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Form PTO-1595 (Rev. 03/01)

RECORD



S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

OMB No. 0651-0027 (exp. 5/31/2002)

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Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Transamerica Business Credit Corporation

8-301

2. Name and address of receiving party(ies)

Name: Transamerica Business Capital Corporation

Internal Address: _____

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

3. Nature of conveyance:

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

Street Address: 8750 West Bryn Mawr - Suite 720

City: Chicago State: IL Zip: 60631

Execution Date: March 26, 2001

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

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

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)
Please see the attached

B. Patent No.(s)
Please see the attached

Additional numbers attached? Yes No

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

Name: Philip J. Perzek

Internal Address: Latham & Watkins

5800 Sears Tower

Street Address: 233 South Wacker Drive

City: Chicago State: IL Zip: 60606

6. Total number of applications and patents involved: 2

7. Total fee (37 CFR 3.41).....\$ 80.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

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.

Philip J. Perzek
Name of Person Signing

Signature

7/29/01
Date

Total number of pages including cover sheet, attachments, and documents: 16

Mall documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

08/08/2001 6TDM11 00000164 DES317894

01 FC:581

80.00 OP

PATENT
REEL: 012043 FRAME: 0011

Inventor(s)	Title	Country	Patent No.	Patent Date	Comment
Gordon, Farris, Story and Behrens Jennings	Boat	<u>USA</u>	Des. 317,894	7/2/91	
Gordon, Farris, Story and Behrens Jennings	Tow Rope Pylon with Rotatable Bushing	<u>USA</u>	4,893,577	1/16/90	

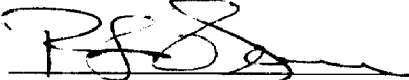
ASSIGNMENT AND ASSUMPTION OF TRADEMARK SECURITY AGREEMENT
("ASSIGNMENT")

FOR VALUE RECEIVED, the undersigned TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware corporation ("Assignor") having an address at 8750 West Bryn Mawr Avenue, Chicago, Illinois 60631, DOES HEREBY ASSIGN, SET OVER, TRANSFER and CONVEY, without representation or warranty of any kind other than as specifically set forth in that certain assignment and assumption agreement (the "Agreement") by and between Assignor and Assignee (as hereinafter defined), to TRANSAMERICA BUSINESS CAPITAL CORPORATION, a Delaware corporation ("Assignee") having an address at 8750 West Bryn Mawr Avenue, Chicago, Illinois 60631, all of the Assignor's right, title and interest in, to and under that certain Trademark Security Agreement dated as of March 2, 2000 executed by MasterCraft Boat Company, Inc. (formerly known as MCBC Acquisition Company), a Delaware corporation ("MCBC") in favor of Assignor recorded at Reel 002055, Frame 0440, on March 13, 2000 (a copy of which is attached hereto as Exhibit A), to Assignor to secure the payment and performance of the Liabilities (as defined in that certain Loan and Security Agreement dated as of March 2, 2000 by and among Assignor and MCBC, as amended, restated or otherwise modified from time to time). Assignee hereby accepts the foregoing Assignment and assumes the obligations of Assignor under the Trademark Security Agreement pertaining to the period after the date hereof. The terms of this Assignment are subject to the terms of the Agreement. This Assignment may be executed in counterparts.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the 26th day of March, 2001.


ASSIGNOR:

TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware corporation

By: 
Name: Robert L. Heinz
Its: Senior Vice President

ASSIGNEE:

TRANSAMERICA BUSINESS CAPITAL CORPORATION, a Delaware corporation

By: 
Name: Robert L. Heinz
Its: Senior Vice President

STATE OF ILLINOIS }
 } SS.
COUNTY OF COOK }

Personally appeared before me, Kathleen McCarthy, a Notary Public,
Robert L. Heinz with whom I am personally acquainted, who acknowledged that he/she
executed the within instrument for the purposes therein contained, and who further
acknowledged that he/she is the Senior Vice President of Transamerica Business Capital
Corporation, a Delaware corporation, and is authorized by the corporation to execute this
instrument on behalf of the corporation.

WITNESS my hand, at office, this 26th day of March, 2001.



Kathleen McCarthy
Notary Public

My Commission Expires:

5/15/2001

S-2

[Notary Page to Assignment and Assumption of Trademark Security Agreement]

EXHIBIT A

TRADEMARK SECURITY AGREEMENT

A-1

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT ("Agreement") made this 2nd day of March, 2000, between MCBC Acquisition Company (to be known as Master Craft Boat Company), a Delaware corporation with its principal office located at 100 Cherokee Cove Drive, Vonore, Tennessee 37885 ("Borrower"), and TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware corporation with an office located at 8750 West Bryn Mawr Avenue, Suite 720, Chicago Illinois 60631 ("Lender").

