

**PATENT ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY AGREEMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
Yacht Watchman International, Inc.	11/24/2009
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	Treasure Coast Enterprise Fund, Inc.
<b>Street Address:</b>	421 SW Camden Avenue
<b>City:</b>	Stuart
<b>State/Country:</b>	FLORIDA
<b>Postal Code:</b>	34994
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
<b>Application Number:</b>	12025639
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(312)827-8185
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
<b>Phone:</b>	312807-4284
<b>Email:</b>	chicago.patents@klgates.com
<b>Correspondent Name:</b>	Adam H. Masia K&L Gates LLP
<b>Address Line 1:</b>	P.O. Box 1135
<b>Address Line 4:</b>	Chicago, ILLINOIS 60690-1135
<b>ATTORNEY DOCKET NUMBER:</b>	3710604-00014
<b>NAME OF SUBMITTER:</b>	Adam H. Masia
<b>Total Attachments: 5</b> source=3712044-001security#page1.tif source=3712044-001security#page2.tif source=3712044-001security#page3.tif source=3712044-001security#page4.tif source=3712044-001security#page5.tif	

CH \$40.00 12025639

**PATENT**

**501057371**

**REEL: 023736 FRAME: 0400**

## PATENT SECURITY AGREEMENT

This Patent Security Agreement ("Agreement"), dated November 24, 2009, is made by YACHT WATCHMAN INTERNATIONAL, INC., a Delaware corporation, ("Grantor"), and is given to TREASURE COAST ENTERPRISE FUND, INC. a Florida corporation ("Grantee").

### Background

Grantor desires to grant and Grantee desires to obtain a lien and security interest on the Patent Collateral (as defined below) as security for the Obligations (as defined in the Promissory Note given by Grantor in favor of Grantee of even date herewith in the principal amount of THIRTY-SIX THOUSAND SEVEN HUNDRED AND NO/100THS DOLLARS (\$36,700.00) and Grantee desires to have its lien and security interest in that Patent Collateral confirmed by a document identifying that security interest and in a form as may be recorded in the United States Patent and Trademark Office.

Now, therefore, with the above Background deemed incorporated by reference and made a part of this Agreement, and in consideration of the mutual promises contained in this Agreement, the parties to this Agreement, intending to be legally bound, agree as follows:

1. To secure the Obligations, Grantor does by this Agreement collaterally assign and grant to Grantee a lien and security interest in (a) all of Grantor's right, title, and interest in and to (i) the United States Letters Patent and the inventions described and claimed in that Letters Patent, set forth on Schedule A to this Agreement, and any future patents (referred to collectively in this Agreement as the "Patents"); (ii) the applications for Letters Patent and the inventions described and claimed in those applications, set forth on Schedule A to this Agreement and any United States Letters Patent that may be issued upon any of those applications and any future patent applications (referred to collectively in this Agreement as the "Applications"); (iii) any reissue, extension, division, or continuation of the Patents or the Applications (such reissues, extensions, divisions, and continuations being referred to collectively in this Agreement as the "Reissued Patents"); (iv) all future royalties or other fees paid or payment or payments made or to be made to Grantor in respect to the Patents; and (v) proceeds of any and all of the above (the Patents, Applications, Reissued Patents, and Royalties and proceeds being referred to collectively in this Agreement as the "Patent Rights"), and (b) all rights, interests, claims, and demands that Grantor has or may have in existing and future profits and damages for past and future infringements of the Patent Rights (which rights, interest, claims, and demands being referred to in this Agreement as the "Claims," and the Patent Rights and Claims being collectively referred to as the "Patent Collateral").

2. Grantor warrants and represents to Grantee that (a) Grantor is the true and lawful exclusive owner of the Patent Rights set forth on Schedule A, including all rights and interests granted in this Agreement; (b) the Patent Collateral is valid and enforceable; (c) Grantor has full power and authority to execute and deliver this Agreement; (d) Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims

asserted or threatened against it, with reference to the Patent Rights and the interests granted in this Agreement; and (e) the Patent Rights and all interests granted in this Agreement are so granted free from all liens, charges, claims, options, licenses, pledges, and encumbrances of every kind and character whatsoever.

3. Grantor further covenants that: (a) until all of the Obligations have been satisfied in full, it will (i) not enter into any agreement, including without limitation, license agreements, which are inconsistent with Grantor's undertakings and covenants under this Patent Security Agreement or which restrict or impair Grantee's rights under this Agreement, and (ii) maintain the Patent Collateral in full force and effect.

