

9/17/99

REC

09-09-1999



SHEET

Tab settings

To the Honorable Commissioner of Pa

101138729

Attached original documents or copy thereof.

1. Name of conveying party(ies):

Troon Golf, L.L.C.

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company

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

2. Name and address of receiving party(ies)

Name: Finova Capital Corporation

Internal Address: _____

Street Address: 355 S. Grand Avenue, #2400

City: Los Angeles State: CA ZIP: 90071

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State Delaware
- Other _____

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)

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

3. Nature of conveyance:

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

Execution Date: 7/16/99

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

See Attached Sheet

B. Trademark Registration No.(s)

See Attached Sheet

Additional numbers attached? Yes No

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

Name: LaValle D. Ptak

Internal Address: Law Office of LaValle Ptak

Street Address: 4420 N. Saddlebag Trail
#102

City: Scottsdale State: AZ ZIP: 85251

6. Total number of applications and registrations involved: _____

39

7. Total fee (37 CFR 3.41).....\$ 990.00

- Enclosed
- Authorized to be charged to deposit account

B. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

09/08/1999 NTHRII 00000334 2094139

DO NOT USE THIS SPACE

01 FC:481 40.00 DP
02 FC:482 950.00 DP

9. Statement and signature. *To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

LaValle D. Ptak

Name of Person Signing

Signature

9/1/99

Date

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

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

TRADEMARK
REEL: 001956 FRAME: 0381

SCHEDULE A

MARK	CLASS	Filing(F)/Registration (RD) Date	Registration No./ Serial No.
Troon & Design (Quail)	41	9/9/97 (RD)	2,094,139
Troon	41	9/30/97	2,100,745
Troon	28	1/13/98 (RD)	2,128,035
Troon & Design (Quail)	28	1/13/98 (RD)	2,128,037
Troon Golf	28	11/6/97 (F)	75/385950
Troon Golf	16 18 20	11/6/97	75/385951
Troon Golf	35	11/6/97 (F)	75/385956
Troon Golf	41	11/6/97 (F)	75/385957
Troon Golf & Design	37	11/6/97 (F)	75/385958
Troon Golf & Design	25	4/27/99 (RD)	75/385959
Troon Prive	16	9/16/98 (F)	75/553569
Troon Golf Schools	16	9/16/98 (F)	75/553855
Troon Golf Institute	28	9/16/98 (F)	75/553856
Troon Prive	28	9/16/98 (F)	75/553857
Troon	41	9/16/98 (F)	75/553861
Troon Golf Institute	25	9/16/98 (F)	75/553967
Troon	28	9/16/98 (F)	75/553991
Troon	25	9/16/98 (F)	75/554210
Experience Troon Golf	28	9/16/98	75/554212
Troon Golf Schools	28	9/16/98 (F)	75/554213
Troon Golf Schools	25	9/16/98 (F)	75/554252
Troon Prive	25	9/16/98 (F)	75/554296
Troon Golf	28	9/16/98 (F)	75/554297
Experience Troon Golf	16	9/24/98 (F)	75/560499
Troon	37	9/29/98 (F)	75/560644
Troon Golf & Design	16	9/29/98 (F)	75/560645
Troon Golf Institute	41	9/29/98 (F)	75/560646
Troon Golf	16	9/29/98 (F)	75/560672
Troon Golf Institute	16	9/29/98 (F)	75/561142

Troon Golf Schools	41	9/29/98 (F)	75/561171
Troon Golf & Design	28	9/29/98 (F)	75/561206
Troon	16 18 20	9/29/98 (F)	75/561429
Troon	42	9/29/98 (F)	75/561431
Troon & Design	16 18 20	10/14/98 (F)	75/569985
Troon	35	10/14/98 (F)	75/569988
Mid Sonoran Golf Club	35	5/3/99 (F)	75/695996
Troon Pacific	35	5/3/99 (F)	75/696183
Troon Atlantic	35	5/3/99 (F)	75/695995
Tres Golf	35		75/700856

**COLLATERAL ASSIGNMENT OF TRADEMARKS,
LICENSES AND PATENTS
AND SECURITY AGREEMENT**

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS, LICENSES AND PATENTS AND SECURITY AGREEMENT ("Assignment") is made as of the 16th day of July, 1999, by TROON GOLF, L.L.C., a Delaware limited liability company, having its chief executive office at 16100 N. Greenway-Hayden Loop, #200, Scottsdale, Arizona 85260 ("Assignor"), for the benefit of FINOVA CAPITAL CORPORATION, a Delaware corporation, having its chief executive office at 355 South Grand Avenue, Suite 2400, Los Angeles, California 90071 (the "Assignee").

