

02-07-2003



Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

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J.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies): 2-5-03 Sumerset Custom Houseboats, Inc., as successor to Sumerset Marine, Inc.

- Individual(s) Association General Partnership Limited Partnership Corporation-State 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:

2. Name and address of receiving party(ies)

Name: Fifth Third Bank, Kentucky, Inc.

Internal Address:

Street Address: 250 West Main Street, Suite 100

City: Lexington State: KY Zip: 40507

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Kentucky 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) 2,511,906

2,270,325 and 2,586,614

Additional number(s) attached Yes No

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

Name: Dan M. Rose, Esq.

Internal Address: Stoll, Keenon & Park, LLP

300 West Vine Street, Suite 2100

Lexington, KY 40507-1801

Street Address: same as above

City: State: Zip:

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:

02/06/2003 DDYRNE 00000049 2511906

DO NOT USE THIS SPACE

01 FC:85219. Signature. 40.00/OP 02 FC:8522 50.00/OP

Signature of Dan M. Rose

Signature

Date: 1/28/03

Name of Person Signing

Signature

Date

Refund Ref: 02/06/2003 DDYRNE 0000124157

Total number of pages including cover sheet, attachments, and document: 5

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

CHECK Refund Total: \$30.00

TRADEMARK REEL: 002666 FRAME: 0289

**CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS**

THIS CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS ("Conditional Assignment"), dated as of December 27, 2002, is made by **SUMERSET CUSTOM HOUSEBOATS, INC., fka ENVY HOUSEBOATS, INC., dba Somerset Houseboats**, an Ohio corporation, with its principal office and place of business at 375 Parkers Mill Road (a.k.a. 200 Somerset Boulevard), Somerset, Kentucky 42501 (the "Company"), in favor of **FIFTH THIRD BANK, KENTUCKY, INC.**, a Kentucky corporation, whose address is 250 West Main Street, Suite 100, Lexington, Kentucky 40507 (the "Bank"), under the Second Amended and Restated Loan Agreement dated as of May 1, 2002, as amended by the First Amendment thereto, dated as of November 16, 2002 and as further amended by the Second Amendment thereto, dated as of the date hereof (as amended, the "Loan Agreement") between the Company, Bank and the guarantors listed on the signature pages thereto.

WITNESSETH:

WHEREAS, pursuant to the Loan Agreement, the Bank has made four (4) loans to the Borrower in the aggregate amount of Six Million Five Hundred Five Thousand Four Hundred Fifteen and 56/100 Dollars (\$6,505,415.56);

WHEREAS, in connection with the Loan Agreement, the Company has executed and delivered a Security Agreement to Bank (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement");

WHEREAS, as a condition precedent to the making of the loan under the Loan Agreement, the Company is required to execute and deliver this Conditional Assignment; and

WHEREAS, the Company has duly authorized the execution, delivery and performance of this Conditional Assignment.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Bank to make the loans and other financial accommodations pursuant to the Loan Agreement, the Company agrees, for the benefit of the Bank, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Conditional Assignment, including its preamble and recitals, have the meanings provided by reference in the Security Agreement.

SECTION 2. Conditional Assignment and Grant of Security Interest. The Company hereby pledges, and grants a continuing interest in, and a right of setoff against, and effective upon demand made upon the occurrence and during the continuance of an Event of Default under the Loan Agreement or Security Agreement assigns, transfers and conveys, the Collateral described in the Security Agreement (including, without limitation, those items listed on Schedule A hereto), to the Bank to secure payment, performance and observance of the obligations secured by the Security Agreement.

SECTION 3. Purpose. This Conditional Assignment has been executed and delivered by the Company for the purpose of registering the conditional assignment and grant of security interest herein with the United States Patent and Trademark Office. The conditional assignment and security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Bank under the Security Agreement. The Security Agreement (and all rights and remedies of the Bank thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Acknowledgment. The Company does hereby further acknowledge and affirm that the rights and remedies of the Bank with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 5. Counterparts. This Conditional Assignment may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN WITNESS WHEREOF, the undersigned has caused this Conditional Assignment to be duly executed and delivered by its officer hereunto duly authorized as of the day and year first above written.

SUMERSET CUSTOM HOUSEBOATS, INC.

By: Carol A. Neckel
Name: CAROL A. NECKEL
Title: PRESIDENT / CEO

STATE OF KENTUCKY
COUNTY OF Pulaski

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Carol Neckel with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President - CEO of SUMERSET CUSTOM HOUSEBOATS, INC., an Ohio corporation, and acknowledged before me that he, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the company.

WITNESS my hand and official seal at office this 27th day of December, 2002.

Molly R. Rose
NOTARY PUBLIC
My commission expires: 1-7-06

Schedule A

1. US Trademark Registration No. 2,586,614 for: Sumertime – Owned by Somerset Custom Houseboats, Inc.
2. US Trademark Registration No. 2,511,906 for: American Waterways – Owned by Somerset Custom Houseboats, Inc.
3. US Trademark Registration No. 2,270,325 for: Somerset Houseboats – Owned by Somerset Custom Houseboats, Inc. as successor to Somerset Marine, Inc.