WITNESSETH:

WHEREAS, Borrower has entered into a certain Loan and Security Agreement dated as of March 2, 2000 (as at any time amended, modified or supplemented, the "Loan Agreement"), with Lender pursuant to which Lender has agreed to make certain loans to Borrower ("Loans"), and to incur Letter of Credit Obligations for the benefit of Borrower; and

WHEREAS, Lender has required as a condition, among other things, to the making of the Loans to Borrower under the Loan Agreement, in order to secure the prompt and complete payment, observance and performance of all of the Liabilities (as defined in the Loan Agreement), that Borrower shall have executed and delivered this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. **Defined Terms.**

(a) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Loan Agreement shall have the meanings specified in the Loan Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. **Security Interest in Trademarks.** To secure the complete and timely payment, performance and satisfaction of all of the Liabilities, Borrower hereby grants to Lender a security interest in, having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Borrower's now owned or existing and filed and hereafter acquired or arising and filed:

(a) trademarks, registered trademarks and trademark applications, trade names, trade styles, service marks, registered service marks and service mark applications including, without limitation, the registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all accounts receivable, income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, and (iv) all of Borrower's rights corresponding thereto throughout the world (all of the foregoing registered trademarks, trademark applications, trade names, trade styles, registered service marks and service mark applications, together with the items described in clauses (i)-(iv) in this paragraph 2(a), being sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

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

(c) license agreements with any other party now or hereafter entered into in connection with any Trademarks or such other party's trademarks, registered trademarks and trademark applications, trade names, trade styles, service marks, registered service marks and service mark applications, whether Borrower is a licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B attached hereto and made a part hereof, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of the rights of Lender under the Loan Agreement or any Other Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include any license agreement under which Borrower is licensee which by its terms prohibits the grant of the security interest contemplated by this Agreement or which would terminate as a result of such grant.

3. **Restrictions on Future Agreements.** Borrower will not, without Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement (provided that licenses entered in the ordinary course of business shall be permissible hereunder), and Borrower further agrees that it will not take any action, and will use reasonable efforts not to permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with

those Trademarks and Licenses which are, in Borrower's business judgment, necessary or desirable in the operation of Borrower's business.

4. **New Trademarks and Licenses.** Borrower represents and warrants that the Trademarks and Licenses listed on Schedules A and B, respectively, include all of the registered trademarks, material non-registered trademarks, trademark applications, and material trade names now owned or held by Borrower and all material, signed license agreements in connection with such registered trademarks, material non-registered trademarks, trademark applications and material trade names now owned or held by Borrower. If, prior to the termination of this Agreement, Borrower shall knowingly (i) create or obtain rights to any new trademarks, trademark registrations, trademark applications, trade names, trade styles, service marks, service mark registrations, service mark applications or license agreements in connection with trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, registered service marks or service mark applications or (ii) become entitled to the benefit of any trademark, trademark registration, trademark application, trade name, trade styles, service mark, service mark registration or service mark application, the provisions of Section 2 above shall automatically apply thereto and Borrower shall give Lender prompt written notice thereof. Borrower hereby authorizes Lender to modify this Agreement by (a) amending Schedules A or B, as the case may be, to include any future trademarks, trademark registrations, trademark applications, trade names, trade styles, service marks, service mark registrations, service mark applications, and license agreements in connection with trademarks, registered trademarks, trademark applications, trade styles, service marks, service mark registrations, service mark applications and trade names that are Trademarks or Licenses, respectively, under Section 2 above, or under this Section 4 (whether or not any such notice from Borrower has been sent or received), and (b) filing, in addition to and not in substitution for, this Agreement, a supplement or addendum to this Agreement containing on Schedules A or B thereto, as the case may be, such future trademarks, trademark applications, trade names, trade styles, service marks, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, trade styles, service marks, registered service marks, service mark applications and trade names which are Trademarks or Licenses, respectively, under Section 2 above or this Section 4, provided that Lender shall provide to Borrower a complete copy of the proposed filing prior to its submission for filing, and to take any action Lender otherwise deems appropriate to perfect or maintain the rights and interests of Lender under this Agreement with respect to such Trademarks and Licenses.

5. **Royalties.** Borrower hereby agrees that the use by Lender of the Trademarks and Licenses as authorized hereunder shall be without any liability for royalties or other related charges from Lender to Borrower.

6. **Nature and Continuation of Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall remain in full force and effect until the Liabilities (other than contingent indemnification obligations as to which no demand for payment has been made) have been paid in full and the Loan Agreement terminated.

7. **Right to Inspect; Further Assignments and Security Interests.** Lender shall have the right, upon terms consistent with the Loan Agreement, to inspect Borrower's premises and to examine Borrower's books, records, and operations relating to the Trademarks, including, without limitation, Borrower's quality control processes; provided, that in conducting such inspections and examinations, Lender shall use reasonable efforts not to disturb unnecessarily the conduct of Borrower's ordinary business operations. Upon the occurrence and during the continuance of an Event of Default, and subject to the terms of the Loan Agreement and the Other Agreements, Borrower agrees that Lender, or a conservator appointed by Lender, shall have the right to take any action to renew or to apply for registration of any Trademarks as Lender or said conservator, in its sole judgment, may deem necessary or desirable in connection with the enforcement of Lender's rights hereunder. Subject to Section 3 hereof, Borrower agrees (i) not to sell or assign its respective interests in, or grant any license (except in the ordinary course of business) under, the Trademarks without the prior written consent of Lender and (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.

