

**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
Marquis Corp.		08/01/2006	CORPORATION: OREGON

**RECEIVING PARTY DATA**

Name:	PNC Bank, National Association
Street Address:	4242 Carlisle Pike
City:	Camp Hill
State/Country:	PENNSYLVANIA
Postal Code:	17011
Entity Type:	UNINC. ASSOCIATION: UNITED STATES

**PROPERTY NUMBERS Total: 11**

Property Type	Number	Word Mark
Serial Number:	78551149	HIDEAWAY HOT TUBS THE PERFECT FIT!
Serial Number:	78628161	HK
Serial Number:	78629592	MARQUIS
Serial Number:	78744056	SPABOUTIQUE
Registration Number:	2295864	DURASHELL
Registration Number:	2934913	EVERYDAY HOT TUBS GET INTO IT!
Registration Number:	3085445	MARQUIS
Registration Number:	2409664	MARQUIS SPAS
Registration Number:	2389178	MARQUIS SPAS
Registration Number:	3011287	SOUNDSATIONS
Registration Number:	3148651	SPABOUTIQUE

**CORRESPONDENCE DATA**

Fax Number: (717)237-5300

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

**OP \$290.00 78551149**

Phone: 717-232-8000  
Email: trademarks@mwn.com  
Correspondent Name: Sue Heberlig  
Address Line 1: 100 Pine Street  
Address Line 4: Harrisburg, PENNSYLVANIA 17108

ATTORNEY DOCKET NUMBER:	356/16085-0121
NAME OF SUBMITTER:	Sue Heberlig
Signature:	/SueHeb/
Date:	01/04/2007

Total Attachments: 7  
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# Rider to Security Agreement – Trademarks



**THIS RIDER TO SECURITY AGREEMENT (“Rider”)** is executed as of this 1<sup>st</sup> day of August, 2006, by and between **MARQUIS CORP.** (the “**Grantor**”) and **PNC BANK, NATIONAL ASSOCIATION**, as agent for the banks from time to time party to the Credit Agreement (the “**Banks**”) dated even date herewith, as the same may be amended, modified, supplemented, restated or substituted from time to time (the “**Agent**”). This Rider is incorporated into and made part of that certain Security Agreement (“**Security Agreement**”) by and among the Grantor, **WEXCO INCORPORATED (“Wexco”), QUAKER PLASTIC CORPORATION (“Quaker”), FOX POOL CORPORATION (“Fox Pool”), INTERNATIONAL VECTORS, LTD. (“Vectors”), FOX POOL OF LANCASTER INCORPORATED (“Lancaster”),** and **RELAXATION CONCEPTS, INC. (“Relaxation”)** (Grantor, Wexco, Quaker, Fox Pool, Vectors, Lancaster, and Relaxation are collectively, the “**Borrowers**”) and the Agent dated August 1, 2006, and also into certain other financing documents and security agreements executed by and between the Grantor and the Agent or by and among the Borrowers, Fox Pool Canada Limited, as guarantor, and the Agent (all such documents including this Rider being collectively referred to as “**Loan Documents**”). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor has adopted, used and is using (or has filed applications, other than intent-to-use applications, for the registration of) the trademarks, service marks and trade names listed on Schedule “A” attached hereto and made part hereof (all such marks or names hereinafter referred to as the “**Trademarks**”).

The Agent desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Security Agreement) to the Agent, and the Agent desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

**NOW, THEREFORE**, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

**1. Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure payment and performance of the Obligations, the Grantor grants a lien and security interest to the Agent for the benefit of the Banks, in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill and other tangible assets of the Grantor associated with and represented by the Trademarks, and the non-intent-to-use applications for and registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

**2. Representations and Warranties.** The Grantor represents, warrants and covenants that: (a) the Trademarks owned by the Grantor are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Grantor, have not been adjudged invalid or unenforceable, and to the best of the Grantor’s knowledge, there is no reason why the Trademarks should be adjudged invalid or unenforceable; (b) each of the Trademarks owned by the Grantor is valid and enforceable; (c) the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks owned by the Grantor, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Grantor not to sue third persons; (d) the Grantor has the unqualified right to enter into this Rider and perform its terms; (e) the Grantor has used, and will continue to use for the duration of this Rider, proper notice, as required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; (f) the Grantor has used, and will continue to use for the duration of this Rider, consistent

**TRADEMARK**

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standards of quality in products leased or sold under the Trademarks owned by the Grantor; and (g) the Grantor will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any of the Trademarks may become invalidated, abandoned, unenforceable, avoided, avoidable or otherwise diminished in value, and shall notify the Agent immediately if it knows of any reason or has any reason to know of any grounds under which any of the foregoing may occur.

**3. Verification of Quality Control.** The Grantor hereby grants to the Agent and its employees and agents the right to visit the Grantor's locations which lease, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Grantor's compliance with paragraph 2(f).

