

PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of April 29, 2011, is made by and between ALPINA SPORTS CORP., a New Hampshire corporation ("Obligor"), and FCC, LLC, d/b/a First Capital, a Florida limited liability company ("Lender").

Recitals

Obligor and Lender are parties to a Loan 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 Lender may now or hereafter extend credit to or for the account of Obligor.

As a condition to extending credit to or for the account of Obligor, Lender has required the execution and delivery of this Agreement by Obligor.

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

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

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Loan Agreement) which Obligor may now or at any time hereafter owe to Lender, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Loan Agreement).

"Security Interest" has the meaning given in Section 2.

2. Security Interest. To secure payment of the Obligations, Obligor hereby irrevocably pledges and assigns to, and grants Lender a security interest (the "Security Interest") with power of sale to the extent permitted by law, in all of Obligor's right, title and interest in and to the Patents and the Trademarks, including, without limitation, license, fees or royalties with respect thereto and the right to sue for past infringement and damages therefor. As set forth in the Loan Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of Obligor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any

other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Obligor represents, warrants and agrees as follows:

(a) **Patents.** **Exhibit A** accurately lists, as of the date hereof, all patents and applications for patents owned or controlled by Obligor or to which Obligor has a right to have assigned to it ("Patents"), and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, Obligor owns, controls or has a right to have assigned to it any Patents not listed on **Exhibit A**, or if **Exhibit A** ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then Obligor shall within 30 days provide written notice to Lender with a replacement **Exhibit A**, which upon acceptance by Lender shall become part of this Agreement.

(b) **Trademarks.** **Exhibit B** accurately lists, as of the date hereof, all trademarks, service marks, collective membership marks, registrations and applications for registration, and the respective goodwill associated with the foregoing, owned or controlled by Obligor, other than common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to Obligor's or any subsidiary's business(es) ("Trademarks") and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof. If after the date hereof, Obligor owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to Obligor's or any subsidiary's business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Obligor shall promptly provide written notice to Lender with a replacement **Exhibit B**, which upon acceptance by Lender shall become part of this Agreement.

(c) **Subsidiaries.** As of the date hereof, no subsidiary of Obligor owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Obligor, constitute Patents or Trademarks. If after the date hereof any subsidiary of Obligor owns, controls, or has a right to have assigned to it any such items, then Obligor shall promptly either: (i) cause such subsidiary to assign all of its rights in such item(s) to Obligor; or (ii) notify Lender of such item(s) and cause such subsidiary to execute and deliver to Lender a patent and trademark security agreement substantially in the form of this Agreement.

(d) **Title.** Obligor has absolute title to each Patent and each Trademark listed on **Exhibits A and B**, free and clear of all Liens except Permitted Liens. Obligor (i) will have, at the time Obligor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except

Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(e) **No Sale.** Obligor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without Lender's prior written consent.

(f) **Defense.** Obligor 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 those holding Permitted Liens.

(g) **Maintenance.** Obligor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Obligor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Lender: (i) sufficient written notice, of at least 30 days, to allow Lender to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal 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 or renewal, should such be necessary or desirable.

(h) **Lender's Right to Take Action.** If Obligor 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 Lender gives Obligor written notice thereof (or, in the case of the agreements contained in subsection (f), immediately upon the occurrence of such failure, without notice or lapse of time), or if Obligor notifies Lender that it intends to abandon a Patent or Trademark, Lender may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Obligor (or, at Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(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, Obligor shall pay Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with or as a result of Lender's taking action under subsection (h) or exercising its rights under Section 6, together with interest

thereon from the date expended or incurred by Lender at the default rate of interest provided for in the Loan Agreement.

(j) **Power of Attorney.** To facilitate Lender's taking action under subsection (h) and exercising its rights under Section 6, Obligor hereby irrevocably appoints (which appointment is coupled with an interest) Lender, or its delegate, as the attorney-in-fact of Obligor 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 Obligor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Obligor under this Section 3, or, necessary for Lender, after a Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Obligor hereby ratifies all 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. **Obligor's Use of the Patents and Trademarks.** Obligor shall be permitted to control 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, so long as no Default exists.

5. **Defaults.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called a "Default"): (a) a Default, as defined in the Loan Agreement, shall occur; or (b) Obligor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in clauses (a) through (c) of Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** During any period in which a Default has occurred and is continuing, Lender may, at its option, take any or all of the following actions:

(a) Lender may exercise any or all remedies available under the Loan Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) Lender may enforce the Patents and Trademarks and any licenses thereunder, and if Lender shall commence any suit for such enforcement, Obligor shall, at

the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only expressly in a writing signed by Lender. A waiver signed by Lender 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 Lender's rights or remedies. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender'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. All notices to be given to Obligor under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. Lender shall not be obligated to preserve any rights Obligor 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 Obligor and Lender and their respective participants, successors and assigns and shall take effect when signed by Obligor and delivered to Lender, and Obligor waives notice of Lender's acceptance hereof. Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of Lender to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement authorized by Obligor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal laws of the State of New York without regard to conflicts of law provisions. 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.

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

ALPINA SPORTS CORP.

By: Steve Kivlaug
Name: STEVE KIVLAUG
Title: PRESIDENT

FCC, LLC, d/b/a FIRST CAPITAL

By: _____
Name: _____
Title: _____

STATE OF NH)
)
COUNTY OF Srafton)

The foregoing instrument was acknowledged before me this 25th day of April, 2011, by Steve Kivlaug, the President of Alpina Sports Corp., on behalf of such corporation.

Patricia L. Jordan
Notary Public
My Commission Expires October 20, 2015

STATE OF _____)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of April, 2011, by _____, the _____ of FCC, LLC, a Florida limited liability company, d/b/a First Capital, on behalf of such limited liability company.

Notary Public

EXHIBIT A

UNITED STATES ISSUED PATENTS

<u>Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
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UNITED STATES PATENT APPLICATIONS

<u>Title</u>	<u>Serial Number</u>	<u>Filing Date</u>
Selection of skis by user weight range	10/003,738	November 15, 2001
Nordic ski	29/230,982	May 27, 2005

FOREIGN ISSUED PATENTS

<u>Title</u>	<u>Country</u>	<u>Patent Number</u>	<u>Issue Date</u>
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FOREIGN PATENT APPLICATIONS

<u>Title</u>	<u>Serial Number</u>	<u>Filing Date</u>
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EXHIBIT B

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS

AND COLLECTIVE MEMBERSHIP MARKS

REGISTRATIONS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Scuff-tuff	78/533,795	December 16, 2004
Alpina Sports USA	78/621,276	May 2, 2005

APPLICATIONS

COLLECTIVE MEMBERSHIP MARKS

UNREGISTERED MARKS