8. **Duties of Borrower.** Borrower shall have the duty, to the extent necessary or desirable in the normal conduct of Borrower's business, (i) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, (ii) to make application for trademarks and service marks as Borrower deems appropriate, and (iii) to preserve and maintain all of Borrower's rights in the trademark applications, service mark applications and trademark and service mark registrations that are part of the Trademarks and Licenses. Any expenses incurred in connection with the foregoing shall be borne by Borrower. Borrower shall not abandon any trademark or service mark which is the subject of a registered trademark, service mark or application therefor and which is or shall be necessary or economically desirable in the operation of the Borrower's business. Borrower agrees to retain an experienced trademark attorney reasonably acceptable to Lender for the filing and prosecution of all such applications and other proceedings. Lender shall not have any duty with respect to the Trademarks and Licenses. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks and Licenses against any other parties, but may do so at its option during the continuance of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Borrower and added to the Liabilities secured hereby.

9. **Lender's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Lender shall have the right, but shall not be obligated, to bring suit or take any other action to enforce the Trademarks and the Licenses and, if Lender shall commence any such suit or take any such action, Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Borrower shall, upon demand, promptly reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section 9 (including, without limitation, all reasonable attorneys' and paralegals' fees). If, for any reason whatsoever, Lender is not reimbursed

with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Liabilities secured hereby.

10. **Waivers.** No course of dealing between Borrower and Lender, and no failure to exercise or delay in exercising on the part of Lender any right, power or privilege hereunder or under the Loan Agreement or any Other Agreement shall operate as a waiver of any of Lender's rights, powers or privileges. No single or partial exercise of any right power or privilege hereunder or under the Loan Agreement or any Other Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. **Exercise of Rights and Remedies Upon Default.** Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any Other Agreement. Without limiting the generality of the foregoing, Borrower acknowledges and agrees that (i) the Trademarks and Licenses comprise a portion of the Collateral and Lender shall have the right to exercise its rights under the Loan Agreement and the Other Agreements with respect to the Trademarks and Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the occurrence and during the continuance of an Event of Default, Lender or its nominee may use the Trademarks and Licenses to complete the manufacture of, assemble, package, distribute, prepare for sale and sell any and all inventory, or otherwise use or transfer such Collateral in connection with the conduct of Borrower's business.

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

13. **Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 2 and Section 4 hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney.** All of Lender's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by any other agreement or by law, shall be cumulative and may be exercised singularly or concurrently. Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower or otherwise to carry out the acts described below. Subject to the terms of the Loan Agreement and the Other Agreements, Borrower hereby authorizes Lender, in its sole discretion, upon the occurrence and during the continuance of an Event of Default, (i) to endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use or transfer of the Trademarks and the Licenses, (ii) to take any other actions with respect to the Trademarks and the Licenses as Lender deems is in its best interest, (iii) to

grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, and (iv) to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Borrower hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6 hereof. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any Other Agreement, but rather is intended to facilitate such rights and remedies. Lender shall have, in addition to all other rights and remedies given of this Agreement, 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 its be located or deemed located.

15. **Binding Effect; Benefits.** This Agreement shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of Lender, and its nominees, successors and assigns. Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Borrower; provided, however, that Borrower shall not voluntarily assign its obligations hereunder without the prior written consent of Lender.

16. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Illinois, except for its choice of law provisions.

17. **Notices.** All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.


18. **Section Headings.** The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

19. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]


IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

MCBC ACQUISITION COMPANY
(to be known as Master Craft Boat
Company)

By: 
Name: Everett R. Cook
Title: President

Accepted and agreed to in Chicago, Illinois as of this 2nd day of March, 2000.

**TRANSAMERICA BUSINESS CREDIT
CORPORATION**

By: 
Name: Robert L. Heinz
Title: Senior Vice President

SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT

TRADEMARKS

Trademark Registrations/Trademark Applications

1. See attached list of Trademark Registrations and Trademark Applications.
2. Borrower may have rights to common law trademarks with respect to the names of certain boat models.

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPLN. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCI&S FILE NUMBER AND CASE STATUS
ARGENTINA	MASTERCRAFT	Class 12: Boats, namely power and motorized boats for skiing and fishing...	1,874,230	03/29/93				(2236,600402) ABANDONED.
AUSTRALIA	MASTERCRAFT	Class 7: Motors and engines for boats, and all other parts for boats in this class.	655817	03/16/95				(FILE NOT IN FCI&S POSSESSION) ABANDONED.
AUSTRALIA	MASTERCRAFT	Class 12: Boats, including power and motorized boats used for skiing and fishing, personal motorized watercraft.	645569	11/14/94				(FILE NOT IN FCI&S POSSESSION) ABANDONED.
BENELUX	MASTERCRAFT	Class 12: Boats, namely power and motorized boats for skiing and fishing...	783338	07/20/92	521,058	07/20/92	07/20/02	(2236,600467) REGISTERED.
BRAZIL	MASTERBOAT	Class 12.20: Buoys, life buoys and parachutes.	817088946	02/09/93	817088946	05/31/94	05/30/04	(2236,601907) REGISTERED.
BRAZIL	MASTERBOAT	Class 7.35/53/60	817088954					(2236,602007) ABANDONED.
BRAZIL	MASTERCRAFT	Class 7.35/60	813554187	12/06/87	813554187	03/13/90	03/12/00	(2236,602107) REGISTERED.
BRAZIL	MASTERCRAFT	Class 7.35/53/60	817088890	02/09/93				(2236,602707) ABANDONED.
BRAZIL	MASTERCRAFT	Class 12.20: Buoys, life buoys and parachutes.	817088920	02/09/93	817088920	11/23/99	11/22/09	(2236,600407) REGISTERED.
BRAZIL	MASTERCRAFT	Class 7.35/60: Boats, namely power and motorized boats for skiing and fishing including personal motorized watercraft and parts and accessories therefor.	817162879	03/26/93				(2236,602607) PENDING APPLICATION. To be allowed to lapse in favor of Reg. No. 813554187.
BRAZIL	MASTERSKI	Class 12.20: Buoys, life buoys and parachutes.	817088881	02/09/93	81788881	05/31/94	05/30/04	(2236,602207) REGISTERED.