**4. Covenants.** The Grantor further covenants to the Agent that until all of the Obligations have been satisfied in full: (a) the Grantor shall maintain the Trademarks owned by the Grantor in full force and effect; (b) the Grantor will not enter into any agreements which are inconsistent with the Grantor's obligations under this Rider or which restrict or impair the Agent's rights hereunder; and (c) if the Grantor acquires rights to any new non-intent-to-use Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Agent prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Grantor shall have the right to enter into agreements in the ordinary course of business with respect to the Trademarks.

**5. Exclusive Use of Trademarks.** So long as this Rider is in effect and so long as the Grantor has not received notice from the Agent that an Event of Default has occurred under the Loan Documents and that the Agent has elected to exercise its rights to assignment hereunder, the Grantor shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Agent shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

**6. Negative Pledge.** The Grantor agrees not to sell, assign (by operation of law or otherwise) or further encumber its rights and interest in the Trademarks owned by the Grantor without prior written consent of the Agent. The Grantor shall defend the Trademarks against and shall take other action as is necessary to remove any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, and will defend the right, title and interest of the Agent and the Banks in and to any of the Grantor's rights under the Trademarks against the claims or demands of all persons whatsoever.

**7. No Additional Trademarks.** As of the date hereof, the Grantor does not own any Trademarks, or have any Trademarks registered in or the subject of pending applications in the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, other than those grants, registrations or applications for registrations listed on Schedule A annexed hereto and made a part hereof.

**8. Pledge of Additional Trademarks.** In the event the Grantor, either itself or through any agent, employee, licensee or designee shall:

(a) file or record an application for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof; or

(b) file or record any assignment of any Trademark which the Grantor may acquire, own or license from a third party, with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof;

the Grantor shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Agent thereof, and, upon request of the Agent shall promptly, but in no event more than twenty (20) days subsequent to such notice, execute and deliver any and all assignments, agreements, instruments, documents and papers as the

Agent may reasonably request to evidence the Agent's interest in such Trademark and the goodwill of the Grantor associated thereto or represented thereby. The Grantor hereby grants the Agent a power of attorney, irrevocable until the Obligations are fully paid and satisfied, to modify this Rider by amending Schedule A, as applicable, to include any future Trademarks or Licenses, including, without limitation, registrations or applications appurtenant thereto, covered by this Rider.

**9. Remedies Upon Default.** (a) Anything herein contained to the contrary notwithstanding, if and while the Grantor shall be in default hereunder or an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Agent, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of any Grantor's default hereunder or an Event of Default under the Loan Documents and while such default or Event of Default exists, the Grantor hereby authorizes and empowers the Agent to make, constitute and appoint any officer or agent of the Agent as the Agent may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Agent to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full.

(c) The Grantor expressly acknowledges that this Rider shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Grantor shall also execute and deliver to the Agent such documents as the Agent shall reasonably request to permanently assign all rights in the Trademarks to the Agent, which documents shall be held by the Agent, until the occurrence of an Event of Default hereunder or under the Loan Documents. After such occurrence, the Agent may, at its sole option, record such documents with the Patent and Trademark Office.

**10. Subject to Security Agreement.** This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

**11. Inconsistent with Security Agreement.** All rights and remedies herein granted to the Agent shall be in addition to any rights and remedies granted to the Agent under the Loan Documents. In the event of an inconsistency between this Rider and the Security Agreement, the language of the Security Agreement shall control. The terms and conditions of the Security Agreement are hereby incorporated herein by reference.

**12. Termination of Agreement.** Upon payment and performance of all Obligations under the Loan Documents, the Agent shall execute and deliver to the Grantor all documents necessary to re-vest all rights in and to the Trademarks in the Grantor and/or terminate any interest of the Agent therein.

**13. Prosecution of Trademark Applications.** (a) Subject to the terms of the Loan Documents, the Grantor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Rider or thereafter, until the Obligations shall have been satisfied in full, to preserve and maintain all rights in the registration and grant of the Trademarks, to halt any infringement of the Trademarks, and upon reasonable request of the Agent, the Grantor shall make federal application on registrable but unregistered trademarks belonging to the Grantor. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Grantor. The Grantor shall not abandon any Trademark without the written consent of the Agent.

(b) The Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Agent may, if the Grantor deems it necessary or after an Event of Default under the Loan

Documents, be joined as a nominal party to such suit if the Agent shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Grantor shall promptly, upon demand, reimburse and indemnify the Agent for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Agent in the fulfillment of the provisions of this paragraph.

**14. Responsibility and Liability.** The Grantor assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies and holds the Agent and each director, officer, employee, affiliate and agent thereof, harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees and expenses) arising out of any alleged defect in any product manufactured, promoted or sold by the Grantor in connection with any of the Trademarks or otherwise arising out of the Grantor's operation of its business from the use of the Trademarks. In any suit, proceeding or action brought by the Agent under any License for any sum owing thereunder, or to enforce any provisions of such License, the Grantor will indemnify and keep the Agent harmless from and against all expense, loss or damage suffered by reason of any defense, set off, recoupment, claim, counterclaim, reduction or liability whatsoever of the obligee thereunder or arising out of a breach by the Grantor of any obligation thereunder or arising out of any agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from the Grantor, and all such Obligations of the Grantor shall be and remain enforceable against and only against the Grantor and shall not be enforceable against the Agent.