4. So long as this Patent Security Agreement is in effect and so long as Grantor has not received notice from Grantee that an Event of Default has occurred under the Note and that Grantee has elected to exercise its rights under this Agreement, Grantor shall continue to have the exclusive right to use the Patent Rights and grant licenses with respect to them as described in this Agreement, and Grantee shall have no right to use the Patent Rights or issue any exclusive or nonexclusive license with respect to them, or assign, pledge, or otherwise transfer any interest in the Patent Rights to any other Person.

5. Grantor agrees not to sell, assign, or further encumber its rights and interests in the Patent Collateral without prior written consent of Grantee.

6. If an Event of Default shall occur under the Note, Grantee, as the holder of a security interest under the Uniform Commercial Code as in effect now or in the future in any applicable jurisdiction, may take such action as is permitted by law or equity, in its sole discretion, to foreclose upon or otherwise realize upon the Patent Collateral covered by this Agreement. For those purposes, Grantor here authorizes and empowers Grantee to make, constitute, and appoint any officer or agent of Grantee as Grantee may select in its sole discretion, as Grantor's true and lawful attorney-in-fact with the power to endorse Grantor's name on, and/or file of record, all assignments, applications, documents, papers, and instruments, whether signed by Grantor or by Grantee on Grantor's behalf, necessary for Grantee or its transferee, successors, or assigns, to obtain title to and the right to use the Patent Collateral or to grant or issue any exclusive or nonexclusive license under the Patent Collateral to any other person, or to assign, pledge, convey, or otherwise transfer title in or dispose of all or any part of the Patent Collateral to any other person. Grantor here ratifies all that that attorney shall lawfully do or cause to be done by virtue of this Agreement. This power of attorney shall be irrevocable for the life of this Agreement.

7. Grantor shall not abandon any such application before the exhaustion of all administrative and judicial remedies or disclaim or dedicate any Patent without the prior written consent of Grantee. Grantor shall not abandon any Patent Collateral without the prior written consent of Grantee, that consent not to be unreasonably withheld.

8. Any costs and expenses, including reasonable attorney's fees, incurred by Grantee in connection with the preparation of this Agreement and its recording in the Patent and Trademark Office shall be paid by Grantor on demand by Grantee and, until paid, shall be added to the Obligations.

9. Grantor shall have the right, with the prior written consent of Grantee, which consent will not be unreasonably withheld, to bring suit in its own name to enforce the Patent Collateral, in which case Grantee may, at Grantee's option, be joined as a nominal party to this suit if Grantee shall be satisfied that that joinder is necessary and that Grantee is not incurring any risk of liability or expense by that joinder. Grantor shall promptly, upon demand, reimburse and indemnify, defend, and hold harmless Grantee for all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Grantee pursuant to this paragraph and all other actions and conduct of Grantor with respect to the Patent Rights during the term of this Agreement.

10. No modification or waiver of any provisions set forth in this Agreement shall be effective unless they shall be in writing and signed by the party against whom enforcement is being sought.

11. Grantor fails to comply with any of its understandings and covenants under this Agreement, Grantee may at its sole option do so in its name, but at Grantor's expense, and Grantor agrees to reimburse Grantee in full for all expenses, including reasonable attorneys' fees, incurred by Grantee in protecting, defending, enforcing, and maintaining the Patent Collateral.

12. Upon full and unconditional satisfaction of the Grantor's Obligations, Grantee shall execute any document submitted by Grantor which are reasonably necessary to terminate Grantee's interests in the Patent Collateral.

13. Grantor here acknowledges and agrees that this Agreement will be recorded in the United States Patent and Trademark Office.

14. This Agreement shall be binding upon Grantor, its successors, and assigns, and shall inure to the benefit of Grantee, its successors, and assigns.

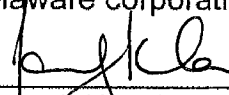
15. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

In Witness Whereof, Grantor and Grantee have executed this Agreement, under seal, this 24<sup>th</sup> day of November, 2009.