PATENT

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPL. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FILE NUMBER AND CASE STATUS
BRAZIL	MASTERSKI	Class 7.35/55/60 Waterway vehicles, other vessels and their implements. Engines in general, except those of electric propulsion. Parts, components and accessories of machines, vehicles, implements, devices and means of transportation.	817088962	02/09/93	817088962	08/13/96	08/12/06	(2236.602307) REGISTERED.
BRAZIL	WETJET	Class 7.35/55/60. Waterway vehicles, other vessels and their implements. Engines in general, except those of electric propulsion. Parts, components and accessories of machines, vehicles, implements, devices and means of transportation.	816871833	08/21/92	816871833	05/09/95	11/14/05	(2236.601607) Registered, but to be allowed to lapse, pursuant to Steven Fasman's letter of May 19, 1999.
BRAZIL	WETJET	Brazilian Class 12.20: Buoys, life savers and parachutes.	816871841	08/21/92	816871841	11/21/95	11/20/05	(2236.601507) Registered, but to be allowed to lapse, pursuant to Steven Fasman's letter of May 19, 1999.
BRAZIL	WETJET	Class 25.20: Clothes and clothing accessories for sports.	816871850	08/21/92	816871850	06/07/94	06/06/04	(2236.601807) Registered, but to be allowed to lapse, pursuant to Steven Fasman's letter of May 19, 1999.
CANADA	MASTER CRAFT & Design	Class 12: Ski boats.	441765	07/06/79	279,921	06/03/83	06/03/13	(2236.602408) REGISTERED.
CANADA	MASTER CRAFT (stylized)	Class 12: Ski boats and ski boat engines.	648696	01/12/90	397,254	04/17/92	04/17/07	(2236.602508) REGISTERED.
CANADA	MASTER CRAFT (w/ Stars) Logo	Class 12: Ski boats.	441764	07/06/79	278,849	04/15/83	04/15/13	(2236.600508) REGISTERED.
CANADA	X-STAR	Class 12: Boats.	889843	09/09/98				(2236.600108) PENDING APPLICATION
FINNA	MASTERCRAFT	Class 12: Boats, and parts and accessories thereof, power and motorized boats for skiing and fishing, personal motorized watercraft, water vehicles.	1018741	10/18/93	1018741	05/28/97	05/28/07	(2236.60041X) REGISTERED.

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPL. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCI&S FILE NUMBER AND CASE STATUS
GREECE	MASTERCRAFT	Class 12: Vehicles, apparatus for locomotion by land, air or water particularly boats, namely power and motorized boats for skiing and fishing, including personal motorized watercraft and parts and accessories therefor. Class 25: Clothing, footwear, headgear. Class 28: Games and playthings; gymnastic and sporting articles; decorations for Christmas trees.	113.609	04/06/93	113.609	02/19/96	04/06/03	(2236.600721) REGISTERED. Use required by 04/06/01.
HONG KONG	MASTERCRAFT	Class 12: Boats, power and motorized boats for skiing and fishing, personal motorized watercraft and parts and accessories therefor.	95 03880	04/04/95	13110771 1996	12/09/96	04/04/02	(2236.600422) REGISTERED.
ITALY	MASTERCRAFT	Class 12: All goods in Class 12, particularly, boats, namely power and motorized boats for skiing and fishing, including personal motorized watercraft and parts and accessories therefor.	RM93C/ 001052	03/31/93	660014	10/16/95	03/31/03	(2236.600427) REGISTERED. Use required by 10/16/00.
JAPAN	MASTERCRAFT	Class 12: Ships, parts and accessories therefor.	05-025694	03/17/93	3128489	03/29/96	03/29/06	(2236.600428) REGISTERED.
MALAYSIA	MASTERCRAFT	Class 12: Boats, namely power and motorized boats for skiing and fishing, including personal motorized watercraft and parts and accessories therefor.	95/03285	04/12/95				(2236.600424) PENDING APPLICATION
MEXICO	MASTERCRAFT	Class 12: Vehicles, apparatus for locomotion by land, air or water, particularly boats, namely power and motorized boats for skiing and fishing, including motorized watercraft and parts and accessories therefor.	167463	05/12/93	440027	08/18/93	05/12/03	(2236.600415) REGISTERED.
MEXICO	X-STAR	Class 12: Boats.	352165	10/27/98	595612	11/30/98	10/27/08	(2236.600135) REGISTERED.
PORTUGAL	MASTERCRAFT	Class 12: Motorized boats, and parts and accessories therefor.	340933	11/09/99				(2236.600441) PENDING APPLICATION.