W I T N E S S E T H:

WHEREAS, Assignor and Assignee are parties to a certain Loan Agreement ("Loan Agreement") of even date herewith, and pursuant thereto a Security Agreement ("Security Agreement") of even date herewith between Assignor and Assignee, which Security Agreement provides, among other things, for the grant by Assignor to Assignee of a security interest in the Trademarks, Licenses and Patents (as defined below);

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Security Agreement.** The Security Agreement and the terms and provisions thereof are incorporated herein in their entirety by this reference thereto, which Security Agreement provides for, among other things, a grant of a security interest in the trademarks, trade names, licenses and patents which are the subject of this Assignment. Capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement. All references herein to "trademarks" shall include "service marks" as well.

2. **Collateral Assignment of Trademarks, Licenses and Patents.** To secure the complete and timely satisfaction of all of Borrower's Obligations, Assignor hereby grants to Assignee, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by law upon the occurrence of an Event of Default, all of Assignor's right, title and interest in and to the following assets:

(i) trademarks, trademark registrations, trade names, trade name registrations, and trademark or trade name applications, including without limitation such as are listed on Schedule A, attached hereto and made a part hereof, as the same may be amended from time to time, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, (d) all rights corresponding thereto throughout the world, and (e) the goodwill of the business operated by Assignor connected with and symbolized by any trademarks or trade names (all of the foregoing trademarks, trademark registrations, trade names, trade name registrations, and applications, together with the items described in clauses (a) - (e), are sometimes herein individually and/or collectively referred to as the "Trademarks");

(ii) license agreements, including without limitation such as are listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale, sell, and advertise for sale any inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses ");

(iii) patents and patent applications, registered or pending, including without limitation such as are listed on Schedule C, attached hereto, together with all income, royalties, shop rights, damages and payments thereto, the right to sue for infringements thereof, and all rights thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business connected with the use of and symbolized by such patents (all of the foregoing are sometimes herein individually and/or collectively referred to as the "Patents").

3. **Representations and Warranties.** Assignor represents and warrants that:

(a) The Trademarks, Licenses and Patents are valid and enforceable;

(b) No claim currently exists that the use of the Trademarks, Licenses or Patents violates or may violate the rights of any third person; and

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, Licenses and Patents, free and clear of any Liens, charges and encumbrances

including without limitation pledges, assignments, licenses, registered-user agreements, shop rights and covenants by Assignor not to sue third persons, except as disclosed in Schedule D attached hereto.

4. **Subsequent Trademarks and Patents**. If, before Borrower's Obligations have been satisfied in full, Assignor shall obtain rights to any other patents or new patentable inventions, trademarks or trade names, or registrations thereof or applications or licenses therefor, the provisions of this Agreement shall automatically apply thereto, Assignor shall be deemed to have granted and does hereby grant to Assignee a first mortgage and security interest therein to secure the complete and timely satisfaction of all of Borrower's Obligations, and Assignor shall give Assignee prompt written notice thereof.

5. **License Back to Assignor; Restrictions on Future Agreements**. Unless and until there shall have occurred and be continuing an Event of Default and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured, Assignee hereby grants to Assignor the exclusive, nontransferable right and license, subject to exceptions disclosed in Schedule A attached hereto, for Assignor's own benefit and account and none other, to (i) use the Trademarks on and in connection with products sold by Assignor, and to (ii) make, have made for it, use and sell the inventions disclosed and claimed in the Patents. If any Event of Default shall have occurred and be continuing, and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured, Assignor's license under the Trademarks and Patents as set forth above shall terminate (unless an extension shall be consented to by Assignee) and Assignee shall have all of the rights and remedies described herein and in the Loan Agreement and Security Agreement. Assignor agrees that until Borrower's Obligations shall have been satisfied in full and the security interest granted hereby has been released, Assignor will not, without Assignee's prior written consent, enter into any agreement which is inconsistent with Assignor's obligations under this Assignment, and Assignor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforceability of the rights transferred to Assignee under this Assignment.

