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02-12-2004

1 SHEET

U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94)



Tab settings 000

To the Honorable Commissioner of

102668098

attached original documents or copy thereof.

1. Name of conveying party(ies):

America's Powersports, Inc., a Delaware corporation

- 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: January 22, 2004

2. Name and address of receiving party(ies)

Name: Triangle Mezzanine Fund, LLLP, as Administrative Agent

Internal Address: Suite 104

Street Address: 3600 Glenwood Avenue

City: Raleigh State: NC ZIP: 27608

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State, Other Limited Liability Limited Partnership

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 patent number(s):

A. Trademark Application No.(s)

78-203737 - pending
78-203730 - pending

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Valerie M. Webb

Internal Address: Bass Berry & Sims PLC

315 Deaderick Street, AmSouth Center

Suite 2700

Street Address: 315 Deaderick Street

City: Nashville State: TN ZIP: 37238

6. Total number of applications and registrations involved: 2

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

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

20-0052

(Attach duplicate copy of this page if paying by deposit account)

US PATENT & TRADEMARK OFFICE
RECEIVED
JAN 28
AM: 37

02/11/2004 REGISTRATION 00000000 200052 78203737

DO NOT USE THIS SPACE

01 FC:8521 40.00 DA
02 FC:4522 25.00 DA

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.

Christine E Wilson
Valerie M. Webb

Handwritten signature of Valerie M. Webb

January 23, 2004

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK REEL: 002912 FRAME: 0439

	<u>Trademarks</u>	<u>Serial Numbers</u>	<u>Status</u>
1.	America's PowerSports	78-203737	Pending
2.	APS America's PowerSports	78-203730	Pending



01-28-2004

U.S. Patent & TMO/TM Mail Rcpt Dt. #39

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of January 22, 2004 (as amended, supplemented or otherwise modified from time to time, the "Intellectual Property Security Agreement"), is made by the undersigned (the "Grantor") in favor of TRIANGLE MEZZANINE FUND, LLLP, a North Carolina limited liability limited partnership, as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (as defined in the Guarantee and Security Agreement referred to below).

RECITALS:

America's PowerSports, Inc., a Delaware corporation, has entered into a Credit Agreement, dated as of January 22, 2004 (as amended, supplemented, replaced or otherwise modified from time to time, the "Credit Agreement"), with the financial institutions and other entities from time to time party thereto and the Administrative Agent.

It is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that the Grantor shall have executed and delivered that certain Security Agreement (Including Guarantee), dated as of January 22, 2004, among the Grantor and the other persons party thereto, as grantors, in favor of the Administrative Agent (as amended, supplemented, replaced or otherwise modified from time to time, the "Guarantee and Security Agreement").

Under the terms of the Guarantee and Security Agreement, the Grantor has granted a security interest in certain Property, including, without limitation, certain Intellectual Property of the Grantor, to the Administrative Agent for the ratable benefit of the Secured Parties, and has agreed as a condition thereof to execute this Intellectual Property Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office, and other applicable Governmental Authorities.

Capitalized terms used and not defined herein have the meanings given such terms in the Credit Agreement or in the Guarantee and Security Agreement, as the case may be.

AGREEMENTS:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

SECTION 1. Grant of Security. The Grantor hereby grants to the Administrative Agent for the ratable benefit of the Secured Parties a security interest in and to all of Grantor's right, title and interest in and to the following (the "Intellectual Property Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of all of the indebtedness, liabilities and obligations of such Grantor in respect of the Obligations:

(a) (1) all trademarks, service marks, trade names, corporate names, company names, business names, trade dress, trade styles, logos or other indicia of origin or source identification, trademark and service mark registrations, and applications for trademark or service mark registrations and any new renewals thereof, including, without limitation, each registration and application identified in Schedule 1, (2) the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, (3) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (4) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above (collectively, the "Trademarks");

(b) (1) all patents, patent applications and patentable inventions, including, without limitation, each issued patent and patent application identified in Schedule 1, (2) all inventions and improvements described and claimed therein, (3) the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, (4) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (5) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto (collectively, the "Patents");

(c) (1) all copyrights, regardless of whether the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each registration and application identified in Schedule 1, (2) the rights to print, publish and distribute any of the foregoing, (3) the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, (4) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (5) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto ("Copyrights");

(d) (1) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, including, without limitation, any of the foregoing identified in Schedule 1, (2) the right to sue or otherwise recover for any and

all past, present and future infringements or misappropriations thereof, (3) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (4) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto (collectively, the "Trade Secrets");

(e) (1) all licenses or agreements, whether written or oral, providing for the grant by or to any Grantor of: (A) any right to use any Trademark or Trade Secret, (B) any right to manufacture, use or sell any invention covered in whole or in part by a Patent, and (C) any right under any Copyright including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright including, without limitation, any of the foregoing identified in Schedule 1, (2) the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations of any of the foregoing, (3) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and (4) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto; and

(f) any and all proceeds of the foregoing.

SECTION 2. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner of Patents and Trademarks and any other applicable government officer record this Intellectual Property Security Agreement.

SECTION 3. Execution in Counterparts. This Intellectual Property Security Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

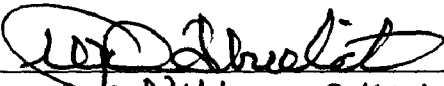
SECTION 4. Governing Law. This Intellectual Property Security Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of Tennessee.

SECTION 5. Conflict Provision. This Intellectual Property Security Agreement has been entered into in conjunction with the provisions of the Guarantee and Security Agreement and the Credit Agreement. The rights and remedies of each party hereto with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Guarantee and Security Agreement and the Credit Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Intellectual Property Security Agreement are in conflict with the Guarantee and Security Agreement or the Credit Agreement, the provisions of the Guarantee and Security Agreement or the Credit Agreement shall govern.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned Grantor has caused this Intellectual Property Security Agreement to be duly executed and delivered as of the date first above written.

AMERICA'S POWERSPORTS, INC., a Delaware corporation

By: 
Name: William O'Shields
Title: CFO