

FORM PTO-1594
1-31-92

RECORDATION FORM COVER SHEET PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies): CONFLUENCE HOLDINGS CORP. Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2. Name and address of receiving party(ies) Name: <u>GMAC COMMERCIAL FINANCE LLC, as Agent</u> Internal Address: _____ Street Address: <u>1290 Avenue of the Americas, 3rd floor</u> City: <u>New York</u> State: <u>NY</u> Zip: <u>10104</u> Additional Name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Nature of conveyances: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date <u>May 16, 2005</u>		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) <u>SEE ATTACHED SCHEDULE A</u> B. Patent No.(s) <u>SEE ATTACHED SCHEDULE A</u> Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Federal Research Corporation</u> Internal Address: _____ Street Address: <u>Attn: Penelope J.A. Agodoa</u> <u>Federal Research Company, LLC</u> <u>1030 15th Street, NW, Suite 920</u> <u>Washington, DC 20005</u> <u>202.783.2700</u> City: <u>Washingt</u>		6. Total number of applications and registrations involved..... <u>35</u> 7. Total fee (37 CFR 3.41) <u>1400⁰⁰</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number <u>50-3155</u> (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

MATTHEW J. McALPINE, ESQ.

Name of Person Signing



Signature

June 14, 2005

Date

Total number of pages including coversheet, attachments and document: 10

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

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PATENT
REEL: 016369 FRAME: 0742

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SCHEDULE A

Schedule A to a Patent Assignment of Security dated May 16, 2005, by and between Confluence Holding Corp. and GMAC Commercial Finance LLC, as Agent.

Application or Patent
NumberCountryIssue or Filing DateTitle

Patent No. 6,718,905	United States	Registration Date: 4/13/2004	Outside adjustments for paddle craft
Patent No. 4,227,272	United States	Patent Date: 10/14/1980	Supportive framework for a boat
Patent No. 4,583,480	United State	Patent Date: 4/22/1986	Kayak cockpit cover
Patent No. 4,589,365	United States	Patent Date: 5/20/1986	Open-cockpit kayak
Patent No. 4,820,216	United States	Patent Date: 4/11/1989	Adjustable kayak paddle
Patent No. 4,980,112	United States	Patent Date: 12/25/1990	Method for rotational molding
Patent No. 4,942,840	United States	Patent Date: 7/24/1990	Foot brace for kayaks
Patent No. 5,094,607	United States	Patent Date: 3/10/1992	Thermoplastic mold for rotational molding
Patent No. 5,493,982	United States	Patent Date: 2/27/1996	Kayak having improved thighstrap assembly
Patent No. 5,648,030	United States	Patent Date: 7/15/1997	Method for obtaining high definition graphics in surfaces of molded plastic objects
Patent No. 5,713,295	United States	Patent Date: 2/3/1998	Rudder system for self-propelled water craft
Patent No. 5,970,903	United States	Patent Date: 10/26/1999	Kinesthetic kayak cockpit seat assembly
Patent No. 6,073,574	United States	Patent Date: 6/13/2000	Kayak hatch cover

			retention system
Patent No. 6,729,259	United States	Patent Date: 5/4/2004	Outfitting system for a kayak
Patent No. 5,544,613	United States	Patent Date: 8/13/1996	Foot rest for boats
Patent No. 6,546,891	United States	Patent Date: 4/15/2003	Captured seat for self-propelled watercraft and method for forming same
Patent No. 4,247,279	United States	Patent Date: 1/27/1981	Rotational molding system
Patent No. 4,407,216	United States	Patent Date: 10/4/1983	Frame system for kayak
Patent No. 4,421,150	United States	Patent Date: 12/20/1983	Waterproof bag device for articles
Patent No. 4,480,579	United States	Patent Date: 11/6/1984	Kayak with adjustable rocker
Patent No. 4,503,799	United States	Patent Date: 3/12/1985	Combination flotation storage and seating structures for boats
Patent No. 4,520,747	United States	Patent Date: 6/4/1984	Breakaway kayak cockpit and method
Patent No. 4,681,060	United States	Patent Date: 7/21/1987	Kayak frame section and method
Patent No. 4,715,311	United States	Patent Date: 12/29/1987	Variable volume kayak hull
Patent No. 4,727,821	United States	Patent Date: 3/1/1988	Detachable pod and kayak
Patent No. 4,744,317	United States	Patent Date: 5/17/1988	Mock-linking apparatus for joining two pieces of knitted fabric
Patent No. 5,039,297	United States	Patent Date: 8/13/1991	Rotational molding apparatus