PATENT

REEL: 012043 FRAME: 0029

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPLN. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCI&S FILE NUMBER AND CASE STATUS
SINGAPORE	MASTERCRAFT	Class 12: Boats, power and motorized boats for skiing and fishing, motorized water crafts, parts and fittings for the aforesaid goods.	S/1716/93	03/09/93	B1716/93	06/18/98	03/09/03	(2236.60041U) REGISTERED.
SOUTH AFRICA	MASTER CRAFT	Class 7: Engines and motors for yachts, boats and ships, parts, components, fittings and accessories for all the foregoing; excluding lathes and parts and fittings therefor.		05/14/91	91/3742	02/10/95	05/14/01	(2236.60064B) REGISTERED.
SOUTH AFRICA	MASTER CRAFT	Class 9: Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision) and life-saving apparatus, instruments and equipment of every kind including personal flotation devices, life belts, life buoys, life jackets and life-saving rafts, teaching apparatus...		02/22/91	91/1258	01/13/95	02/22/01	(2236.60114B) REGISTERED.
SOUTH AFRICA	MASTER CRAFT	Class 12: Vehicles; apparatus for locomotion by land, air or water including boats and trailers for boats, parts and components of and accessories and attachments for all of the aforesaid excluding tires and inner tubes.		02/22/91	91/1259	01/13/95	02/22/01	(2236.60094B) REGISTERED.
SOUTH AFRICA	MASTER CRAFT	Class 28: Aquatic sports equipment, parts and accessories therefor.			86/5596	08/27/86	08/27/06	(2236.60144B) REGISTERED.
SPAIN	MASTERCRAFT	Class 12: Boats, namely power and motorized boats for skiing and fishing...	1752135	03/24/93				(2236.600417) ABANDONED.
SPAIN	MASTERCRAFT	Class 12: Boats, namely, in-board or out-board motor boats, and parts and accessories for the products cited that are included in this class.	2270595	11/16/99				(2236.602817) PENDING APPLICATION.
SWEDEN	MASTERCRAFT	Class 12: Boats, including water sleds, and parts and accessories in the form of steering devices for boats, windshields, glove boxes and boat covers.	93-02005	03/05/93	260 689	09/09/94	09/09/04	(2236.60044J) REGISTERED.

PATENT

REEL: 012043 FRAME: 0030

TRADEMARK REGISTRATIONS AND PENDING APPLICATIONS

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPLN. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCH&S FILE NUMBER AND CASE STATUS
SWITZERLAND	MASTERCRAFT	Classes 12, 25, & 28: Boats namely power and motorized boats for skiing and fishing ... clothing, bags cases, tow ropes, etc.	2596/1993.9	03/11/93	409 276	04/21/94	03/11/13	(2236.600709) REGISTERED.
UNITED KINGDOM	MASTER CRAFT (w/Stars Logo)	Class 12: Power boats for towing water skiers.			1 201 758	08/16/83	08/16/04	(2236.600520) REGISTERED.
UNITED KINGDOM	PROSTAR	Class 12: Marine vehicles; boats; parts and fittings therefor.	2170141	06/20/98	2 170 141	12/4/98	06/20/08	(2236.600320) REGISTERED.
UNITED KINGDOM	MASTERCRAFT	Class 12: Marine vehicles; boats; motorized boats; parts and fittings and accessories therefor.	2213569	11/06/99				(2236.600420) PENDING APPLICATION.
UNITED STATES	MARISTAR	Class 12: Motor boats	74/626,286	01/27/95	1,972,543	05/07/96	05/07/06	(2236.601200) REGISTERED. Affidavit of Use due by 05/07/02.

DC_MAIN 1344 v.1

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPLN. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCH&S FILE NUMBER AND CASE STATUS
UNITED STATES	MASTERCRAFT	Class 6: Metal license plates Class 8: Sports & fishing knives Class 9: Ski vests in the nature of life jackets and sunglasses. Class 12: Boats, structural boat repair and replacement parts; structural boat parts; namely molded covers. Class 14: Watches Class 18: Umbrellas, all purpose sport bags, backpacks, fanny packs, travel bags, attache cases. Class 20: Non-metal floating key rings and beach chairs. Class 21: Insulated cups, insulated can holders, portable coolers, sport bottles, sold empty, and ceramic mugs. Class 22: Unfitted canvas boat covers and dock tie-down traps. Class 24: Beach towels. Class 25: Hats, sweaters, shirts, jackets, t-shirts, shorts sweatpants, pullover tops, polo shirts, beach cover-ups, tank tops, sweatshirts, visors and pants. Class 28: Ski ropes, ski rope shock elimination tubes, ski loves, buoy balls, and pylon covers.	74/439,135	09/23/93	1,867,981	12/20/94	12/20/04	(2236.600800) REGISTERED. Affidavit of Use due by 12/20/00.
UNITED STATES	MASTER CRAFT	Class 12: Boats and boat trailers.	73/559,907	09/24/85	1,427,389	02/03/87	02/03/07	(2236.600900) REGISTERED.
UNITED STATES	1971 MASTERCRAFT Logo	Class 12: Ski boats.	73/205,059	02/26/79	1,136,108	05/27/80	05/27/00	(2236.600100) REGISTERED.
UNITED STATES	POWER SLOT (and design)	Class 12: Ski boats.	73/235,816	10/19/79	1,185,668	01/12/82	01/12/02	(2236.601300) REGISTERED.
UNITED STATES	X-STAR	Class 12: Boats.	75/312,695	06/23/97	2,180,436	08/11/98	08/11/08	(2236.600100) REGISTERED. Affidavit of Use due by 08/11/04

