

04-27-2001



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04-12-2001

U.S. Patent & TMO/TM Mail Rpt Dt. #58

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

4-17-01

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

#### Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

#### Conveyance Type

- Assignment  License
  - Security Agreement  Nunc Pro Tunc Assignment
  - Merger  Change of Name
  - Other
- Effective Date  
Month Day Year

#### Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year

Formerly

75870810

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual  General Partnership  Limited Partnership  Association
- Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

#### FOR OFFICE USE ONLY

04/26/2001 AAHMED1 00000322 75870810

01 FC:481 40.00 OP  
02 FC:482 150.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK  
REEL: 002282 FRAME: 0447

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75/870,810"/>	<input type="text" value="75/754,765"/>	<input type="text"/>
<input type="text" value="75/881,276"/>	<input type="text" value="75/754,799"/>	<input type="text"/>
<input type="text" value="75/870,924"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="2,371,785"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="2,385,178"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:  
Deposit Account

Enclosed  Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes  No

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. Charges to deposit account are authorized, as indicated herein.

Robert H. G. Lockwood

Name of Person Signing

Signature

4/12/01

Date Signed

## PATENT AND TRADEMARK SECURITY AGREEMENT

This **PATENT AND TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of November 21, 2000, by **POWERSPORTS, INC.**, a Florida corporation (the "Grantor") in favor of **THE CIT GROUP/BUSINESS CREDIT, INC.**, a New York corporation, in its capacity as agent for Lenders ("Agent").

### WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement, dated as of the date hereof, by and among Grantor, the other Borrowers (as defined therein), Agent and the Persons signatory thereto from time to time as Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lenders have agreed to make the Loans and to incur Letter of Credit Obligations for the benefit of the Borrowers; and

WHEREAS, the Grantor is the owner of all of the trademark and patent applications and registrations as set forth on Schedule 1 hereto (the "Intellectual Property");

WHEREAS, Agent and Lenders are willing to make Revolving Credit Loans and to incur Letter of Credit Obligations as provided for in the Loan Agreement, but only upon the condition, among others, that the Grantor shall have executed and delivered to Agent, for itself and the ratable benefit of Lenders, this 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, the 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 Loan Agreement.

2. GRANT OF SECURITY INTEREST IN THE INTELLECTUAL PROPERTY. The Grantor hereby grants to Agent, on behalf of itself and Lenders, a continuing first priority security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Intellectual Property Collateral"):

(a) all of the Grantor's Intellectual Property and Intellectual Property Licenses to which Grantor is a party including those referred to on Schedule 1 hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, Intellectual Property and each Intellectual Property License; and

(d) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future (i) infringement or dilution of any Intellectual Property or Intellectual Property licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Intellectual Property or any Intellectual Property licensed under any Intellectual Property License.

## 2. RIGHTS AND REMEDIES.

(a) The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and Lenders, pursuant to the Loan Agreement. The Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Intellectual Property made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein;

(b) Notwithstanding anything to the contrary herein or in any of the other Loan Documents, if any Default or Event of Default under the Loan Agreement or any other Loan Document shall have occurred, or if the Grantor fails to perform any agreement or to meet any of the obligations to the Agent hereunder, in addition to any and all other rights and remedies that Agent may have in the Loan Agreement, in any other Loan Document or at law, all of the right, title and interest of the Grantor in and to the Intellectual Property shall be automatically granted, assigned, conveyed and delivered to the Agent or its designee, and the Grantor hereby irrevocably constitutes and appoints Agent and any officer, agent or employee thereof, with full power of substitution, as its true and lawful attorney-in-fact, with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or Agent's own name or the name of Agent's designee, all acts of said attorney being hereby ratified and confirmed, except to the extent any of the same constitute gross negligence or willful misconduct, such power being coupled with an interest is irrevocable, upon the occurrence of a Default or an Event of Default: (i) to complete, date, execute and file or cause to be filed the Assignment attached hereto as Exhibit A and incorporated hereby by reference (the "Assignment") in the United States Patent and Trademark Office and in all other applicable offices, including any state and county filing offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment; (ii) to collect proceeds from the Intellectual Property (including, by way of example, license royalties and proceeds of infringement suits); (iii) to convey in any transaction authorized by the Loan Agreement, any goods covered by the registrations listed on Schedule 1 to any purchaser thereof; (iv) to make payment or discharge taxes or liens levied or placed upon or threatened against any goods covered by the registrations listed on Schedule 1, the legality or validity thereof and the amounts necessary to discharge the same to be determined by Agent, in its sole discretion, and such payments made by Agent to become the obligations of the Grantor to Agent, due and payable immediately, without demand.

