

Form PTO-1595 (Rev. 03-09)  
OMB No. 0651-0027 (exp. 03/31/2009)U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

02-26-2010

2-24-10



To the Director of the U.S. Patent and

103589931

documents or the new address(es) below.

## 1. Name of conveying party(ies)

CORRECT CRAFT, INC.  
CORRECT CRAFT IP HOLDINGS, LLCAdditional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

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

Execution Date(s) February 8, 2010

- ☐ Assignment ☐ Merger
- ☒ Security Agreement ☐ Change of Name
- ☐ Joint Research Agreement
- ☐ Government Interest Assignment
- ☐ Executive Order 9424, Confirmatory License
- ☐ Other \_\_\_\_\_

## 2. Name and address of receiving party(ies)

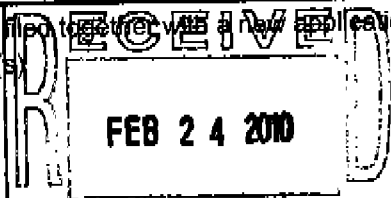
Name: RBC BANK (USA)

Internal Address: \_\_\_\_\_

Street Address: 134 N. Church StreetCity: Rocky MountState: North CarolinaCountry: USA Zip: 37804Additional name(s) & address(es) attached? ☐ Yes ☐ No

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

A. Patent Application No.(s)

☐ This document is being filed together with a new application.  
B. Patent No.(s)Additional numbers attached? ☒ Yes ☐ No

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

Name: Holland & Knight LLPInternal Address: Lee Stuart Smith, Esq.Street Address: 200 S. Orange Avenue, Suite 2600City: OrlandoState: Florida Zip: 32801Phone Number: (407) 425-8500Fax Number: (407) 244-5288Email Address: lee.smith@hklaw.com6. Total number of applications and patents involved: 47. Total fee (37 CFR 1.21(h) & 3.41) \$ 160.00

- ☐ Authorized to be charged to deposit account
- ☒ Enclosed
- ☐ None required (government interest not affecting title)

## 8. Payment Information

Deposit Account Number 02/25/2010 LNUELLER 00000025 6923137Authorized User Name LEE SMITH 160.009. Signature: Lee Stuart Smith, Esq.By: [Signature]

Signature

2-24-10  
Date

(Lee Stuart Smith, Esq.), Holland &amp; Knight LLP

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 14Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, V.A. 22313-1450

**CONTINUATION PAGE**

## 4. Application or patent number(s)

Type	Holder	Number	Information
Patent	Correct Craft IP Holdings, LLC	6923137	Water sport performance boat hull
Patent	Correct Craft IP Holdings, LLC	7246565	Boat hull dispersion tunnel engagement device and method
Patent Pending	Correct Craft IP Holdings, LLC	61/170806	Pending watercraft ventilation system and method
Patent	Correct Craft, Inc.	5518017	Fuel tank

## PATENT AND TRADEMARK SECURITY AGREEMENT

This PATENT AND TRADEMARK SECURITY AGREEMENT ("Patent and Trademark Security Agreement") is made as of February 2, 2010, by **CORRECT CRAFT, INC.**, a Florida corporation ("Grantor") whose mailing address is 14700 Aerospace Parkway, Orlando, Florida 32832 in favor of **RBC BANK (USA)**, a North Carolina banking corporation ("Bank") whose principal place of business is 134 N. Church Street, Rocky Mount, North Carolina 27804 and a mailing address of Post Office Box 1220, Rocky Mount, North Carolina 27802-1220 and **CORRECT CRAFT IP HOLDINGS, LLC**, a Florida limited liability company ("IP Holdings").

### WITNESSETH:

WHEREAS, pursuant to that certain Loan Agreement dated as of June 13, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") between Grantor and Bank, Bank is making certain financial accommodations available to Grantor from time to time pursuant to the terms and conditions thereof; and

WHEREAS, Grantor has executed and delivered to Bank that certain Pledge and Security Agreement dated as of June 13, 2006 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Bank, this Patent and Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement.

2. GRANT OF SECURITY INTEREST IN PATENT AND TRADEMARK COLLATERAL. Grantor and IP Holdings, each with respect to its ownership interest, hereby grant to Bank, a continuing first priority security interest in all of their right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent and Trademark Collateral"):

(a) those certain patents and trademarks referred to on **Schedule 1** hereto but excluding therefrom all "Wakeboard Tower Patents and Royalties" (as that term is defined in the Loan Modification Agreement dated hereof between Grantor and Bank) which are not encumbered under this Agreement and are not part of the Patent and Trademark Collateral;

(b) all reissues, continuations, continuations-in-part, substitutes, extensions or renewals of, and improvements on, the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future infringement of any patent or trademark or any patent or trademark licensed under any intellectual property license.