Grantor:

YACHT WATCHMAN INTERNATIONAL,  
INC., a Delaware corporation

By: \_\_\_\_\_

  
James J. Knoska,  
Chairman/Chief Executive Officer

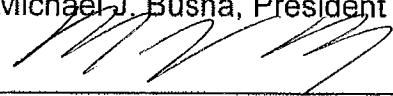
Grantee:

TREASURE COAST ENTERPRISE  
FUND, INC., a Florida corporation

By: \_\_\_\_\_

  
Michael J. Busha, President

By: \_\_\_\_\_

  
Gregory P. Vaday, Secretary

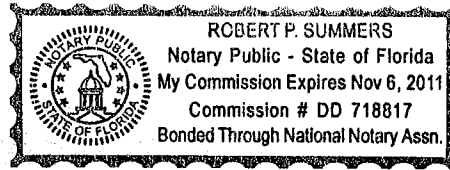
STATE OF FLORIDA  
COUNTY OF MARTIN

THE FOREGOING INSTRUMENT was acknowledged before me this 24<sup>th</sup> day of November, 2009, by James J. Knoska, as Chairman/Chief Executive Officer and on behalf of YACHT WATCHMAN INTERNATIONAL, INC., a Delaware corporation, who { } is personally known to me, or {  } has produced FL Drivers License as identification.

*[Handwritten Signature]*

Notary Public - State of Florida

My Commission Expires:  
{Notary Seal}



STATE OF FLORIDA  
COUNTY OF MARTIN

THE FOREGOING INSTRUMENT was acknowledged before me this 24<sup>th</sup> day of November, 2009, by Michael J. Busha, as President and on behalf of TREASURE COAST ENTERPRISE FUND, INC., a Florida corporation, who {  } is personally known to me, or { } has produced \_\_\_\_\_ as identification.

*[Handwritten Signature]*

Notary Public - State of Florida



My Commission Expires:  
{Notary Seal}

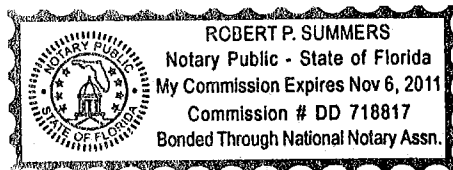
STATE OF FLORIDA  
COUNTY OF MARTIN

THE FOREGOING INSTRUMENT was acknowledged before me this 24<sup>th</sup> day of November, 2009, by Gregory P. Vaday, as Secretary and on behalf of TREASURE COAST ENTERPRISE FUND, INC., who {  } is personally known to me, or { } has produced \_\_\_\_\_ as identification.

*[Handwritten Signature]*

Notary Public - State of Florida

My Commission Expires:  
{Notary Seal}



**Yacht Watchman International, Inc**

1. U.S. Provisional Patent Application Entitled "VESSEL MONITORING SYSTEM"  
Filed 12/15/1999 (U.S. Provisional Patent Application Serial No. 60/170,782)  
KLG Docket No. 3710604-002
  
2. U.S. Patent Application Entitled "VESSEL MONITORING SYSTEM"  
Filed 12/13/00 (U.S. Patent Application Serial No. 09/736,904)  
KLG Docket No. 3710604-003  
**U.S. Patent No. 6,687,583; Issued: 2/3/2004; Expires: 12/13/2020**
  
3. U.S. Patent Application Entitled "MARINE VESSEL MONITORING SYSTEM"  
Filed 9/20/01 ( U.S. Continuation-In-Part Patent Application Serial No. 09/957,136)  
KLG Docket No. 3710604-004  
**U.S. Patent No. 6,816,088; Issued: 11/9/2004; Expires: 12/13/2020**
  
4. U.S. Patent Application Entitled "VESSEL MONITORING SYSTEM"  
Filed 1/29/04 (U.S. Patent Application Serial No. 10/768,756)  
KLG Docket No. 3710604-010  
**U.S. Patent No. 6,978,197; Issued 12/20/2005; Expires 12/13/2020**
  
5. U.S. Patent Application Entitled "MARINE VESSEL MONITORING SYSTEM"  
Filed 11/4/04 (U.S. Patent Application Serial No. 10/982,288)  
KLG Docket No. 3710604-012  
**U.S. Patent No. 7,327,286; Issued 2/5/2008; Expires 12/13/2020**
  
6. U.S. Patent Application Entitled "VESSEL MONITORING SYSTEM"  
Filed 12/13/05 ( U.S. Patent Application Serial No. 11/301,793)  
KLG Docket No. 3710604-013  
**Pending**
  
7. U.S. Patent Application Entitled "MARINE VESSEL MONITORING SYSTEM"  
Filed 2/4/08 (U.S. Patent Application Serial No. 12/025,639)  
KLG Docket No. 3710604-014  
**Pending - Allowed**