PATENT

REEL: 012043 FRAME: 0032

COUNTRY	MARK	IDENTIFICATION OF GOODS	APPLN. SERIAL NUMBER	FILING DATE	REG. NUMBER	REG. DATE	NEXT RENEWAL DATE	FCH&S FILE NUMBER AND CASE STATUS
UNITED STATES	POWERSTAR	Class 12: Boats.	75/428,628	02/04/98				(2236.600200) PENDING APPLICATION
UNITED STATES	PROSTAR	Class 12: Boats.	75/428,578	02/04/98	2,275,631	09/07/99	09/07/09	(2236.600300) REGISTERED

DC_MAIN 1344 v 1

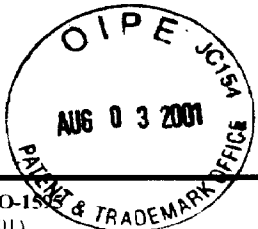
SCHEDULE B

TO

TRADEMARK SECURITY AGREEMENT

LICENSES

1. American Water Ski Association Towboat License Agreement
2. Boat Body World Repair Shop Agreement dated August, 1998
3. MasterCraft has licensed certain of its common law rights in the MASTERCRAFT name to TransAmerica Retail Financial Services Corporation in connection with a private label financing program that TransAmerica makes available through dealers to MasterCraft consumers pursuant to Finance Program Agreement dated November 30, 1999 (and associated Term Sheet dated July 24, 1998)
4. MasterCraft permits certain of its dealers and authorized repair shops to display and use the MASTERCRAFT mark for uses incidental to their statuses as such
5. Trademark Coexistence Agreement dated May 22, 1995 between MasterCraft Boat Company and Cooper Tire & Rubber Company concerning the trademark MASTERCRAFT
6. Sammy Duvall - License and Endorsement Agreement dated July 1, 1999



Form PTO-150 (Rev. 03/01)

RECORDATION FORM COVER SHEET PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings ⇌ ⇌ ⇌

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Transamerica Business Credit Corporation

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: **March 26, 2001**

2. Name and address of receiving party(ies)
Name: **Transamerica Business Capital Corporation**

Internal Address: _____

Street Address: **8750 West Bryn Mawr - Suite 720**

City: **Chicago** State: **IL** Zip: **60631**

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

4. Application number(s) or patent number(s):
If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)
Please see the attached

B. Patent No.(s)
Please see the attached

Additional numbers attached? Yes No

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

Name: **Philip J. Perzek**

Internal Address: **Latham & Watkins**

5800 Sears Tower

Street Address: **233 South Wacker Drive**

City: **Chicago** State: **IL** Zip: **60606**

6. Total number of applications and patents involved: **2**

7. Total fee (37 CFR 3.41).....\$ **80.00**

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

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.

Philip J. Perzek

Name of Person Signing

Signature

7/29/01

Date

Total number of pages including cover sheet, attachments, and documents: **16**

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

Inventor(s)	Title	Country	Patent No.	Patent Date	Comment
Gordon, Farris, Story and Behrens Jennings	Boat	<u>USA</u>	Des. 317,894	7/2/91	
Gordon, Farris, Story and Behrens Jennings	Tow Rope Pylon with Rotatable Bushing	<u>USA</u>	4,893,577	1/16/90	


ASSIGNMENT AND ASSUMPTION OF PATENT SECURITY AGREEMENT
("ASSIGNMENT")

FOR VALUE RECEIVED, the undersigned TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware corporation ("Assignor") having an address at 8750 West Bryn Mawr Avenue, Chicago, Illinois 60631, DOES HEREBY ASSIGN, SET OVER, TRANSFER and CONVEY, without representation or warranty of any kind other than as specifically set forth in that certain assignment and assumption agreement (the "Agreement") by and between Assignor and Assignee (as hereinafter defined), to TRANSAMERICA BUSINESS CAPITAL CORPORATION, a Delaware corporation ("Assignee") having an address at 8750 West Bryn Mawr Avenue, Chicago, Illinois 60631, all of the Assignor's right, title and interest in, to and under that certain Patent Security Agreement dated as of March 2, 2000 executed by MasterCraft Boat Company, Inc. (formerly known as MCBC Acquisition Company), a Delaware corporation ("MCBC") in favor of Assignor, recorded at Reel 010703, Frame 0133, on March 15, 2000 (a copy of which is attached hereto as Exhibit A), to Assignor to secure the payment and performance of the Liabilities (as defined in that certain Loan and Security Agreement dated as of March 2, 2000 by and among Assignor and MCBC, as amended, restated or otherwise modified from time to time). Assignee hereby accepts the foregoing Assignment and assumes the obligations of Assignor under the Patent Security Agreement pertaining to the period after the date hereof. The terms of this Assignment are subject to the terms of the Agreement. This Assignment may be executed in counterparts.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the 26th day of March, 2001.

