

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
Kitty Hawk, Inc.		07/19/2006	CORPORATION: DELAWARE
Kitty Hawk Cargo, Inc.		07/19/2006	CORPORATION: DELAWARE
Kitty Hawk Aircargo, Inc.		07/19/2006	CORPORATION: DELAWARE
Kitty Hawk Ground, Inc.		07/19/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	PNC Bank, N.A.
Street Address:	2121 San Jacinto; Suite 1850
City:	Dallas
State/Country:	TEXAS
Postal Code:	75201
Entity Type:	national association:

PROPERTY NUMBERS Total: 12

Property Type	Number	Word Mark
Serial Number:	74587079	KITTY HAWK
Serial Number:	78323235	KITTY HAWK
Serial Number:	78323272	KITTY HAWK CARGO
Serial Number:	78323252	KITTY HAWK AIRCARGO
Serial Number:	74602037	KHA
Serial Number:	78323281	KH CARGO
Serial Number:	78655985	KITTY HAWK WORLDWIDE
Serial Number:	78712914	PRECIOUS CARGO
Serial Number:	78713869	PRECIOUS CARGO
Serial Number:	78860766	KITTY HAWK GROUND
Serial Number:	75426522	PARTNERS IN PERFORMANCE

OP \$315.00 74587079

Serial Number:

78927439

AIR CONTAINER TRANSPORT

CORRESPONDENCE DATA

Fax Number: (214)758-1550

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

Phone: 2147581500

Email: estafford@pattonboggs.com

Correspondent Name: Darren W. Collins

Address Line 1: 2001 Ross Avenue; Suite 3000

Address Line 2: Patton Boggs LLP

Address Line 4: Dallas, TEXAS 75201

ATTORNEY DOCKET NUMBER:

009125.0136

NAME OF SUBMITTER:

Darren W. Collins

Signature:

/Darren W. Collins/

Date:

09/18/2006

Total Attachments: 8

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement ("Agreement"), dated as of July 19, 2006, is made by and among KITTY HAWK, INC., a corporation organized under the laws of the State of Delaware, KITTY HAWK CARGO, INC., a corporation organized under the laws of the State of Delaware, KITTY HAWK AIRCARGO, INC., a corporation organized under the laws of the State of Texas, KITTY HAWK GROUND, INC., a corporation organized under the laws of the State of Delaware (individually and collectively, the "Debtor"), and PNC Bank, National Association, for itself as a Lender, and as agent for the Lenders (as defined in the Loan Agreement defined below) (the "Secured Party").

Recitals

The Debtor, Lenders and the Secured Party have entered into a Revolving Credit and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Loan Agreement") setting forth the terms on which the Secured Party and Lenders may now or hereafter make certain loans or other financial accommodations to or for the account of the Debtor.

As a further condition to making any loan or other financial accommodation under the Loan Agreement or otherwise, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Agreement and herein, the parties hereby agree as follows:

1. Definitions. All terms defined that are not otherwise defined herein shall have the meanings given to them in the Loan Agreement. In addition, the following terms have the meanings set forth below:

"Patents" means all of each Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past, present and future infringement and all proceeds of infringement suits, and licenses (to the extent that the grant of a security interest does not cause a breach or termination of any such license) thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

"Trademarks" means all of each Debtor's right, title and interest in and to trademarks, service marks, collective membership marks, the respective goodwill associated with each, all accounts, registrations and applications appurtenant thereto (other than Federal Intent to Use Applications prior to the filing of a verified statement of use under 15 U.S.C. Sec. 1051(d)) hereafter acquired, the right to sue for past, present and future infringements and all proceeds of infringements suits, licenses (to the extent that the grant of a security interest does not cause a breach or termination of any such license) thereunder, all accounts, contract rights and general intangibles arising under and relating

to each and every license, proceeds and products of any of the foregoing, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit A.

2. Security Interest. As collateral security to secure payment of the Obligations, each Debtor hereby grants to the Secured Party, as Agent for the benefit of itself and Lenders, a continuing first priority security interest, with power of sale to the extent permitted by law (the "Security Interest"), in all of such Debtor's right, title and interest in, to and under the Patents and Trademarks and whether presently existing or hereafter created or acquired.

3. Representations, Warranties and Agreements. Each Debtor hereby represents, warrants and agrees as follows:

(a) ***Existence; Authority***. The execution, delivery and performance by each Debtor of this Agreement are within the power of such Debtor and have been duly authorized by all necessary actions on the part of or on behalf of such Debtor's board of directors or other governing body, and if necessary its stockholders, members or partners, as applicable and do not and will not violate in any material respects the provisions of, or constitute a default under, any presently applicable law or its organizational documents or any material agreement presently binding on it. This Agreement has been duly executed and delivered by each Debtor and constitutes each Debtor's lawful, binding and legally enforceable obligation except as such enforceability may be limited by any applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally or general principles of equity. The correct name of each Debtor is set forth on the signature page hereto. The authorization, execution, delivery and performance of this Agreement do not require notification to, registration with, or consent or approval by, any federal, state or local regulatory body or administrative agency.

