

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Patent and Trademark Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Horizon Hobby, Inc.		09/18/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	LASALLE BANK NATIONAL ASSOCIATION, as Administrative Agent
Street Address:	One N. Brentwood Blvd.
Internal Address:	Ste 950
City:	Clayton
State/Country:	MISSOURI
Postal Code:	63015
Entity Type:	National Banking Association:

PROPERTY NUMBERS Total: 49

Property Type	Number	Word Mark
Serial Number:	76434739	EVOLUTION E
Serial Number:	76434790	EVOLUTION
Serial Number:	78464137	DSM
Serial Number:	78641432	FEEL THE DIFFERENCE!
Serial Number:	78218075	FIREBIRD COMMANDER
Serial Number:	78490939	SPEKTRUM
Serial Number:	73651581	ULTRACOTE
Serial Number:	76300337	HANGAR 9
Serial Number:	76032570	HOBBY ZONE
Serial Number:	76434792	JR
Serial Number:	76434793	JR
Serial Number:	76449453	RADIO CONTROL SPORTS
Serial Number:	73691352	TEAM LOSI

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Serial Number:	78220330	AEROBIRD CHALLENGER
Serial Number:	76449451	AEROBIRD
Serial Number:	75374827	ATHEARN
Serial Number:	78594501	E-FLITE
Serial Number:	78220302	FIREBIRD OUTLAW
Serial Number:	76449452	HOBBYZONE
Serial Number:	78428753	JUST FLY
Serial Number:	76449450	O
Serial Number:	78354923	PARKZONE
Serial Number:	76016636	READY TO ROLL
Serial Number:	78542345	SFG TECHNOLOGY
Serial Number:	78386897	SLO-V
Serial Number:	78354933	SPORTWERKS
Serial Number:	75664670	THUNDER RAILS
Serial Number:	78563666	
Serial Number:	76434791	HOBBY SHOP NOW
Serial Number:	76435274	HOBBY SHOP NOW
Serial Number:	78449820	FAST SERVE
Serial Number:	78889050	DYNAMITE
Serial Number:	78836867	RACE SMART
Serial Number:	78386907	MAYHEM
Serial Number:	78884432	MACH
Serial Number:	78836890	DUALINK
Serial Number:	78598011	PLUG-N-PLAY
Serial Number:	78561654	ROUNDHOUSE
Serial Number:	78476495	SEAGULL
Serial Number:	78464132	DIGITAL SPECTRUM MODULATION
Serial Number:	78931607	SPARC!
Serial Number:	78741090	FLY SMART
Serial Number:	78386904	STRYKER
Serial Number:	78787658	TURMOIL
Serial Number:	78836896	GENESIS
Serial Number:	78858540	FS ONE
Serial Number:	78736021	HORIZON HOBBY
Serial Number:	73763084	DYNAMITE

Serial Number:

78355010

MINI T

CORRESPONDENCE DATA

Fax Number: (202)756-9299

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

Phone: 3144447874

Email: matthew.mayer@thomson.com

Correspondent Name: Lewis Rice Fingersh

Address Line 1: 500 N. Broadway

Address Line 2: Suite 2000

Address Line 4: St. Louis, MISSOURI 63102

NAME OF SUBMITTER:

Matthew Mayer

Signature:

/Matthew Mayer/

Date:

09/21/2006

Total Attachments: 8

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PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of September 18, 2006, by HORIZON HOBBY, INC., a Delaware corporation (the "Grantor"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

RECITALS

A. The Grantor has entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with various financial institutions and the Administrative Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of, Grantor and/or its affiliates.

B. The Grantor has entered into a Guaranty and Collateral Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Collateral Agreement") with the Administrative Agent pursuant to which certain obligations owed to the Lenders are secured.

C. Pursuant to the Guaranty and Collateral Agreement, the Grantor is required to execute and deliver to the Administrative Agent, for the ratable benefit of the Lenders, this Agreement.