6. **Assignee's Right to Inspect**. Assignee shall have the rights, at any time during Assignor's regular business hours and from time to time, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. From and after the occurrence of an Event of Default, and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured, and the giving by Assignee of written notice to Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses and

Patents, Assignor agrees that Assignee, or a conservator appointed by Assignee, shall have the right to establish such additional product quality controls as Assignee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Trademarks. Assignor agrees (i) not to sell or assign its interest in, or grant any license under, the Trademarks, Licenses or Patents, without the prior written consent of Assignee (notwithstanding the foregoing, the Assignor may grant licenses under the Trademark Licenses or Patents, without the need to obtain the prior consent of Assignee so long as (1) no Event of Default has occurred and shall be continuing, (2) the license is on market terms and is for market compensation, (3) upon its execution, Assignor shall supply Assignee a copy of the fully executed license, and (4) the rights of the Assignor thereunder are deemed to be automatically assigned to Assignee pursuant to terms hereof, the Loan Agreement and/or the Security Agreement); (ii) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof; (iii) not to change the quality of said products without Assignee's express written consent; and (iv) to provide Assignee, as requested by Assignee, with a certificate of the chairman or vice chairman of the board or president or chairman of the executive committee of Assignor certifying Assignor's compliance with the foregoing.

7. **Termination of Assignee's Security Interest.** This Assignment is made for collateral purposes only. Upon payment and performance in full of the Borrower's Obligations and release of the security interests granted to Assignee by Assignor hereunder, Assignee shall execute and deliver to Assignor all assignments, termination statements and other instruments as may be necessary or proper to terminate Assignee's security interest in the Trademarks, Licenses and Patents, subject to any disposition thereof which may have been made by Assignee pursuant hereto, or pursuant to the Loan Agreement or the Security Agreement.

8. **Duties of Assignor.** Assignor shall have the duty (i) to observe all covenants concerning Trademarks, Patents and Licenses contained in the Loan Agreement, (ii) to prosecute diligently any trademark application or patent application which is part of the Trademarks or Patents respectively, pending as of the date hereof or thereafter until the Borrower's Obligations shall have been paid and performed in full, and (iii) to preserve and maintain all rights in trademarks, trade names, patents, and trademark, trade name and patent applications and registrations which are part of the Trademarks and Patents. Any expenses or filing fees incurred in connection with such applications or the maintenance of the Trademarks and Patents shall be borne by Assignor.

9. **Assignee's Right to Sue.** From and after the occurrence of an Event of Default and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured and

the giving by Assignee of written notice to Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses and Patents, Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Trademarks or Patents, and any licenses thereunder, and, if Assignee shall commence any such suit, Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this paragraph 9.

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

11. **Severability**. The provisions of this Assignment are severable, and if any clause or provisions shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provisions, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provisions in any other jurisdiction, or any other clause or provision of this Assignment in any jurisdiction.

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

13. **Cumulative Remedies; Power of Attorney**. All of Assignee's rights and remedies with respect to the Trademarks, Licenses and Patents, whether established by this Assignment, by the Loan Agreement, by the Security Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Assignor hereby authorizes Assignee to make, upon the occurrence of an Event of Default and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured, constitute and appoint any officer or agent of Assignee as Assignee may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power (i) at any time, to (a) endorse Assignor's name on all applications, documents, papers and instruments necessary or desirable for the Assignee in the use of the Trademarks, Licenses or Patents, or (b) take any other actions with respect to the Trademarks, Licenses or Patents as the Assignee deems in the best interest of the Assignee, and (ii) from and after the occurrence of an Event of Default and all applicable cure periods associated with the default that may be granted by the Loan Agreement have expired without the default being cured and the giving by Assignee of written notice to

Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses or Patents, to (a) grant or issue any exclusive or nonexclusive license under the Trademarks or Patents to anyone, or (b) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, Licenses or Patents to anyone. Assignee hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Borrower's Obligations shall have been paid and performed in full or the security interests granted to Assignee by this Assignment have been released. Assignor acknowledges and agrees that this Assignment is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreement and Security Agreement but rather is intended to facilitate the exercise of such rights and remedies. Assignee shall have, in addition to all other rights and remedies given it by the terms of this Assignment, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks, Licenses or Patents may be located.

