

05-17-2002

Form PTO-1594  
(Rev. 03/01)  
OMB No. 0651-0027 (exp. 5/31/2002)  
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U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

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

## 1. Name of conveying party(ies):

World Yacht, Inc.

5.10.02

- ☐ Individual(s) ☐ Association  
☐ General Partnership ☐ Limited Partnership  
☒ Corporation-State New York  
☐ Other \_\_\_\_\_

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

## 3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Other \_\_\_\_\_

Execution Date: February, 2002

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

Name: Den norske Bank ASA

Internal

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

Street Address: 200 Park Avenue

City: New York State: NY Zip: 10004

- ☐ Individual(s) citizenship \_\_\_\_\_  
☐ Association \_\_\_\_\_  
☐ General Partnership \_\_\_\_\_  
☐ Limited Partnership \_\_\_\_\_  
☒ Corporation-State Norway  
☐ Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☐ No  
 (Designations must be a separate document from assignment)  
 Additional name(s) & address(es) attached? ☐ Yes ☐ No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,473,641

1,484,860

1,480,148

Additional number(s) attached ☐ Yes ☒ No

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

Name: Arthur Lichtenstein

Internal Address: c/o Seward &amp; Kissel LLP

Street Address: One Battery Park Plaza

City: New York State: NY Zip: 10004

## 6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 120.00

- ☒ Enclosed  
☐ Authorized to be charged to deposit account

## 8. Deposit account number:

Attach duplicate copy of this page if paying by deposit account

## 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.

Karl Andren

Name of Person Signing

Signature

February, 2002  
 Date

Total number of pages including cover sheet, attachments, and document: 3

05/16/2002 DBYRNE 00000234 1473641

01 FC:481  
02 FC:482

40:00 00 Documents to be recorded with required cover sheet information to:  
50.00 00 Commissioner of Patent & Trademarks, Box Assignments  
Washington, D.C. 20231

Refund Ref: 05/16/2002 DBYRNE

OFFICE OF TRADEMARK RECORDS  
 2002 MAY 10 PM 3:35  
 FINANCE SECTION  
 CHECK Refund Total: \$30.00

TRADEMARK

REEL: 002507 FRAME: 0457

TRADEMARK, PATENT AND COPYRIGHT SECURITY AGREEMENT

THIS TRADEMARK, PATENT AND COPYRIGHT SECURITY AGREEMENT dated February 26, 2002 by and between WORLD YACHT, INC., a corporation incorporated under the laws of the State of New York (the "Grantor"), with offices at Circle Line Plaza, West End of 42nd Street, New York, New York, and DEN NORSKE BANK ASA, a bank incorporated under the laws of the Kingdom of Norway, acting through its New York branch, with offices at 200 Park Avenue, New York, New York, as security trustee (in such capacity, the "Security Trustee") under the Loan Agreement (as such term is hereinafter defined).

WITNESSETH THAT

WHEREAS:

A. By a term loans and revolving credit agreement dated the date hereof (herein, as at any time amended and/or supplemented, called the "Loan Agreement") among Circle Line-Sightseeing Yachts, Inc., a New York corporation and the owner of all of the issued and outstanding shares of common stock of the Grantor (the "Borrower"), the Security Trustee, the banks and financial institutions set forth on Schedule A thereto (collectively, the "Lenders") and Den norske Bank ASA, as agent (in such capacity, the "Agent") for the Lenders, the Lenders have agreed to make available to the Borrower (a) loans (collectively the "Term Loans") in the aggregate principal amount of US\$34,500,000 and (b) a revolving credit facility (the "Facility") in the maximum principal amount of US\$3,000,000 at any one time outstanding;

B. Pursuant to the terms and conditions of the Loan Agreement, the Grantor has, by a guaranty dated the date hereof (the "Guaranty"), guaranteed to the Security Trustee, for the benefit of the Lenders, the payment and performance of the obligations of the Borrower under or in connection with the Loan Agreement and any interest rate swap agreements entered into between the Borrower and the Lenders, or any of them, in connection therewith; and

C. It is a condition precedent to the making of the Term Loans and the establishment of the Facility under the Loan Agreement that, as security for (i) the due and punctual payment in full by the Grantor when due, whether at stated maturity, on demand, by acceleration or otherwise, of its obligations under

the Guaranty and the Security Documents (as such terms are defined in the Loan Agreement) and (ii) the performance by the Grantor of its obligations and liabilities under the Guaranty and the Security Documents (all of the foregoing being hereinafter collectively referred to as the "Obligations"), the Grantor execute and deliver this Agreement pursuant to which the Grantor shall grant to the Security Trustee a security interest in all of its right, title and interest in and to all "Patents", "Trademarks" and "Copyrights" in the name of the Grantor, as those terms are defined in Paragraph 2 hereof, and to grant to the Security Trustee a power of attorney to foreclose upon and sell the Grantor's interests in the Patents, Trademarks and Copyrights (hereinafter collectively referred to as the "Collateral") under the circumstances set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Lenders to advance the Term Loans and make the Facility available pursuant to the Loan Agreement, the Grantor hereby agrees with the Security Trustee as follows:

1. The Loan Agreement and the terms and provisions thereof are incorporated herein in their entirety.

2. (a) To secure the payment and performance of all of the Obligations, the Grantor hereby grants to the Security Trustee for the benefit of the Lenders a first and valid lien and security interest in all of the Grantor's right, title and interest, in the United States and throughout the world, in and to all of its now owned and hereafter acquired United States and foreign patents and all patent and design patent applications, and all reissues, continuations or divisions thereof, and all proceeds thereof (hereinafter collectively referred to as "Patents"). All unexpired patents and all currently pending patent applications in which the Grantor has an interest are listed on Schedule A attached hereto are made part hereof. Subject to the provisions of Paragraph 15, the Grantor hereby further grants to the Security Trustee a first and valid security interest in all of the Grantor's right, title and interest in and to all income, royalties, damages and payments now and hereafter due and/or payable under all Patents and, subject to the provisions of Paragraph 15, in and to all rights during the term of this Agreement to sue, collect and retain for its own benefit damages and payments for past or future infringements of the Patents.

(b) To secure the payment and performance of all of the Obligations, the Grantor hereby grants to the Security Trustee a first and valid lien and security interest in all of the Grantor's right, title and interest, in the United States and

throughout the world, in and to all of its now owned and hereafter acquired trademarks, service marks and trade names, including, without limitation, the names "World Yacht Enterprise Luxury Harbor Cruises" "World Yacht Cruises" and "New York's Royal Navy" (whether or not such name is the subject of a registration or an application therefor), and all registrations and applications to register same, and all renewals thereof, and the goodwill of the business relating thereto, and all proceeds thereof (hereinafter collectively referred to as "Trademarks"). All trademark registrations and all currently pending trademark applications in which the Grantor has an interest are listed on Schedule B attached hereto and made a part hereof. Subject to the provisions of Paragraph 15, the Grantor hereby further grants to the Security Trustee a first and valid lien and security interest in all of the Grantor's right, title and interest in and to all income, royalties, damages and payments now and hereafter due and/or payable under all Trademarks and, subject to the provisions of Paragraph 15, in and to all rights during the term of this Agreement to sue, collect and retain for its own benefit damages and easements for past or future infringements of the Trademarks.

(c) To secure the payment and performance of all of the Obligations, the Grantor hereby grants to the Security Trustee a first and valid lien and security interest in all of the Grantor's right, title and interest, in the United States and throughout the world, in and to all of its now owned and hereafter acquired copyrights, and all registrations and applications to register same, and all renewals thereof, and all proceeds thereof (hereinafter collectively referred to as "Copyrights"). All copyright registrations and all currently pending copyright applications in which the Grantor has an interest are listed on Schedule C attached hereto and made a part hereof. Subject to the provisions of Paragraph 15, the Grantor hereby further grants to the Security Trustee a first and valid lien and security interest in all of the Grantor's right, title and interest in and to all income, royalties, damages and payments now and hereafter due and/or payable under all Copyrights and, subject to the provisions of Paragraph 15, in and to all rights during the term of this Agreement to sue, collect and retain for its own benefit damages and payments for past or future infringements of the Copyrights.

3. None of the Collateral is or shall become subject to any lien, security interest or other encumbrance other than that of the Security Trustee granted hereby or as permitted pursuant to the Loan Agreement, and the Grantor agrees that it shall not license, transfer, convey or encumber any interest in or to the Collateral without the prior express written consent of the Security Trustee.

4. All Collateral consisting of applications for Patents and for registrations of Trademarks and Copyrights has been duly and properly filed and all Collateral consisting of Patents and of registrations of Trademarks and Copyrights (including, without limitation, any and all renewals, reissues, continuations or divisions thereof, as the case may be) has been duly and properly filed and issued and is valid and enforceable.