(b) ***Patents***. Exhibit A lists all Patents owned or controlled, through a license or otherwise, by each Debtor as of the date hereof and accurately reflects the existence and status of registrations pertaining to the Patents as of the date hereof.

(c) ***Trademarks***. Exhibit A lists all Trademarks owned or controlled, through a license or otherwise, by each Debtor for which the applicable Debtor has filed a federal trademark application as of the date hereof and accurately reflects the existence and status of such Trademarks.

(d) ***Title***. Except as permitted herein or in the Loan Agreement, each Debtor (i) will have, at the time such Debtor acquires any Patents or Trademarks hereafter arising, right, title and interest to each such Patent or Trademark free and clear of all security interests, liens and encumbrances, except the Security Interest and Permitted Encumbrances, and except as set forth on the exhibits attached hereto, and (ii) will keep all Patents and Trademarks free and clear of all security interests, liens and encumbrances, except the Security Interest and Permitted Encumbrances.

(e) *No Sale.* Except as permitted herein or in the Loan Agreement, no Debtor will sell or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.

(f) *Defense.* To the extent reasonably advisable in its business, each Debtor will at its own expense, and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all persons other than the Secured Party.

(g) *Maintenance.* Each Debtor will at its own expense maintain the Patents to the extent commercially reasonable, but not limited to, filing renewals possible with respect to issued Patents. Each Debtor will at its own expense maintain the Trademarks to the extent commercially reasonable, including, but not limited to, filing all renewals possible with respect to issued registrations. Each Debtor covenants that it will not abandon, nor fail to pay any maintenance fee or annuity due and payable on, any material Issued Patent or Registered Trademark, nor fail to file any required affidavit in support thereof, without first providing the Secured Party: (i) sufficient written notice, as provided in the Loan Agreement, to allow the Secured Party to timely pay any such maintenance fees or annuity which may become due on any of said Patents or Trademarks, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, should such be necessary or desirable.

(h) *Secured Party's Right to Take Action.* If any Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives such Debtor written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), the Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of any Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure.

(i) *Costs and Expenses.* Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, each Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon at the rate stated in the Loan Agreement from the date expended or incurred by the Secured Party at the highest rate then applicable to any of the Obligations.

(j) *Power of Attorney.* To facilitate the Secured Party's taking action under subsection (h) and exercising its rights under Section 6, each Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of such Debtor with the right (but not the duty) from time

to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of such Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by such Debtor under this Section 3, or, necessary for the Secured Party, after the occurrence and during the continuation of an Event of Default, to enforce the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents to any third party following the exercise of Secured Party's rights pursuant to the Pledge Agreements (as defined in the Loan Agreement), or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party (other than Patent licenses or Trademark licenses where a Debtor is the licensee). Each Debtor hereby ratifies all actions that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Obligations.

4. Debtor's Use of the Patents and Trademarks. Each Debtor shall be permitted to use and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into.

5. Events of Default. The Debtors shall be in default under this Agreement upon the happening of any Event of Default, as defined in the Loan Agreement (herein called "Event of Default").

6. Remedies. Upon the occurrence and during the continuance of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Loan Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents (other than Patent licenses or Trademark licenses where a Debtor is the licensee).

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if the Secured Party shall commence any suit for such enforcement, each Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement has been duly and validly authorized by all necessary action, corporate or otherwise. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not

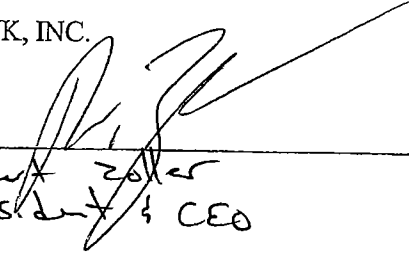
preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. The Secured Party shall not be obligated to preserve any rights any Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of each Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by each Debtor and delivered to the Secured Party, and each Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic, electronic or other reproduction of this Agreement or of any financing statement signed by a Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by and in accordance with the internal laws and decisions of the state of New York, without regard to conflict of laws principles (other than Section 5-1401 of the New York General Obligation Law). If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

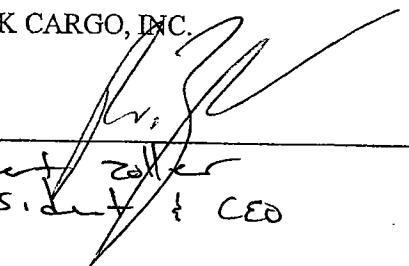
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IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

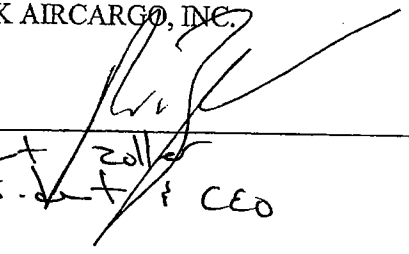
KITTY HAWK, INC.