3. SECURITY FOR OBLIGATIONS. This Patent and Trademark Security Agreement and the security interest created hereby secures the payment and performance of all the Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent and Trademark Security Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by Grantor to Bank.

4. **SECURITY AGREEMENT.** The security interests granted pursuant to this Patent and Trademark Security Agreement are granted in conjunction with the security interest granted to Bank pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Bank with respect to the security interest in the Patent and Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein in accordance with the terms and conditions of the Loan Agreement or the Security Agreement.

5. **RELEASE OF LIENS.** Upon the termination of the Loan Agreement and all obligations of Bank to advance funds under the Loan Documents in accordance with the terms thereof and payment of the Obligations in full, Bank, at the sole cost and expense of Grantor, will execute such documents as Grantor shall reasonably request to terminate the security interest granted herein.

6. **AUTHORIZATION TO SUPPLEMENT.** Grantor hereby authorizes Bank unilaterally to modify this Patent and Trademark Security Agreement by amending **Schedule I** to include any future patent rights of Grantor which become part of the Collateral under the Security Agreement, but excluding therefrom all "Wakeboard Tower Patents and Royalties" as defined above, which are not encumbered under this Agreement and are not part of the Patent and Trademark Collateral. Notwithstanding the foregoing, no failure to so modify this Patent and Trademark Security Agreement or amend **Schedule I** shall in any way affect, invalidate or detract from Bank's continuing security interest in all Collateral, whether or not listed on **Schedule I**.

7. **CERTIFICATE OF REPRESENTATIONS AND WARRANTIES AND RELEASE AGREEMENT.** Reference is made to that certain Certificate of Representations and Warranties and Release among Mid-Atlantic Correct Craft, Inc., a New Jersey corporation, West Coast Correct Craft, Inc., a California corporation and Bank, dated the date hereof, the terms of which are incorporated herein by this reference.

8. **EXECUTION BY IP HOLDINGS.** IP Holdings as the owner of certain of the patents referenced on **Schedule I** joins in and consents to this Agreement for the limited purpose of granting to Bank the security interest in those patents it owns as referenced on said **Schedule I** and agrees to abide by the terms and conditions of this Agreement regarding said patents, but excluding therefrom all "Wakeboard Tower Patents and Royalties" as defined above, which are not encumbered under this Agreement and are not part of the Patent and Trademark Collateral. Otherwise IP Holdings has no other liability or obligation hereunder.

9. **RELEASE OF MID-ATLANTIC CORRECT CRAFT, INC. ("MACC") AND WEST COAST CORRECT CRAFT, INC. ("WCCC").** At Grantor's request, Bank has agreed to release MACC and WCCC from the Loan Documents pursuant to the terms and conditions of a Release Agreement of even date herewith. Grantor consents to the release of WCCC and MACC from the Loan Documents.

10. **COUNTERPARTS.** This Patent and Trademark Security Agreement may be executed in any number of counterparts, which together constitute but one agreement.

IN WITNESS WHEREOF, the undersigned have caused this Patent and Trademark Security Agreement to be executed and delivered as of the date first set forth above.

**CORRECT CRAFT, INC.**, a Florida corporation

By: [Signature] Pres / CEO  
Name: William E. Yangin  
Title: President / CEO

**CORRECT CRAFT IP HOLDINGS, LLC**, a  
Florida limited liability company

By: [Signature] Pres. d/t  
Name: William E. Yangin  
Title: President

**SCHEDULE I**

(Patents and Trademarks)

**LEGEND: \*Items marked with asterisk (\*) are NOT part of the Collateral and are not encumbered by this Agreement and are referenced hereon merely for the purposes of identification under Section 7 k of the Agreement as "Wakeboard Tower Patents and Royalties".**

Type of Intellectual Property	Holder	Number	Information	Notes
Patent*	Correct Craft IP Holdings, LLC	5979350	Water sport towing apparatus and method	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	RE37823	Water sport towing apparatus and method	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	6044788	Water sport performance system and method	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	6192819	Water sport towing apparatus	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	D409972	Boat tower	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	6374762	Water sport towing apparatus	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty

				in event of sale
Patent*	Correct Craft IP Holdings, LLC	D462932	Water sport towing device	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	D480349	Water sport towing device	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	6666159	Water sport towing apparatus	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	7299761	Water sport towing apparatus	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent*	Correct Craft IP Holdings, LLC	7302907	Mounting system and method for rigidly attaching a water sports towing frame to a vessel	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent	Correct Craft IP Holdings, LLC	6923137	Water sport performance boat hull	
Patent	Correct Craft IP Holdings, LLC	7246565	Boat hull dispersion tunnel engagement device and method	
Patent Pending	Correct Craft IP Holdings, LLC	61/170806	Pending watercraft ventilation system and method	
*Patent Pending	Correct Craft IP Holdings, LLC	11/931029	Pending water sport towing apparatus	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves

				right to use w/o royalty in event of sale
*Patent Pending	Correct Craft IP Holdings, LLC	61/170732	Pending water sports towing tower system and associated methods	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
*Patent	Correct Craft IP Holdings, LLC	D605575	Water sports towing tower	Re: wakeboard towers –not collateral; Grantor, its successors and assigns reserves right to use w/o royalty in event of sale
Patent	Correct Craft, Inc.	5518017	Fuel tank	
Trademark	Correct Craft, Inc.	2198994	Air Nautique	
Trademark	Correct Craft, Inc.	960575	Air Nautique	Foreign - Australia
Trademark	Correct Craft, Inc.	2561180	Air	
Trademark	Correct Craft, Inc.	2441111	Air logo	
Trademark	Correct Craft, Inc.	2563049	Circle N logo	
Trademark	Correct Craft, Inc.	506406	Correct Craft	
Trademark	Correct Craft, Inc.	2569195	Correct Craft	
Trademark	Correct Craft, Inc.	1484389	Correct Craft	
Trademark	Correct Craft, Inc.	152859	Correct Craft	Foreign - Canada
Trademark	Correct Craft, Inc.	1266834	Correct Craft	Foreign - France
Trademark	Correct Craft, Inc.	1641348	* Fashion Nautique	



Trademark	Correct Craft, Inc.	2800105	Nautique	
Trademark	Correct Craft, Inc.	960576	Nautique	Foreign - Australia
Trademark	Correct Craft, Inc.	1952233	Nautiques by Correct Craft since 1925	
Trademark	Correct Craft, Inc.	1665555	Nautique News	
Trademark	Correct Craft, Inc.	3283936	Nautique News	
Trademark	Correct Craft, Inc.	1573234	Sport Nautique	
Trademark	Correct Craft, Inc.	1167056	Ski Nautique	Expired
Trademark	Correct Craft, Inc.	1478791	Ski Nautique	
Trademark	Correct Craft, Inc.	1266835	Ski Nautique	Foreign - France
Trademark	Correct Craft, Inc.	947148	Ski Nautique	
Trademark	Correct Craft, Inc.	AKD 0038116	Ski Nautique	Foreign - Australia
Trademark	Correct Craft, Inc.	2441110	Wakeboard Mark (w/ Star)	
Trademark	Correct Craft, Inc.	3566254	Nautiques	
Trademark	Correct Craft, Inc.	3566255	Nautiques	
Trademark Pending	Correct Craft, Inc.	77798844	Nautique (Class 12)	
Dead Trademarks	Correct Craft, Inc.	72226343 / 0815006	Orlando Tribune	
Dead Trademarks	Correct Craft, Inc.	73104125 / 1066181	American Skier	

Dead Trademarks	Correct Craft, Inc.	73114036 / 1078346	Fish Nautique	
Dead Trademarks	Correct Craft, Inc.	73243719 / 1164573	Barefoot Nautique	
Dead Trademarks	Correct Craft, Inc.	73243720 / 1167056	Ski Nautique	
Dead Trademarks	Correct Craft, Inc.	73246214 / 1160860	Ski Tique	
Dead Trademarks	Correct Craft, Inc.	73274759 / 1176064	Cuddy Nautique	
Dead Trademarks	Correct Craft, Inc.	73274760 / 1195129	Martinique	
Dead Trademarks	Correct Craft, Inc.	73449523 / 1318058	Correct Craft Tribune	
Dead Trademarks	Correct Craft, Inc.	73486001 / 1323105	Bass Nautique	
Dead Trademarks	Correct Craft, Inc.	73486002 / 1366566	Sea Nautique	
Dead Trademarks	Correct Craft, Inc.	73644471 / 1456444	Dominique	
Dead Trademarks	Correct Craft, Inc.	74004330 / 1604520	Correct Craft Inc.	
Dead Trademarks	Correct Craft, Inc.	75356344 / 2192304	Nautique News	
Dead Trademarks	Correct Craft, Inc.	75415113 / 2230525	Nautique Lease Advantage	
Dead Trademarks	Correct Craft, Inc.	75518981 / 2263159	Air Tique	
Dead Trademarks Applications	Correct Craft, Inc.	76095348	CN Correct Craft	
Dead Trademarks Applications	Correct Craft, Inc.	78615007	Pan Am Wakeboard Championship	
Dead Trademarks Applications	Correct Craft, Inc.	78599031	Nautique News	

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