Patent No. 5,134,964	United States	Patent Date: 8/4/1992	Flexible security loop for kayaks
Patent No. 5,172,646	United States	Patent Date: 12/22/1992	Canoe with asymmetrical hull
Patent No. 5,189,974	United States	Patent Date: 3/2/1993	Kayak catamaran
Patent No. 5,367,975	United States	Patent Date: 11/29/1994	Kayak cockpit cover with retention edge
Patent No. 6,612,252	United States	Patent Date: 9/2/2003	Combination remote adjust foot brace and rudder control
Patent No. 6,739,277	United States	Patent Date: 5/25/2004	Adjustable centerline foot brace system
Patent No. 6,860,223	United States	Patent Date: 3/1/2005	Self-propelled personal watercraft
Patent No. 6,644,233	United States	Patent Date: 11/11/03	Adjustable thigh brace

PATENT ASSIGNMENT OF SECURITY INTEREST

WHEREAS, Confluence Holdings Corp., a corporation formed under the laws of Delaware, located at 3761 Old Glenola Road, Trinity, NC 27370 ("Borrower"), owns the patents and patent applications shown in the attached Schedule A (the "Patents"), for which there are recordings or applications in the United States Patent and Trademark Office under the numbers shown in the attached Schedule A; and

WHEREAS, Borrower is obligated to GMAC Commercial Finance LLC ("GMAC CF") and various other financial institutions (collectively, "Lenders") and GMAC CF as agent for Lenders ("Agent") pursuant to (i) a certain Loan and Security Agreement, dated the date hereof, among Agent, Lenders, Borrower and the other credit parties named therein and (ii) a certain Patent Collateral Security Agreement, dated the date hereof, made by Borrower in favor of Agent for its benefit and the ratable benefit of Lenders (as each may be amended, modified, restated or supplemented from time to time, collectively, the "Agreements"); and

WHEREAS, pursuant to the Agreements, Borrower is granting to Agent for its benefit and for the ratable benefit of Lenders a security interest in the Patents, all proceeds thereof, all rights corresponding thereto and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the recordings and applications therefore.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Borrower does hereby assign unto Agent for its benefit and for the ratable benefit of Lenders and grant to Agent for its benefit and for the ratable benefit of Lenders a security interest in and to the Patents, and recordings and applications therefor, which assignment and security interest shall secure all the Obligations as defined in the Agreements and in accordance with the terms and provisions thereof.

Borrower expressly acknowledges and affirms that the rights and remedies of Agent and Lenders with respect to the assignment and security interest granted hereby are more fully set forth in the Agreements.

Dated: New York, New York
May 16, 2005

CONFLUENCE HOLDINGS CORP.

By: Richard Feehan
Name: Richard Feehan
Its: Chief Executive Officer

GMAC COMMERCIAL FINANCE LLC, as Agent

By: _____
Name:
Its:

PATENT ASSIGNMENT OF SECURITY INTEREST

WHEREAS, Confluence Holdings Corp., a corporation formed under the laws of Delaware, located at 3761 Old Glenola Road, Trinity, NC 27370 ("Borrower"), owns the patents and patent applications shown in the attached Schedule A (the "Patents"), for which there are recordings or applications in the United States Patent and Trademark Office under the numbers shown in the attached Schedule A; and