**15. Agent's Rights.** The Agent may, in its sole discretion, pay any amount or do any act required of the Grantor hereunder or requested by the Agent to preserve, defend, protect, maintain, record or enforce the Grantor's obligations contained herein, the Obligations of the Grantor to the Agent, the Trademarks, or the right, title and interest granted the Agent herein, and which the Grantor fails to do or pay, and any such payment shall be deemed an advance by the Agent to the Grantor and shall be payable on demand together with interest thereon at the default rate specified in the Loan Documents.

**16. Protection of the Trademarks.** The Grantor agrees that if it learns of any use by any person or any term or design likely to cause confusion with any Trademark, or of any claim of any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, the Grantor shall promptly notify the Agent of such use, lien, security interest, claim, right or other encumbrance and, if requested by the Agent, shall join with the Agent, at the Grantor's expense, in such action as the Agent, in its reasonable discretion, may deem advisable for the protection of the Agent's interest in and to the Trademarks, it being understood that the foregoing shall not preclude the Grantor from bringing an action against a person for the protection of the Grantor's interest in and to such Trademarks.

**17. Additional Remedies.** Upon the occurrence of an Event of Default under the Loan Documents, the Agent may, without any obligation to do so, complete any obligation of the Grantor hereunder, in Grantor's name or in the Agent's name, but at the Grantor's expense, and the Grantor hereby agree to reimburse the Agent in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Agent in protecting, defending and maintaining the Trademarks.

**18. Governing Law.** THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE AGENT'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

**19. Counterparts.** This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

MARQUIS CORP.

By: Jeffery C. Kurth

(SEAL)

Print Name: Jeffery C. Kurth

Title: President

PNC BANK, NATIONAL ASSOCIATION

By: Thomas J. Fowlston (SEAL)

Print Name: Thomas J. Fowlston

Title: Senior Vice President

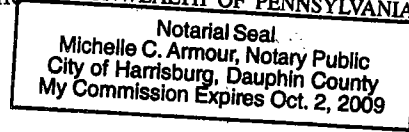
STATE OF PENNSYLVANIA )  
 )  
 ) ss:  
COUNTY OF DAUPHIN )

On this, the 18<sup>th</sup> day of August, 2006, before me, a Notary Public, the undersigned officer, personally appeared Jeffery C. Kurth, who acknowledged himself to be the President of Marquis Corp., an Oregon corporation, and that he, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michelle C. Armour  
Notary Public, COMMONWEALTH OF PENNSYLVANIA

My commission expires:



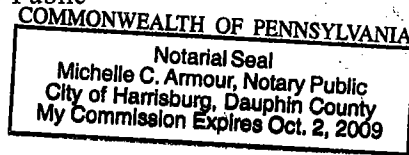
STATE OF PENNSYLVANIA )  
 )  
 ) ss:  
COUNTY OF DAUPHIN )

On this, the 18<sup>th</sup> day of August, 2006, before me, a Notary Public, the undersigned officer, personally appeared Thomas J. Fowlston, who acknowledged himself to be the Senior Vice President of PNC BANK, NATIONAL ASSOCIATION and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michelle C. Armour  
Notary Public

My commission expires:





**SCHEDULE A TO RIDER TO SECURITY AGREEMENT - TRADEMARKS**

U.S. Trademarks

REGISTRATION SERIALNO.	TRADEMARK
2,295,864	Durashell
2,934,913	Everyday Hot Tubs Get Into It
78-551,149	Hideaway Hot Tubs The Perfect Fit
78-628,161	HK
3,085,445	Marquis
78-629,592	Marquis
2,409,664	Marquis Spas
2,389,178	Marquis Spas
3,011,287	Soundsations
3,148,651	Spaboutique
78-744,056	Spaboutique

State Trademarks

S-35347	Your Back Yard (Oregon)
	Your Back Yard (Tennessee)

Foreign Trademarks

003955051	Everyday Hot Tubs Get Into It! (European Community)
TMA653,228	Everyday Hot Tubs Get Into It! (Canada)
2004/08236	Everyday Hot Tubs Get Into It! (Norway)
004250908	Hideaway Hot Tubs The Perfect Fit! (European Community)
1,244,886	Hideaway Hot Tubs The Perfect Fit! (Canada)
230,012	Hideaway Hot Tubs The Perfect Fit! (Norway)
858,546	Marquis (European Community – Madrid)
858 546	Marquis (Madrid Protocol)
EMP A000166	Marquis (Norway – Madrid)
1,268,326	Marquis (Canada)
TMA424,739	Marquis Spas (Canada)
218,144	Marquis Spas (Norway)
002709236	Marquis Spas (European Community)

Common-Law Trademarks

	Cascade Neck Jets
	Marquis Spacare
	Marquis Spastyle
	Marquis Spatherapy