By: 
Name: Robert Zoller
Title: President & CEO

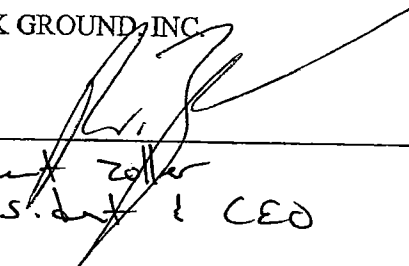
KITTY HAWK CARGO, INC.

By: 
Name: Robert Zoller
Title: President & CEO

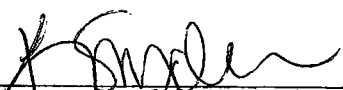
KITTY HAWK AIRCARGO, INC.

By: 
Name: Robert Zoller
Title: President & CEO



KITTY HAWK GROUND, INC.

By: 
Name: Robert Zoller
Title: President & CEO

PNC BANK, NATIONAL ASSOCIATION

By: 
Name: Kay Snyder
Title: Relationship Manager

Service Mark Filings with the U.S. Patent and Trademark Office

Mark	Filing / Reg. Info	International Class / Services	Status
AIR CONTAINER TRANSPORT	Serial No. 74/587079 Filing Date: 10/13/1994	IC 39: Truck cargo services, namely transporting, handling and unloading; and airfreight forwarding services; cargo transportation services.	<i>Pending Application</i>
KITTY HAWK	Serial No. 74/587079 Filing Date: 10/13/1994 Reg. No. 1924133 Reg. Date: 10/03/1995	IC 39: Airplane charter services.	<i>Registered</i>
KITTY HAWK	Serial No. 78/323235 Filing Date: 11/05/2003 Reg. No. 2903451 Reg. Date: 11/16/2004	IC 39: Airplane cargo services, namely transporting, handling and unloading; airfreight forwarding services; and cargo transportation services.	<i>Registered</i>
KITTY HAWK CARGO	Serial No. 78/323272 Filing Date: 11/05/2003 Reg. No. 2913104 Reg. Date: 12/21/2004	IC 39: Airplane cargo services, namely transporting, handling and unloading; airfreight forwarding services; and cargo transportation services.	<i>Registered</i>
KITTY HAWK AIRCARGO	Serial No. 78/323252 Filing Date: 11/05/2003 Reg. No. 2913103 Reg. Date: 12/21/2004	IC 39: Airplane cargo services, namely transporting, handling and unloading; airfreight forwarding services; and cargo transportation services.	<i>Registered</i>
KHA and Design 	Serial No. 74/602037 Filing Date: 11/22/1994 Reg. No. 1946617 Reg. Date: 01/09/1996	IC 39: Airplane cargo services, namely transporting, handling and unloading; and air freight forwarding services.	<i>Registered</i>
KH CARGO	Serial No. 78/323281 Filing Date: 11/05/2003 Reg. No. 2974097 Reg. Date: 07/19/2005	IC 39: Airplane cargo services, namely transporting, handling and unloading; airfreight forwarding services; and cargo transportation services.	<i>Registered</i>
KITTY HAWK WORLDWIDE	Serial No. 78/655985 Filing Date: 06/22/2005	IC 39: Airplane and truck cargo services, namely transporting, handling and unloading; and airfreight forwarding services; cargo transportation services.	<i>Pending Application</i>
PRECIOUS CARGO	Serial No. 78/712914 Filing Date: 09/14/2005	IC 39: Air freight services, namely, transporting deceased human remains.	<i>Pending Application</i>
PRECIOUS CARGO and Design 	Serial No. 78/713869 Filing Date: 09/15/2005	IC 39: Air freight services, namely, transporting deceased human remains.	<i>Pending Application</i>
KITTY HAWK GROUND	Serial No. 78/860,766 Filing Date: 04/13/2006	IC 39: Nationwide and airport truck cargo services, namely transporting, handling and unloading; nationwide and airport to airport cargo transportation services.	<i>Pending Application</i>
PARTNERS IN PERFORMANCE <u>Exhibit A to Patent and Trademark Security Agreement</u>	Serial No. 75/426522 Filing Date: 01/30/1998 Reg. No. 2234033 Reg. Date: 03/23/1999	IC 39: Air freight forwarding airline services.	<i>Cancelled Registration</i>

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