PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
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EPAS ID: PAT2754252

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
NORTH SAILS GROUP, LLC	03/05/2014
SOUTHERN SPARS GROUP, LLC	03/05/2014
NORTH TECHNOLOGY GROUP, LLC	03/05/2014

RECEIVING PARTY DATA

Name:	NXT CAPITAL, LLC, AS AGENT
Street Address:	191 N. WACKER ST., STE 1200
City:	CHICAGO
State/Country:	ILLINOIS
Postal Code:	60606

PROPERTY NUMBERS Total: 8

Property Type	Number
Patent Number:	6106649
Patent Number:	6230641
Patent Number:	6302045
Patent Number:	6332420
Patent Number:	6624098
Patent Number:	6725885
Patent Number:	7540250
Patent Number:	7886777

CORRESPONDENCE DATA

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Phone: 3128637267
Email: jaclyn.digrande@goldbergkohn.com
Correspondence will be sent via US Mail when the email attempt is unsuccessful.
Correspondent Name: JACLYN DI GRANDE - PARALEGAL

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Address Line 2:	55 E MONROE ST., STE 3300
Address Line 4:	CHICAGO, ILLINOIS 60603

NAME OF SUBMITTER:	JACLYN DI GRANDE
Signature:	/jaclyn di grande/
Date:	03/05/2014

Total Attachments: 5
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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (the "**Agreement**") made as of this _5th_ day of March, 2014, by North Sails Group, LLC, a Delaware limited liability company, Southern Spars Group, LLC, a Delaware limited liability company and North Technology Group, LLC, a Wisconsin limited liability company ("**Grantors**"), in favor of NXT Capital, LLC, in its capacity as Agent for the Lenders party to the Credit Agreement (defined below) (herein, "**Grantee**"):

W I T N E S S E T H

WHEREAS, Grantors, one or more of their affiliates, Grantee and the lenders identified therein are parties to a certain Credit Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "**Credit Agreement**"), providing for extensions of credit to be made to Grantors (or one or more affiliates thereof) by Grantee and Lenders; and

WHEREAS, pursuant to the terms of a certain Guarantee and Collateral Agreement of even date herewith among Grantors, one or more of their affiliates and Grantee (as the same may be amended or otherwise modified from time to time, the "**Collateral Agreement**"), Grantors have granted to Grantee, for the benefit of Secured Parties, a security interest in substantially all of the assets of Grantors including all right, title and interest of Grantors in, to and under all now owned and hereafter acquired Patents (as defined in the Collateral Agreement), and all products and proceeds thereof, to secure payment and performance of the Obligations;

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

1.   **Incorporation of Credit Agreement and Collateral Agreement.**   The Credit Agreement and Collateral Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Collateral Agreement.

2.   **Grant and Reaffirmation of Grant of Security Interests.**   To secure payment and performance of the Obligations, Grantors hereby grant to Grantee, for the benefit of Secured Parties, and hereby reaffirm their prior grant pursuant to the Collateral Agreement of, a continuing security interest in Grantors' entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "**Patent Collateral**"), whether now owned or existing and hereafter created, acquired or arising:

      (i)   each Patent and application for Patent listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof; and

      (ii)   all products and proceeds of the foregoing, including, without limitation, any claim by Grantors against third parties for past, present or future infringement of any Patent.

Notwithstanding anything to the contrary in this Agreement, this Agreement shall not constitute a grant of a security interest in any Excluded Property (as defined in the Collateral Agreement).
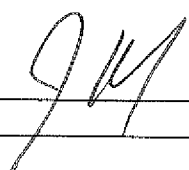
[Signature Page Follows]

IN WITNESS WHEREOF, Grantors have duly executed this Agreement as of the date first written above.
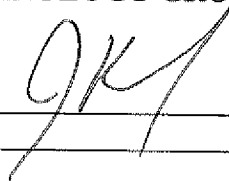
NORTH SAILS GROUP, LLC

By _____

Its _____

SOUTHERN SPARS GROUP, LLC

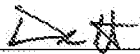By _____

Its _____

NORTH TECHNOLOGY GROUP, LLC

By _____

Its _____

Agreed and Accepted
As of the Date First Written Above

NXT CAPITAL, LLC,
as Agent

By _____

Its __Director__ _____

Patent Security Agreement

SCHEDULE 1

PATENTS

Patent Description	U.S. Patent No.	Grantor
Continuous method of making a three dimensional sail	6,106,649	North Sails Group, Inc. n/k/a North Sails Group, LLC
Process for producing a convex sail or a tensile structure	6,230,641	North Sails Group, LLC
Three layer molded sail construction	6,302,045	North Marine Group n/k/a North Technology Group, LLC
Sail of one piece three dimensional fabric	6,332,420	North Marine Group n/k/a North Technology Group, LLC
Sailcloth having improved stability	6,624,098	North Marine Group n/k/a North Technology Group, LLC
Sailcloth	6,725,885	North Sails Group, LLC
Fiber composite continuous tension members for sailboat masts and other tensioning member supported structures	7,540,250	Southern Spars Group Partnership n/k/a Southern Spars Group, LLC
Sailcloth	7,886,777	North Sails Group, LLC