5. Promptly upon the filing of any patent application or application for registration of a trademark or copyright and upon the issuance of any patent or trademark or copyright registration, the Grantor agrees to execute an addendum to this Agreement which addendum shall identify such patent, trademark or copyright application or such patent or trademark or copyright registration as necessary to perfect a lien and security interest in such patent, trademark or copyright application or such patent or trademark or copyright registration, and, with respect to United States patent applications or patent registrations and United States trademark applications or trademark registrations, the Grantor shall cause such addendum to be recorded in the U.S. Patent and Trademark Office, and with respect to United States copyright applications or copyright registrations, the Grantor shall cause such addendum to be recorded in the U.S. Copyright Office.

6. The Grantor shall not take any action, nor permit any action to be taken by others subject to the Grantor's control, including licensees, or fail to take any action, or permit others subject to the Grantor's control, including licensees, to fail to take any action, subject to the provisions of Paragraph 10, which would, in the case of any such actions or failures to act taken singly or together, affect the validity, grant and enforceability of the Collateral.

7. The Grantor shall promptly notify the Security Trustee, in writing, of any suit, action, proceeding or counterclaim brought against the Grantor relating to, concerned with, or affecting the Collateral, and shall, on request, deliver to the Security Trustee a copy of all pleadings, papers, orders or decrees theretofore and thereafter filed in any such suit, action or proceeding, and shall keep the Security Trustee fully advised in writing of the progress of any such suit.

8. In the event of any infringement of the Collateral by other parties or in the event of any other conduct detrimental to the Collateral by other parties known or brought to the attention of the Grantor, the Grantor shall promptly notify the Security Trustee in writing at the address set forth below of such infringement or other conduct and the full nature, extent, evidence and facts of such infringement or other conduct known to

the Grantor. The Grantor shall, if it deems prudent and in its best interest, proceed to take action against such infringement or detrimental conduct and to seek appropriate relief in a reasonable manner, in order to terminate such infringement or conduct by the parties involved. Subject to other provisions of this Agreement, the Grantor shall assume and continue, at its own cost and expense, through counsel of its own choice who is acceptable to the Security Trustee, full and complete responsibility for the prosecution of any infringement of or other conduct adversely affecting the Collateral and otherwise defend and assure the grant, validity and enforceability of the Collateral, whether by judicial or nonjudicial means, all in order that the Grantor comply fully with the provisions of this Paragraph 8.

9. If requested by the Security Trustee, the Grantor shall yearly provide the Security Trustee a complete status report of all Collateral. Upon request by the Security Trustee, the Grantor shall deliver to counsel for the Security Trustee copies of any such Collateral and other documents concerned with or related to the prosecution, protection, maintenance, enforcement and issuance of the Collateral.

10. The Grantor shall notify the Security Trustee in writing at the address set forth below at least two months prior to any voluntary abandonment of any Collateral and obtain the written permission of the Security Trustee to such abandonment, which permission shall not be unreasonably withheld. In the event that such permission to abandon is denied by the Security Trustee, then the Grantor shall take all reasonably necessary action, at its own expense, to continue and maintain such Collateral in force.

11. Subject to any other express provision of this Agreement, if an Event of Default (as such term is defined in the Loan Agreement) shall have occurred and be continuing or upon the failure, neglect or refusal by the Grantor to file, prosecute, defend, issue, maintain, enforce or otherwise take action in respect to the Collateral as required hereby, or to carry out any other obligation or duty of the Grantor under this Agreement, then the Grantor hereby appoints and designates the Security Trustee its sole attorney-in-fact, to act in its name, place and stead, to take any such action as the Security Trustee reasonably deems necessary or advisable under the circumstances, including, without limitation, the employment of counsel, and the Grantor shall pay all reasonable fees and expenses, including attorneys' fees and expenses, incurred by the Security Trustee in connection with such action.

12. Any and all monies received by the Security Trustee under this Agreement shall be applied as provided in Clause 11 of the Loan Agreement.

13. Upon full and complete payment and performance of the Obligations, this Agreement and the power of attorney granted herein at Paragraph 11 shall terminate and the Security Trustee shall release the Collateral from this Agreement, and shall execute and deliver (at the Grantor's sole cost and expense, either directly or in reimbursement of costs and expenses reasonably incurred by the Security Trustee) all documents as may be reasonably necessary to render the Collateral free and clear of any security interest created pursuant to this Agreement.

14. During the term of this Agreement, the Grantor agrees:

(b) whenever any of the Trademarks are used by or on behalf of the Grantor, to affix or cause to be affixed a notice that the mark is a trademark, a service mark or is registered, which notice shall be in a form accepted or required by the trademark marking laws of each country in which the mark is so used; and

(c) whenever any of the underlying works covered by the Copyrights are used by or on behalf of the Grantor, to affix or cause to be affixed a notice that said underlying works are so covered, which notice shall be in a form accepted or required by the copyright laws of each country in which said underlying works are so used.

