

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Confluence Holdings Corp.		05/16/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	American Capital Financial Services, Inc.		
Street Address:	2 Bethesda Metro Center		
Internal Address:	14th Floor		
City:	Bethesda		
State/Country:	MARYLAND		
Postal Code:	20814		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 22			
Property Type	Number	Word Mark	
Registration Number:	2425816	FORPLAY	
Registration Number:	1478617	MAD RIVER CANOE	
Registration Number:	1478616		
Registration Number:	2435333	WAVE SPORT	
Registration Number:	2932512	WAVE SPORT	
Registration Number:	2158103	WILDERNESS SYSTEMS	
Registration Number:	2214870	WINDRIDER	
Registration Number:	2441741	WINDRIDER RAVE	
Registration Number:	1317992	AQUATERRA	
Registration Number:	1678415	AQUATERRA	
Registration Number:	2151856	DAGGER	
Registration Number:	2035561		
Registration Number:	1272456		

CH \$565.00 2425816

Registration Number:	1525514	
Registration Number:	2516461	
Registration Number:	2516462	
Registration Number:	2876635	
Serial Number:	78225432	HARMONY
Serial Number:	76333983	HARMONY
Registration Number:	2773982	HARMONY
Registration Number:	2214393	MAINSTREAM
Registration Number:	1270592	PERCEPTION

CORRESPONDENCE DATA

Fax Number: (202)942-5999

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 703-720-7022

Email: trademarkdocketing@aporter.com

Correspondent Name: Melissa Cross

Address Line 1: 555 Twelfth Street, N.W.

Address Line 2: IP Docketing, Arnold & Porter LLP

Address Line 4: Washington, DISTRICT OF COLUMBIA 20004

NAME OF SUBMITTER:	Elizabeth Vary
Signature:	/elizabeth vary/
Date:	09/13/2005

Total Attachments: 12

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT, entered into as of May 16, 2005, by Confluence Holdings Corp., a Delaware corporation (the "Grantor") to and in favor of AMERICAN CAPITAL FINANCIAL SERVICES, INC., a Delaware corporation ("ACAS"), as agent for the Purchasers of the Senior Term B Notes, the Senior Secured Subordinated Notes and the Junior Secured Subordinated Notes identified in the Third Amended and Restated Credit and Note and Equity Purchase Agreement (the "Purchase Agreement") among the Grantor, ACAS and the Purchasers party thereto dated of even date herewith (in such capacity, the "Secured Party").

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement, the Purchasers have severally agreed to purchase the Senior Term B Notes, the Senior Secured Subordinated Notes and the Junior Secured Subordinated Notes (each as defined in the Purchase Agreement) (collectively, the "Notes") upon the terms and subject to the conditions set forth therein; and

WHEREAS, the Grantor is party to a Security Agreement of even date herewith in favor of the Secured Party (the "Security Agreement") and the Grantor is required to execute and deliver this Trademark Security Agreement pursuant to the Security Agreement and the Purchase Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and to induce the Purchasers and the Secured Party to enter into the Purchase Agreement and to induce the Purchasers to purchase the Notes thereunder, each Grantor hereby agrees with the Secured Party as follows:

SECTION 1. **Defined Terms.** Unless otherwise defined herein, terms defined in the Purchase Agreement or in the Security Agreement and used herein have the meaning given to them in the Purchase Agreement or the Security Agreement.

SECTION 2. **Grant of Security Interest in Trademark Collateral.** The Grantor, as collateral security for the full, prompt and complete payment when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of the Grantor, hereby mortgages, pledges, hypothecates and grants to the Secured Party, for the benefit of the Purchasers, a Lien on and a continuing security interest in all of the Grantor's right, title and interest in the following property of the Grantor now owned or hereafter acquired (collectively, the "Trademark Collateral"):

- (a) all of its Trademarks and Trademark Licenses to which it is a party, including, without limitation, those referred to on Schedule I hereto;
- (b) all renewals and of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each such Trademark; and

(d) all income, royalties, proceeds, damages and other Liabilities now or hereafter due or payable or asserted under and with respect to any of the foregoing, including all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

SECTION 3. **Grantor Remains Liable.** It is expressly agreed by the Grantor that, anything herein to the contrary notwithstanding, the Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with its Trademarks or Trademark Licenses, and shall hold the Secured Party harmless from any and all costs, damages, liabilities and expenses that may be incurred in connection with the Secured Party's interest in such Trademarks or Trademark Licenses or any other action or failure to act in connection with this Trademark Security Agreement, except to the extent the same are caused by the gross negligence or willful misconduct of the Secured Party. The Grantor shall remain liable for any and all claims by any Person that the conduct of the Grantor's business or products or processes of the Grantor infringe any rights of such person.