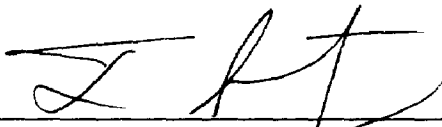
14. **Binding Effect; Benefits**. This Assignment shall be binding upon the Assignor and its respective successors and permitted assigns and shall inure to the benefit of Assignee, its nominees and assigns.

15. **Governing Law**. This Assignment shall be deemed to have been executed and delivered in Phoenix, Arizona, and shall be governed by and construed in accordance with the internal laws (as opposed to conflicts of law provisions) of the State of Arizona.

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

Assignor:

TROON GOLF, L.L.C., a Delaware
limited liability company

By: 
Name: TIMOTHY S. SCHANTZ
Title: SVP

Assignee:

FINOVA CAPITAL CORPORATION, a
Delaware corporation

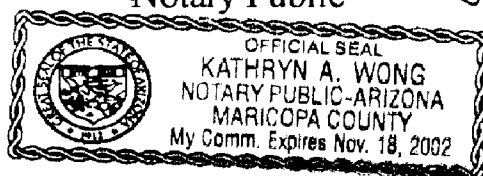
By: Carleton S. Breed
Name: Carleton S. Breed
Title: Vice President

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this the 16TH day of July, 1999, before me, KATHRYN A. WONG
the undersigned officer, personally appeared TIMOTHY S. SCHANTZ who
acknowledged himself to be the SVP of Troon Golf, L.L.C., a Delaware
limited liability company, and that he, as such SVP, being authorized to
do so, executed the foregoing instrument for the purposes therein contained, by signing
the name of the corporation by himself as SVP.

In witness whereof I hereunto set my hand and official seal.

Kathryn A. Wong
Notary Public



My Commission Expires:

STATE OF California)
) ss.
COUNTY OF Los Angeles)

On this the 16th day of July, 1999, before me, Monika Klingsoehr
the undersigned officer, personally appeared Carleton S. Breed who
acknowledged himself to be the VP of FINOVA Capital Corporation, a
Delaware corporation, and that he, as such VP, being authorized to do
so, executed the foregoing instrument for the purposes therein contained, by signing
the name of the corporation by himself as VP.

In witness whereof I hereunto set my hand and official seal.

Monika Klingsoehr
Notary Public



My Commission Expires:

SCHEDULE A

MARK	CLASS	Filing(F)/Registration (RD) Date	Registration No./ Serial No.
Troon & Design (Quail)	41	9/9/97 (RD)	2,094,139
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Troon Golf	16	9/29/98 (F)	75/560672
Troon Golf Institute	16	9/29/98 (F)	75/561142

Troon Golf Schools	41	9/29/98 (F)	75/561171
Troon Golf & Design	28	9/29/98 (F)	75/561206
Troon	16 18 20	9/29/98 (F)	75/561429
Troon	42	9/29/98 (F)	75/561431
Troon & Design	16 18 20	10/14/98 (F)	75/569985
Troon	35	10/14/98 (F)	75/569988
Mid Sonoran Golf Club	35	5/3/99 (F)	75/695996
Troon Pacific	35	5/3/99 (F)	75/696183
Troon Atlantic	35	5/3/99 (F)	75/695995
Tres Golf	35		75/700856

SCHEDULE B

LICENSE AGREEMENTS

(in which Troon Golf, L.L.C. ("Borrower") is the Licensor)

1. Trademark License Agreement dated August 1, 1996 by and between Jerry Nelson and Tom Nelson, and Borrower, granting the Nelsons a life-long, non-exclusive, non-transferable license to use certain "Troon" and "Troon North" trademarks, as listed therein.
2. License Agreement dated November 20, 1998 by and between Borrower and Midway Games Inc. (re Midway's use of certain intellectual property in connection with its sale and distribution of golf video games.)
3. License Agreement dated November 20, 1998 by and between Borrower and Midway Home Entertainment Inc. (re same as No. 2 above.)
4. License Agreement dated as of June 23, 1998 by and between Borrower and Troon Golf Australia Corporation (re: intellectual property rights in connection with Troon Golf Australia Corporation's ownership interest in an entity that acts as the manager of golf courses in the Australian and Asian markets).
5. Troon Golf, L.L.C. grants certain intellectual property rights to owners of golf facilities under its management agreements with such owners.

SCHEDULE C

NONE