15. During the term of this Agreement, all income, royalties, payments and damages due and payable to the Grantor under the Collateral shall be paid to the Grantor; provided, however, if an Event of Default shall have occurred and be continuing, all income, royalty payments and damages received thereafter shall be paid directly to the Security Trustee and shall be applied by the Security Trustee as provided in paragraph 12 of this Agreement. The Security Trustee shall have the right to notify payors to make their payments directly to the Security Trustee upon the occurrence of an Event of Default.

16. Should any part or provision of this Agreement be held unenforceable or conflicting with the law of any jurisdiction, the validity of the remaining parts or provisions hereof shall not be affected thereby. Should any part or provision of this Agreement be deemed by a court or other governmental authority of competent jurisdiction to be an assignment of any Trademark so as to result in the Grantor's abandonment thereof, such part or provision (but no other) shall

be construed as providing for a security interest and not an assignment, all in order to preclude such abandonment and, if such construction shall not be accepted by such court or other governmental authority, such part or provision (but no other) shall be deemed null and void as to such Trademark in the jurisdiction where abandonment might otherwise result.

17. The Grantor agrees, upon the reasonable request by the Security Trustee during the term of this Agreement:

(a) to execute, acknowledge and deliver all additional instruments and documents necessary or advisable to effect the purpose of this Agreement, in a form reasonably acceptable to counsel for the Security Trustee; and

(b) to do all such other acts as may be necessary or appropriate in order to carry out the intent and purpose of this Agreement, and to protect the security interests of the Security Trustee in the Collateral.

18. Every notice or demand under this Agreement shall be in writing and may be given or made by letter or telecopy.

(a) Every notice or demand shall be sent as follows:

If to the Grantor:

World Yacht, Inc.  
Circle Line Plaza  
West End of 42nd Street  
New York, New York 10036-1095

Telecopy No. (212) 630-8105

Attention: Robert Maher  
Director of Finance

If to the Security Trustee:

Den norske Bank ASA  
New York Branch  
200 Park Avenue  
New York, New York 10166

Telecopy No. (212) 681-3900

Attention: Shipping Department

Any notice sent by telecopy shall be confirmed by letter dispatched as soon as practicable thereafter.



(b) Every notice or demand shall, except so far as otherwise expressly provided by this Agreement, be deemed to have been received (provided that it is received prior to 2:00 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day (as such term is defined in the Loan Agreement)), in the case of a telecopy, at the time of dispatch thereof (provided further that if the date of dispatch is not a Banking Day in the locality of the party to whom such notice or demand is sent it shall be deemed to have been received on the next following Banking Day in such locality) and, in the case of a letter, at the time of receipt thereof.

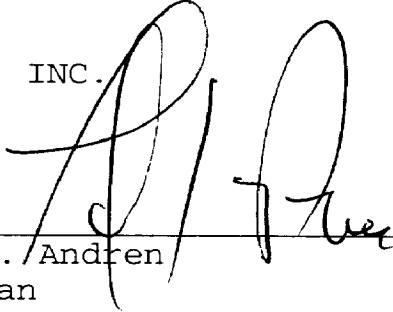
19. (a) IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO THAT EACH OF THEM HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY HERETO AGAINST THE OTHER PARTY HERETO ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

(b) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

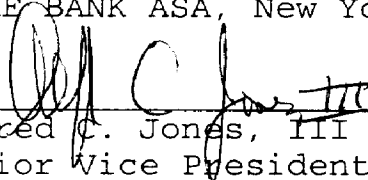
WORLD YACHT, INC.

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

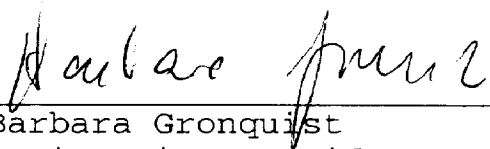
  
Karl G. Andren  
Chairman

By Special Authority for  
DEN NORSKE BANK ASA, New York branch

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

  
Alfred C. Jones, III  
Senior Vice President

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

  
Barbara Gronquist  
Senior Vice President

Patents And Patent Applications

A. Patents  
None

B. Patent Applications  
None

Trademarks And Trademark Applications

## A. Trademarks

<u>United States Mark</u>	<u>Registration No.</u>	<u>Issued</u>
World Yacht	1,473,641	1-19-88
Elegant Dining Afloat	1,484,860	4-12-88
World Yacht Cruises (Logo)	1,480,148	3-8-88

## B. Trademark Applications

None

COPYRIGHTS AND COPYRIGHT APPLICATIONS

- A. Copyrights  
None
- B. Copyright Applications  
None

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