ASSIGNOR:

TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware corporation

By: 
Name: Robert L. Heinz
Its: Senior Vice President

ASSIGNEE:

TRANSAMERICA BUSINESS CAPITAL CORPORATION, a Delaware corporation


By: 
Name: Robert L. Heinz
Its: Senior Vice President

EXHIBIT A

PATENT SECURITY AGREEMENT

A-1

PATENT SECURITY AGREEMENT

PATENT AND LICENSE SECURITY AGREEMENT (the "Agreement") made this 2nd day of March, 2000, between **MCBC ACQUISITION COMPANY (to be known as Master Craft Boat Company)**, a Delaware corporation with its principal office located at 100 Cherokee Drive, Vonore, Tennessee 37885 ("Borrower"), and **TRANSAMERICA BUSINESS CREDIT CORPORATION**, a Delaware corporation with an office located at 8750 West Bryn Mawr Avenue, Chicago, Illinois 60631 ("Lender").

WITNESSETH:

WHEREAS, Borrower has entered into a certain Loan and Security Agreement dated as of March 2, 2000 (as at any time amended, modified or supplemented, the "Loan Agreement"), with Lender, pursuant to which Lender has agreed to make certain loans to Borrower ("Loans"), and to incur Letter of Credit Obligations for the benefit of Borrower; and

WHEREAS, Lender has required as a condition, among other things, to the making of the Loans to Borrower under the Loan Agreement, in order to secure the prompt and complete payment, observance and performance of all of the Liabilities (as defined in the Loan Agreement), that Borrower shall have executed and delivered this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. **Defined Terms.**

(a) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Loan Agreement shall have the meanings specified in the Loan Agreement.

(b) The words "hereof", "herein", and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. **Security Interest in Patents.** To secure the complete and timely payment, performance and satisfaction of all of the Liabilities, Borrower hereby grants to Lender a security interest in, having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Borrower's now owned or existing and filed and hereafter acquired or arising and filed:

(a) patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents and patent applications listed on Schedule A attached hereto and made a part hereof, and (i) the reissues, divisions, continuations, extensions and continuations-in-part thereof, (ii) all accounts receivable, income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in the foregoing clauses (i)-(iv) in this paragraph 2(a), being sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(b) license agreements with any other party now or hereafter entered into in connection with any Patents or such other party's patents or patent applications, whether Borrower is a licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B attached hereto and made a part hereof, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of the rights of Lender under the Loan Agreement or any Other Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include any license agreement under which Borrower is licensee which by its terms prohibits the grant of the security interest contemplated by this Agreement or which would terminate as a result of such grant.

3. **Restrictions on Future Agreements.** Borrower will not, without Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement (provided that licenses entered in the ordinary course of business shall be permissible hereunder), and Borrower further agrees that it will not take any action, and will use reasonable efforts not to permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with those Patents and Licenses which are, in Borrower's business judgment, necessary or desirable in the operation of Borrower's business.

4. **New Patents and Licenses.** Borrower represents and warrants that the Patents and Licenses listed on Schedules A and B, respectively, include all of the patents and patent applications

now owned or held by Borrower and all material, signed license agreements in connection with patents or patent applications now owned or held by Borrower. If, prior to the termination of this Agreement, Borrower shall knowingly (i) create or obtain rights to any new patentable inventions or license agreements in connection with patents or patent applications, or (ii) become entitled to the benefit of any patent, patent application or patent for any reissue, division, continuation, extension or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Section 2 above shall automatically apply thereto and Borrower shall give to Lender prompt written notice thereof. Borrower hereby authorizes Lender to modify this Agreement by (a) amending Schedules A or B, as the case may be, to include any future patents, patent applications and license agreements in connection with patents and patent applications that are Patents or Licenses under Section 2 above, or under this Section 4 (whether or not any such notice from Borrower has been sent or received), and (b) filing, in addition to and not in substitution for, this Agreement, a supplement or addendum to this Agreement containing on Schedules A or B thereto, as the case may be, such patents, patent applications and license agreements which are Patents or Licenses, as the case may be, under Section 2 above or this Section 4, provided that Lender shall provide to Borrower a complete copy of the proposed filing prior to its submission for filing, and to take any action Lender otherwise deems appropriate to perfect or maintain the rights and interests of Lender under this Agreement with respect to such Patents and Licenses.

5. **Royalties.** Borrower hereby agrees that the use by Lender of the Patents and Licenses as authorized hereunder shall be without any liability for royalties or other related charges from Lender to Borrower.

6. **Nature and Continuation of Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and the Licenses and shall remain in full force and effect until the Liabilities (other than contingent indemnification obligations as to which no demand for payment has been made) have been paid in full and the Loan Agreement terminated.

