

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

|                              |   |
|------------------------------|---|
| <b>SUBMISSION TYPE:</b>      | NEW ASSIGNMENT                          |
| <b>NATURE OF CONVEYANCE:</b> | 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**

|                          |  |
|--------------------------|--|
| <b>Name:</b>             | LASALLE BANK NATIONAL ASSOCIATION, as Administrative Agent |
| <b>Street Address:</b>   | One N. Brentwood Blvd.                                     |
| <b>Internal Address:</b> | Ste 950  |
| <b>City:</b>             | Clayton  |
| <b>State/Country:</b>    | MISSOURI   |
| <b>Postal Code:</b>      | 63015  |
| <b>Entity Type:</b>      | 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<br/>Registration<br/>Number</u> | <u>Serial<br/>Number</u> | <u>Date Filed</u> | <u>Registration<br/>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<br>Difference  | 3097899                                      | 78-641432                | 6/1/05            | 5/30/06                      | United States        |
| Firebird<br>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<br>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<br>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<br>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<br>consisting of<br>the letter "O"<br>and the<br>fanciful design<br>of a radio<br>antenna and 3<br>radio waves,<br>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 -<br>consists of a<br>signal design | 3103445   | 78-563666 | 2/9/05   | 6/13/06  | United States  |
| Hobby Shop<br>NOW                               | 2739998   | 76-434791 | 7/26/02  | 7/22/03  | United States  |
| Hobby Shop<br>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<br>Spectrum<br>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<br/>Registration<br/>Number</u> | <u>Serial<br/>Number</u> | <u>Date Filed</u> | <u>Registration<br/>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<br>Difference  | 3097899                                      | 78-641432                | 6/1/05            | 5/30/06                      | United States        |
| Firebird<br>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<br>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<br>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<br>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<br>consisting of<br>the letter "O"<br>and the<br>fanciful design<br>of a radio<br>antenna and 3<br>radio waves,<br>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<br>Technology   | 3115280                                      | 78-542345                | 1/5/05            | 7/11/06                      | United States        |
| 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 -<br>consists of a<br>signal design | 3103445 | 78-563666 | 2/9/05   | 6/13/06 | United States |
| Hobby Shop<br>NOW                               | 2739998 | 76-434791 | 7/26/02  | 7/22/03 | United States |
| Hobby Shop<br>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<br>Spectrum<br>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 |