D. Pursuant to the terms of the Guaranty and Collateral Agreement, Grantor has granted to the Administrative Agent, for the benefit of the Lenders, a security interest in substantially all the assets of the Grantor, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by, and all obligations and liabilities of, the Grantor under the Credit Agreement and the Guaranty and Collateral Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, the Grantor does hereby grant to the Administrative Agent, for the benefit of the Lenders, a continuing security interest and lien in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;

- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");
- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest and lien is granted in conjunction with the security interests granted to the Administrative Agent pursuant to the Guaranty and Collateral Agreement and subject to limitations set forth therein. The Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and Guaranty and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Guaranty and Collateral Agreement. This Agreement is made under and shall be governed by the internal laws of the State of Illinois applicable to contracts made and to be performed entirely within such state, without regarding to conflict of laws principles, except that the provisions of this Agreement pertaining to the creation or perfection of Liens or the enforcement of rights of Administrative Agent in the Trademark Collateral and the Patent Collateral located in a state other than the State of Illinois shall be governed by the laws of such state.

[signature page follows]

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

HORIZON HOBBY, INC.

By: Michael Gillette
Print Name: Michael Gillette
Title: President

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Administrative Agent

By: Nicholas DeVilder
Print Name: Nicholas DeVilder
Title: Assistant Vice President

SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Trademarks, Trademark Applications and Trademark Licenses

<u>Title</u>	<u>Trademark Registration Number</u>	<u>Serial Number</u>	<u>Date Filed</u>	<u>Registration Date</u>	<u>Country/State</u>
Evolution E	2948896	76-434739	7/26/02	5/10/05	United States
Evolution	2948897	76-434790	7/26/02	5/10/05	United States
DSM	3040637	78-464137	8/9/04	1/10/06	United States
Feel The Difference	3097899	78-641432	6/1/05	5/30/06	United States
Firebird Commander	2918080	78-218075	2/24/03	1/11/05	United States
Spektrum	3080770	78-490939	9/28/04	4/11/06	United States
Ultracote	1462800	73-651581	3/27/87	10/27/87	United States
Hangar 9	2538343	76-300337	8/16/01	2/12/02	United States
Hobby Zone	2526081	76-032570	4/24/00	1/1/02	United States
JR	2746674	76-434792	7/26/02	8/5/03	United States
JR	2746675	76-434793	7/26/02	8/5/03	United States
Radio Control Sports	2760489	76-449453	9/9/02	9/2/03	United States
Team Losi	1528416	73-691352	10/23/87	3/7/89	United States
Aerobird Challenger	2973054	78-220330	2/28/03	7/19/05	United States
Aerobird	2848726	76-449451	9/9/02	6/1/04	United States
Athearn	2199877	75-374827	10/17/97	10/17/98	United States
E-Flite	3068160	78-594501	3/24/05	3/14/06	United States
Firebird Outlaw	2915174	78-220302	2/28/03	12/28/04	United States
hobbyzone	2848727	76-449452	9/9/02	6/1/04	United States
Just Fly	2994781	78-428753	6/2/04	9/13/05	United States
Mini T	2933007	78-355010	1/21/04	3/15/05	United States
Design Phrase consisting of the letter "O" and the fanciful design of a radio antenna and 3 radio waves, and design	2848725	76-449450	9/9/02	6/1/04	United States
Parkzone	2968715	78-354923	1/21/04	7/12/05	United States
Ready to Roll	2528546	76-016636	3/31/00	1/8/02	United States
SFG	3115280	78-542345	1/5/05	7/11/06	United States