IN WITNESS WHEREOF, the Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

POWERSPORTS, INC.

By: [Signature]  
Name: Brian Neill  
Title: EVP

ACKNOWLEDGMENT OF GRANTOR

STATE OF GEORGIA )  
 ) ss.  
COUNTY OF FULTON )

On this 21 day of November, 2000 before me personally appeared Brian Neill, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of PowerSports, Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

{seal}

Frances H. Cranford  
Notary Public



ACCEPTED AND ACKNOWLEDGED BY:

THE CIT GROUP/BUSINESS CREDIT, INC.,  
as Agent

By: [Signature]  
Name: Levi K. Schatz  
Title: Vice President

**SCHEDULE 1  
TO  
PATENT AND TRADEMARK SECURITY AGREEMENT**

<b><u>TRADEMARK</u></b>	<b><u>REGISTRATION FILED</u></b>	<b><u>SERIAL/ REGISTRATION #</u></b>	<b><u>STATUS</u></b>
PowerSports	July 25, 2000	#2371785 (Supplemental Register)	Registered
PowerSports design	July 29, 1999	#T99909 (Florida Registration) Saegis Record #3000029465	Registered
PowerSports World	July 12, 1999	#75754799	Pending
PowerSportsUSA	September 12, 2000	#2385178	Registered
PowerSportsUSA design	May 10, 1999	#T99591 (Florida Registration) Saegis Record #3000028538	Registered
ePowerSports.com	July 12, 1999	#75754765	Pending
ebikes.com	December 13, 1999	#75870924	Pending
Varooms.com	December 23, 1999	#75881276	Pending
PowerSports.com	December 13, 1999	#75870810	Pending
Wilson Sonsini			Pending

<b><u>PATENT</u></b>	<b><u>REGISTRATION FILED</u></b>	<b><u>SERIAL/ REGISTRATION #</u></b>	<b><u>STATUS</u></b>
System and method for presenting exploded view diagrams over the Internet/Wilson Sonsini	May 18, 2000	60/205,658	Pending

**EXHIBIT A  
TO  
PATENT AND TRADEMARK SECURITY AGREEMENT**

**ASSIGNMENT OF INTELLECTUAL PROPERTY AND GOODWILL**

THIS ASSIGNMENT dated the 21 day of November, 2000 from **POWERSPORTS, INC.**, a Florida corporation ("Assignor"), to **THE CIT GROUP/BUSINESS CREDIT INC.**, a New York corporation (the "Assignee"), recites and provides:

WHEREAS, Assignor is the owner of certain U.S. and state trademark applications and registrations and one U.S. patent application to register therefor, as listed in Schedule 1 hereto ("Intellectual Property"); and

WHEREAS, Assignee desires to obtain for the Lenders all of the Assignor's right, title and interest in all such Intellectual Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor hereby grants, assigns and conveys to Assignee, its successors and assigns, the entire right, title and interest of Assignor in and to the Intellectual Property, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements, together with the goodwill of the business symbolized by the Intellectual Property. Assignor acknowledges that it has granted Assignee the right to secure the assets of Assignor associated with the business symbolized by the Intellectual Property, under separate agreement.

Assignor further agrees to execute such further instruments and documents and perform such further acts as Assignee may deem necessary to secure to Assignee the rights herein conveyed.

**POWERSPORTS, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Attest: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_