SECTION 4. **Security Agreement.** The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Secured Party pursuant to the Security Agreement and the Grantor hereby acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

SECTION 5. **Counterparts.** This Trademark Security Agreement may be executed in any number of separate counterparts, each of which shall collectively and separately constitute one agreement.

SECTION 6. **Applicable Law.** THIS TRADEMARK SECURITY AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF MARYLAND, WITHOUT GIVING EFFECT TO MARYLAND CHOICE OF LAW DOCTRINE.

SECTION 7. The obligations evidenced hereby are subject to the Senior Term B Notes Intercreditor Agreement and the Subordinated Notes Intercreditor Agreement, relating to the indebtedness and other liabilities owed by the Grantor under and pursuant to the Senior Credit Agreement and each related Senior Credit Document, and the Secured Party, by its acceptance hereof, acknowledges and agrees to be bound by the provisions thereof.

[Signature page follows]

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

GRANTOR(S):
CH Holding, Corp.

By: _____
Name: Richard Feehan
Title: President

Confluence Holdings Corp.

By: _____
Name: Richard Feehan
Title: Chief Executive Officer

Confluence Watersports Canada Inc.

By: _____
Name: Miriam Beckman
Title: Chief Financial Officer

Accepted and Agreed:

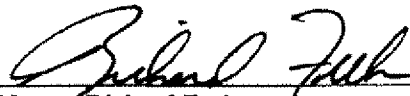
AMERICAN CAPITAL FINANCIAL SERVICES, INC.,
as the Secured Party

By:  _____
Name: Myung Yi
Title: Principal and Vice-President

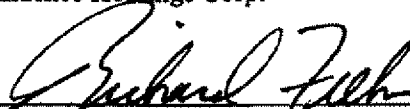
SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT

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

GRANTOR(S):
CH Holding, Corp.

By: 
Name: Richard Feehan
Title: President

Confluence Holdings Corp.

By: 
Name: Richard Feehan
Title: Chief Executive Officer

Confluence Watersports Canada Inc.

By: 
Name: Miriam Beckman
Title: Chief Financial Officer

Accepted and Agreed:

AMERICAN CAPITAL FINANCIAL SERVICES, INC.,
as the Secured Party

By: _____
Name: Myung Yi
Title: Principal and Vice-President

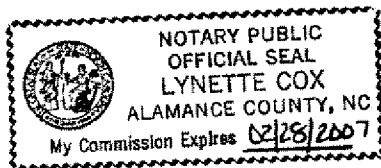
SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT

Acknowledgement of Grantor
STATE OF North Carolina)

COUNTY OF Alamance)

SS.

On this 16 day of May __, 2005 before me personally appeared Richard Feehan, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Confluence Holdings Corp, who being by me duly sworn did depose and say that he/she 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/Members and that he/she acknowledged said instrument to be the free act and deed of said corporation.



Lynette Cox
Notary Public

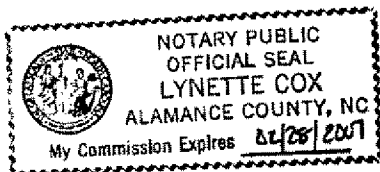
Acknowledgement of Grantor

STATE OF North Carolina

COUNTY OF Alamance

SS.

On this 16 day of May, 2005 before me personally appeared Richard Cohen, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of CH Polychrome Corp, who being by me duly sworn did depose and say that he/she 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/Members and that he/she acknowledged said instrument to be the free act and deed of said corporation.



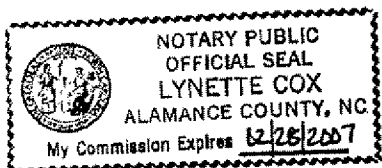
Lynette Cox
Notary Public

Acknowledgement of Grantor
STATE OF North Carolina

COUNTY OF Alamance

SS.

On this 16 day of May, 2005 before me personally appeared Marian Beckman, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Capitola Development, Limited, who being by me duly sworn did depose and say that he/she 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/Members and that he/she acknowledged said instrument to be the free act and deed of said corporation.