Technology					
SLO-V	3021979	78-386897	3/18/04	11/29/05	United States
Sportwerks	2996001	78-354933	1/21/04	9/13/05	United States
Thunder Rails	2427470	75-664670	3/22/99	2/6/01	United States
Design only - consists of a signal design	3103445	78-563666	2/9/05	6/13/06	United States
Hobby Shop NOW	2739998	76-434791	7/26/02	7/22/03	United States
Hobby Shop Now	2740001	76-435274	7/26/02	7/22/03	United States
Fast Serve	3062349	78-449820	7/13/04	2/28/06	United States
Dynamite	N/A	78-889050	5/22/06	Pending	United States
Race Smart	N/A	78-836867	3/14/06	Pending	United States
Mayhem	N/A	78-386907	3/18/04	Pending	United States
Mach	N/A	78-884432	5/16/06	Pending	United States
Dualink	N/A	78-836890	3/14/06	Pending	United States
Plug-N-Play	N/A	78-598011	3/30/05	Pending	United States
Roundhouse	N/A	78-561654	2/7/05	Pending	United States
Seagull	N/A	78-476495	8/31/04	Pending	United States
Digital Spectrum Modulation	N/A	78-464132	8/9/04	Pending	United States
Sparc!	N/A	78-931607	7/18/06	Pending	United States
Fly Smart	N/A	78-741090	10/26/05	Pending	United States
Stryker	N/A	78-386904	3/18/04	Pending	United States
Turmoil	N/A	78-787658	1/9/06	Pending	United States
Genesis	N/A	78-836896	3/14/06	Pending	United States
FS ONE	N/A	78-858540	4/11/06	Pending	United States
Horizon Hobby	N/A	78-736021	10/19/05	Pending	United States
DYNAMITE	1586915	73-763084	11/10/88	3/13/90	United States
Aerobird	2359313			9/3/04	United Kingdom
HobbyZone	A.927446			9/17/02	Australia
HobbyZone	023185563			5/9/03	France
HobbyZone	2310927			2/21/03	United Kingdom
HobbyZone	3621869			5/17/05	EU/CTM
Team Losi	2278691			2/1/02	United Kingdom

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents, Patent Applications and Patent Licenses

<u>Title</u>	<u>Patent Number</u>	<u>Application Number</u>	<u>Date Filed</u>	<u>Issue Date</u>	<u>Country/State</u>
Digital Inclinometer and Related Methods	6880258	10648460	8/26/03	4/16/05	United States
Glow plug for an engine	D516086	29210169	7/28/04	2/28/06	United States
Engine head	D497368	29198710	2/3/04	10/19/04	United States
Engine	D493806	29170357	11/4/02	8/3/04	United States
Constance velocity universal joint system	N/A	11115727	4/27/05	Pending	United States
Control system for model aircraft	N/A	10737471	12/16/03	Pending	United States

Assignment of Patent Title Method and System for Controlling Radio Controlled Devices from Paul Beard, John Adams, Mathew Lee, and Eric Meyers recorded in U.S. Patent and Trademark Office, Reel/Frame: 017277/0599, February 3, 2006. The Company's patent application on this patent is pending.

EXHIBIT A
to
TRADEMARK RECORDATION COVER SHEET

<u>Title</u>	<u>Trademark Registration Number</u>	<u>Serial Number</u>	<u>Date Filed</u>	<u>Registration Date</u>	<u>Country/State</u>
Evolution E	2948896	76-434739	7/26/02	5/10/05	United States
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Athearn	2199877	75-374827	10/17/97	10/17/98	United States
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Mayhem	N/A	78-386907	3/18/04	Pending	United States
Mach	N/A	78-884432	5/16/06	Pending	United States
Dualink	N/A	78-836890	3/14/06	Pending	United States
Plug-N-Play	N/A	78-598011	3/30/05	Pending	United States
Roundhouse	N/A	78-561654	2/7/05	Pending	United States
Seagull	N/A	78-476495	8/31/04	Pending	United States
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Sparc!	N/A	78-931607	7/18/06	Pending	United States
Fly Smart	N/A	78-741090	10/26/05	Pending	United States
Stryker	N/A	78-386904	3/18/04	Pending	United States
Turmoil	N/A	78-787658	1/9/06	Pending	United States
Genesis	N/A	78-836896	3/14/06	Pending	United States
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Horizon Hobby	N/A	78-736021	10/19/05	Pending	United States
DYNAMITE	1586915	73-763084	11/10/88	3/13/90	United States