7. **Right to Inspect; Further Assignments and Security Interests.** Lender shall have the right, upon terms consistent with the Loan Agreement to inspect Borrower's premises and to examine Borrower's books, records and operations relating to the Patents; provided, that in conducting such inspections and examinations, Lender shall use reasonable efforts not to disturb unnecessarily the conduct of Borrower's ordinary business operations. Upon the occurrence and during the continuance of an Event of Default, and subject to the terms of the Loan Agreement and the Other Agreements, Borrower agrees that Lender, or a conservator appointed by Lender, shall have the right to take any action to renew or to apply for registration of any Patent as Lender or said conservator, in its sole judgment, may deem necessary or desirable in connection with the enforcement of Lender's rights hereunder. Subject to Section 3 hereof, Borrower agrees not to sell or assign its respective interests in, or grant any license (except in the ordinary course of business) under, the Patents without the prior written consent of Lender.

8. **Duties of Borrower.** Borrower shall have the duty to the extent desirable in the normal conduct of Borrower's business, (i) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or thereafter until the termination of this Agreement; (ii) to make application on such unpatented but patentable inventions as Borrower deems appropriate; and (iii) to preserve and maintain all of Borrower's rights in the patent applications and patents that are part of the Patents and Licenses. Any expenses incurred in connection with the foregoing shall be borne by Borrower. Borrower shall not abandon any right to file a patent application or any pending patent application or patent which is or shall be necessary or economically desirable in the operation of Borrower's business. Borrower agrees to retain an experienced patent attorney reasonably acceptable to Lender for the filing and prosecution of all such applications and other proceedings. Lender shall not have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but may do so at its option during the continuance of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Borrower and added to the Liabilities secured hereby.

9. **Lender's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Lender shall have the right, but shall not be obligated, to bring suit or take any other action to enforce the Patents and the Licenses, and, if Lender shall commence any such suit or take any such action, Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Borrower shall, upon demand, promptly reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section 9 (including, without limitation, all reasonable attorneys' and paralegals' fees). If, for any reason whatsoever, Lender is not reimbursed with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Liabilities secured hereby.

10. **Waivers.** No course of dealing between Borrower and Lender and no failure to exercise or delay in exercising on the part of Lender any right, power or privilege hereunder or under the Loan Agreement or any Other Agreement shall operate as a waiver of any of Lender's rights, powers or privileges. No single or partial exercise of any right, power or privilege hereunder or under the Loan Agreement or any Other Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. **Exercise of Rights and Remedies Upon Default.** Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any Other Agreement. Without limiting the generality of the foregoing, Borrower acknowledges and agrees that (i) the Patents and Licenses comprise a portion of the Collateral and Lender shall have the right to exercise its rights under the Loan Agreement and the Other Agreements with respect to the Patents and Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the

occurrence of an Event of Default, Lender or its nominee may use the Patents and Licenses in connection with the conduct of Borrower's business.

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

13. **Modification**. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 2 and Section 4 hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney**. All of Lender's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower or otherwise to carry out the acts described below. Subject to the terms of the Loan Agreement and the Other Agreements, Borrower hereby authorizes Lender, in its sole discretion, upon the occurrence and during the continuance of an Event of Default, (i) to endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use or transfer of the Patents and the Licenses, (ii) to take any other actions with respect to the Patents and the Licenses as Lender deems is in its best interest, (iii) to grant or issue any exclusive or non-exclusive license with respect to the Patents to anyone, and (iv) to assign, pledge, convey or otherwise transfer title in or dispose of the Patents and the Licenses to anyone. Borrower hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any Other Agreement, but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be located or deemed located.

15. **Binding Effect; Benefits**. This Agreement shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns. Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Borrower; provided, however, that Borrower shall not voluntarily assign its obligations hereunder without the prior written consent of Lender.

16. **Governing Law.** This Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Illinois, except for its choice of law provisions.

17. **Notices.** All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

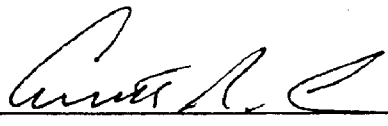
18. **Section Headings.** The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

19. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

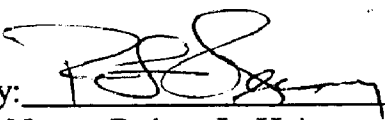
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

MCBC ACQUISITION COMPANY

By: 
Name: Everett R. Cook
Title: President

Accepted and agreed to in Chicago, Illinois as of this 2nd day of March, 2000.

TRANSAMERICA BUSINESS CREDIT CORPORATION

By: 
Name: Robert L. Heinz
Title: Senior Vice President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Patent and License Security Agreement was executed and acknowledged before me this 2nd day of March, 2000, by Everett R. Cook, personally known to me to be the President, of MCBC Acquisition Company, a Delaware corporation, on behalf of such corporation.

Beverly A. Montgomery
Notary Public

My commission expires: _____



SCHEDULE A

PATENTS

Inventor(s)	Title	Country	Patent No.	Patent Date	Comment
Gordon, Farris, Story and Behrens Jennings	Boat	<u>USA</u>	Des. 317,894	7/2/91	
Gordon, Farris, Story and Behrens Jennings	Tow Rope Pylon with Rotatable Bushing	<u>USA</u>	4,893,577	1/16/90	
Jennings	Tow Rope Pylon with Rotatable Bushing	UK	GB 2,218,675B	8/19/92	
Shirley	Ski Boat	Canada	1,115,137	12/29/81	Lapses no later than 12/29/99

SCHEDULE B

LICENSES

None.