substantive rights of patent ownership, including, without limitation, the right to sue for infringement, the right to prosecute any pending related applications and the duty to pay all maintenance fees for the Patents.

4. In the event Assignee was, is or becomes a party to or other participant in, or is threatened to be made a party to or other participant in, a threatened, pending or completed action, claim, suit or proceeding by reason of (or arising or allegedly arising in any manner out of or relating to in whole or in part) this Conditional Assignment, Assignor to the fullest extent permitted by applicable law shall indemnify and hold harmless the Assignee from and against any and all losses, damages, judgments, awards, fines, penalties, amounts paid or payable in settlement, deficiencies and expenses (including, without limitation, all reasonable attorney's fees, costs, witness fees and expenses, interest, assessments, and other charges) suffered, incurred or sustained by the Assignee or to which the Assignee becomes subject, resulting from, arising out of or relating to such action, claim, suit or proceeding (it being understood that any such losses, damages, judgments, awards, fines, penalties, amounts, deficiencies and expenses shall be paid or reimbursed (as applicable) by Assignor as soon as practicable but in any event no later than 15 days after written request is made to Assignor accompanied by supporting documentation), provided that such indemnity shall not be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and unappealable judgment to have resulted from the gross negligence or willful misconduct of Assignee. The Assignee shall give Assignor written notice of any action, claim, suit or proceeding (accompanied by such reasonable supporting documentation as may be in the Assignee's possession) as soon as practicable after the Assignee becomes aware thereof; provided that the failure of the Assignee to give such notice shall not relieve Assignor of its indemnification obligations under this Conditional Assignment.

5. Upon the occurrence of an Event of Default all of the foregoing Patents shall be held and enjoyed by Assignee for its own use and for the use of its successors, assigns or other legal representatives, as fully and entirely as the same would have been held and enjoyed by Assignor if this conditional transfer to Assignee had not been made. This Assignment is not intended to limit Assignor's obligation pursuant to the Loan and Security Agreement to assign patents and patent applications that have not been included in Schedule 1.

IN WITNESS WHEREOF, Assignor has caused this instrument of Conditional Assignment to be executed and its corporate seal to be hereunto affixed.

Agreed to and accepted this ____ day of _____ 200__.

[ASSIGNOR]:

[ASSIGNEE]:

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 1

<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Title</u>
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3. **FORM OF TRADEMARK ASSIGNMENT**

TRADEMARK ASSIGNMENT

WHEREAS, [NAME], a [STATE] corporation; having its principal place of business at _____ (“Assignor”) has used the trademarks, _____, Registration Nos. _____, registered in the United States Patent and Trademark Office as set forth on the attached Annex 1, which is incorporated herein by reference (collectively, the “Marks”); and

WHEREAS, [NAME], a [TYPE OF ENTITY], having its principal place of business at _____ (“Assignee”) is desirous of acquiring any and all rights that Assignor may have in and to the Marks and the registrations thereof, together with the goodwill of the business in connection with which any of the Marks is used and which is symbolized by such Mark, along with the right to pursue claims and recover damages and profits for past infringements thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby assign, transfer, convey and deliver (and agrees further to assign, transfer, convey and deliver) unto Assignee all right, title and interest in and to each Mark, including the registration therefor and any common law rights therein, in the United States and throughout the world, and any and all similar designations thereto, together with the goodwill of the business in connection with which such Mark is used and which is symbolized by such Mark, along with any and all licenses to or for such Mark and the right to pursue claims and recover damages and profits for past infringements thereof.

Assignor agrees to execute and deliver at the request of the Assignee, all papers, instruments, and assignments, and to perform any other reasonable acts that Assignee may require in order to vest all of Assignor’s right, title, and interest in and to each Mark in Assignee and/or to provide evidence to support any of the foregoing in the event such evidence is deemed necessary by Assignee, to the extent such evidence is in the possession or control of Assignor.

Agreed to and accepted this ___ day of _____ 200__.

[ASSIGNOR]:

[ASSIGNEE]:

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 1

Registrant:

Mark:

Reg. No.:

Classes:

Reg. Date:

C805624

Schedule F to Security Agreement

IP ACCOUNTS

[Name of Grantor]:

Account Name	Account Number