Lynette Cox
Notary Public

SCHEDULE I
to
Trademark Security Agreement

Trademarks

<u>Registration or Application Number</u>	<u>Country</u>	<u>Registration or Filing Date</u>	<u>Mark</u>
Serial No. 75/713582, Registration No. 2,425,816	United States	1/30/2001	FORPLAY
Serial No. 73/671624, Registration No. 1,478,617	United States	3/1/1988	MAD RIVER CANOE
Serial No. 73/671623, Registration No. 1,478,616	United States	3/1/1988	RABBIT LOGO
Serial No. 76/019417, Registration No. 2,435,333	United States	3/13/2001	WAVE SPORT
Serial No. 76/569787 (pending)	United States		WAVE SPORT
Serial No. 1074556, Registration No. TMA587556	Canada	8/20/2003	WAVE SPORT
Serial No. 1847508, Registration No. 1847508	CTM	11/28/2001	WAVE SPORT
Serial No. 2000102000, Registration No. 4465948	Japan	4/26/2001	WAVE SPORT
Serial No. CA 79857600, Registration No. 473460	Canada	3/24/1997	WAVESPORT
Serial No. 2196442, Registration No.	CTM	7/16/2002	WILDERNESS SYSTEMS

2196442

Serial No. 75/116836, Registration No. 2,158,103	United States	5/19/1998	WILDERNESS SYSTEMS
Serial No. 74/667870, Registration No. 2,214,870	United States	12/29/1998	WINDRIDER
Serial No. 75/447617, Registration No. 2,441,741	United States	4/10/2001	WINDRIDER RAVE
Serial No. 73/671623, Registration No. 1,478,616	United States	3/1/1988	DESIGN ONLY
Application No. 0642693, Registration No. TMA387973	Canada	8/23/1991	MAD RIVER CANOE
Application No. 0642695, Registration No. TMA380439	Canada	2/22/1991	RABBIT & DESIGN
File No. M66605, Registration No. 1172092	Germany	3/30/1991	FIGURATIVE MARK (BM)
File No. M66609, Registration No. 1172096	Germany	3/30/1991	MAD RIVER CANOE
Serial No. 73/459777, Registration No. 1,317,992	United States	2/5/1985	AQUATERRA
Serial No. 74/022820, Registration No. 1,678,415	United States	3/10/1992	AQUATERRA
Serial No. 75/169881, Registration No. 2,151,856	United States	4/21/1998	DAGGER
Serial No. 75/067450, Registration No. 2,035,561	United States	2/4/1997	DESIGN (box with circle, kayak and 2 canoes)
Serial No.	Brazil	12/15/1998	DESIGN (kayak and

819,162,140, Registration No. 819,162,140			2 canoes)
Serial No. 73/355626, Registration No. 1,272,456,	United States	4/3/1984	DESIGN (kayak and 2 canoes)
Serial No. 73/660690, Registration No. 1,525,514	United States	2/21/1989	DESIGN (kayak 2 spoons deck)
Serial No. 75/905835, Registration No. 2,516,461	United States	12/11/2001	DESIGN (kayak oblong deck)
Serial No. 75/905836, Registration No. 2,516,462	United States	12/11/2001	DESIGN (kayak slim deck)
Serial No. 76/530633, Registration No. 2,876,635	United States	8/24/2004	DESIGN (kayak with waterline)
Serial No. 78/225432 (pending)	United States		HARMONY
Serial No. 76/333983 (pending)	United States		HARMONY
Serial No. 76/334013, Registration No. 2,773,982	United States	10/14/2003	HARMONY
Serial No. 75/374679, Registration No. 2,214,393	United States	12/29/1998	MAINSTREAM
Serial No. 819,162,124, Registration No. 819,162,124,	Brazil	12/15/1998	PERCEPTION
Serial No. 775,510, Registration No.	France	1/9/1986	PERCEPTION

1,337,412

Serial No.
P33480/12Wz,
Registration No.
1,101,331

Germany

Registration Date:
1/8/1996, Germany

PERCEPTION

Serial No. 2000-
121524, Registration
No. 4,562,005,

Japan

4/19/2002

PERCEPTION

Serial No. 163,112,
Registration No.
163,112

New Zealand

1/9/1986

PERCEPTION

Serial No. 1,182,144,
Registration No.
1,182,144,

United Kingdom

3/22/1982

PERCEPTION

Serial No. 73/355625,
Registration No.
1,270,592

United States

3/20/1984

PERCEPTION