WHEREAS, Borrower is obligated to GMAC Commercial Finance LLC ("GMAC CF") and various other financial institutions (collectively, "Lenders") and GMAC CF as agent for Lenders ("Agent") pursuant to (i) a certain Loan and Security Agreement, dated the date hereof, among Agent, Lenders, Borrower and the other credit parties named therein and (ii) a certain Patent Collateral Security Agreement, dated the date hereof, made by Borrower in favor of Agent for its benefit and the ratable benefit of Lenders (as each may be amended, modified, restated or supplemented from time to time, collectively, the "Agreements"); and

WHEREAS, pursuant to the Agreements, Borrower is granting to Agent for its benefit and for the ratable benefit of Lenders a security interest in the Patents, all proceeds thereof, all rights corresponding thereto and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the recordings and applications therefore.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Borrower does hereby assign unto Agent for its benefit and for the ratable benefit of Lenders and grant to Agent for its benefit and for the ratable benefit of Lenders a security interest in and to the Patents, and recordings and applications therefor, which assignment and security interest shall secure all the Obligations as defined in the Agreements and in accordance with the terms and provisions thereof.

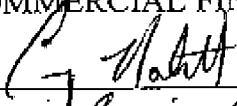
Borrower expressly acknowledges and affirms that the rights and remedies of Agent and Lenders with respect to the assignment and security interest granted hereby are more fully set forth in the Agreements.

Dated: New York, New York
May 16, 2005

CONFLUENCE HOLDINGS CORP.

By: _____
Name: Richard Feehan
Its: Chief Executive Officer

GMAC COMMERCIAL FINANCE LLC, as Agent

By: 
Name: Craig Nalitt
Its: Vice President

STATE OF _____)
: ss.:
COUNTY OF _____)

On this ____ day of May, 2005, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that s/he is the _____ of Confluence Holdings Corp., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

Notary Public

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

On this 16th day of May, 2005, before me personally came Craig Naliff, to me known, who, being by me duly sworn, did depose and say that s/he is the Vice President of GMAC Commercial Finance LLC, the company described in and which executed the foregoing instrument; and that s/he was authorized to sign her/his name thereto on behalf of said company.

Francella H. Ashby
Notary Public

FRANCELLA H. ASHEY
Notary Public, State Of New York
No. 01AS053925
Qualified In New York County
Commission Expires Jan. 2, 2006

SPECIAL POWER OF ATTORNEY

STATE OF North Carolina
COUNTY OF Randolph

ss:

KNOW ALL MEN BY THESE PRESENTS, that Confluence Holdings Corp., a corporation formed under the laws of Delaware, with its principal office at 3761 Old Glenola Road, Trinity, NC 27270 ("Borrower"), pursuant to a Patent Collateral Security Agreement (as amended, modified, restated or supplemented from time to time, the "Agreement"), hereby appoints and constitutes GMAC Commercial Finance LLC, with offices at 1290 Avenue of the Americas, New York, New York 10104 ("Agent"), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Borrower upon the occurrence and continuance of an Event of Default:

1. Assigning, selling or otherwise disposing of all right, title and interest of Borrower in and to the Patents listed on Schedule A of the Agreement, the patents which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and executing and delivering any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;

2. Executing any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Agent may in its sole discretion determine.

This power of attorney is made pursuant to the Agreement and may not be revoked until the payment in full of all Obligations (as defined in the Agreement) and the irrevocable termination of the Agreement.

Date: May 10, 2005

CONFLUENCE HOLDINGS CORP.

By: 
Name: Richard Feehan
Its: Chief Executive Officer

STATE OF North Carolina
COUNTY OF Randolph

ss:

On the 12th day of May, 2005, before me personally came Richard Feehan to me known, who being by me duly sworn, did depose and say s/he is the CEO of Confluence Holdings Corp., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

Laura S. Berdugas
Notary Public

My Commission Expires: 9/25/08

