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SHEET

U.S. DEPARTMENT OF COMMERCE
Patents and Trademark Office

TO THE HONORABLE COMMISSIONER

To the Honorable Commissioner of



101108491

Attached original documents or copy thereof.

1. Name of conveying party(ies):

Waycross Skiff, Inc.
3231 Fulford Road
Waycross, GA 31503

- Individual(s)
- General Partnership
- Corporation-State California
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):

Name: Yamaha Motor Corporation, U.S.A.

Internal Address:

Street Address: 6555 Katella Avenue

City Cypress State CA ZIP 90630

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Georgia
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation must be a separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: June 2, 1998

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

1,799,267

B. Trademark registration No.(s)

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Pamela A. Allen

Internal Address: King & Spalding

Street Address: 191 Peachtree Street

City: Atlanta State: GA ZIP: 30303

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$ 40.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Pamela A. Allen

7/28/99

Name of Person Signing

Signature

Date

Total number of pages comprising cover sheet: 10

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

08/02/1999 DINGUYEN 00000161 1799267

01 FC:481

40.00 OP

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project, (0651-0011), Washington, D.C. 20503

**TRADEMARK AND PATENT
SECURITY AGREEMENT**

THIS TRADEMARK AND PATENT SECURITY AGREEMENT, dated as of June 2, 1998, is made by WAYCROSS SKIFF, INC., a Georgia corporation (the "Grantor"), in favor of YAMAHA MOTOR CORPORATION, U.S.A., a California corporation (the "Lender").

RECITALS:

Lender is making loans collectively (the "Loan") in the aggregate amount of \$1,750,000 to Grantor and Carolina Skiff, Inc., pursuant to that certain Loan and Security Agreement of even date herewith by and between Grantor, Carolina Skiff, Inc. and Lender (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"); and

WHEREAS, in connection with the making of the Loan, Lender desires to obtain from Grantor and Grantor desires to grant to Lender a security interest in certain collateral more particularly described below;

NOW, THEREFORE, in consideration of the premises and to induce Lender to enter into the Loan Agreement and to induce Lender to make the Loan to Grantor under the Loan Agreement, Grantor hereby agrees with Lender, as follows:

1. Defined Terms. Unless otherwise defined herein, terms which are defined in the Loan Agreement and used herein are so used as so defined, and the following terms shall have the following meanings:

"Collateral" has the meaning assigned to it in Section 2 of this Security Agreement.

"Patents" means all types of exclusionary or protective rights granted (or applications therefor) for inventions in any country of the world (including, without limitation, letters patent, plant patents, utility models, breeders' right certificates, inventor's certificates and the like), and all reissues and extensions thereof and all divisions, continuations and continuations-in-part thereof, including, without limitation, any thereof referred to in Exhibit A hereto.

"Patent Licenses" means any agreement, written or oral, providing for the grant by or to Grantor of any right to use any Patent, including, without limitation, any thereof referred to in Exhibit A hereto.

"Proceeds" means "proceeds," as such term is defined in Section 9-306(1) of the UCC and, to the extent not included in such definition, shall include, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty, guaranty or letter of credit payable to Grantor from time to time with respect to any of the Collateral, (b) all payments (in any form whatsoever) paid or payable to Grantor from time to time in connection with any taking of all or any part of the Collateral by any governmental authority or any person acting under color of governmental authority, (c) all judgments in favor of Grantor in respect of the Collateral, and (d) all other amounts from time to time paid or payable or received or receivable under or in connection with any of the Collateral.

"Security Agreement" means this Trademark and Patent Security Agreement, as amended, supplemented or otherwise modified from time to time.

"Trademarks" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source of business identifiers used in any country in the world, whether registered or unregistered, and the goodwill associated therewith, now existing or hereafter acquired, and (b) all registrations, recordings and renewals thereof, and all applications in connection therewith, issued by or filed with a national, state or local governmental authority of any country, including, without limitation, all such rights referred to in Exhibit A hereto.

"Trademark License" means any agreement, written or oral, providing for the grant by or to Grantor of any right to use any Trademark, including, without limitation, any thereof referred to in Exhibit A hereto.

"UCC" means the Uniform Commercial Code as from time to time in effect in the State of Georgia.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, Grantor hereby assigns and grants to Lender for the benefit of Lender a security interest in all of Grantor's right, title and interest in and to the following property now owned or at any time hereafter acquired by Grantor or in which Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

- (i) all Trademarks;
- (ii) all Trademark Licenses;

- (iii) all Patents;
- (iv) all Patent Licenses; and
- (v) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing

3. Representations and Warranties. Grantor represents and warrants that Exhibit A hereto includes all of Grantor's registered Trademarks and Trademark Licenses and all of the Patents and Patent Licenses owned by Grantor in its own name or as to which Grantor has any colorable claim of ownership as of the date hereof. To the best of Grantor's knowledge, each registered Trademark and Patent is valid, subsisting, unexpired, enforceable and has not been abandoned. Except as set forth in Exhibit A, none of the Trademarks or Patents is the subject of any licensing or franchise agreement. All licenses of the Trademarks and Patents are in force and effect, and, to the best knowledge of Grantor, not in default. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of any Trademark or Patent. No action or proceeding is pending (i) seeking to limit, cancel or question the validity of any Trademark or Patent or Grantor's ownership thereof, or (ii) which, if adversely determined, could have a material adverse effect on the value of any Trademark or Patent.

4. Covenants. Grantor covenants and agrees with Lender that, from and after the date of this Security Agreement until the Secured Obligations are paid in full:

(a) Further Documentation. From time to time, upon the written request of Lender, and at the sole expense of Grantor, Grantor will promptly and duly execute and deliver such further instruments and documents and take such further action as Lender may reasonably request for the purpose of obtaining or preserving the full benefits of this Security Agreement and the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code as in effect in any jurisdiction with respect to the liens created hereby. Grantor also hereby authorizes Lender to file any such financing or continuation statement without the signature of Grantor to the extent permitted by applicable law. A carbon, photographic or other reproduction of this Security Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

(b) Limitation on Liens on Collateral. Grantor will not create, incur or permit to exist, and Grantor will take all commercially reasonable actions to defend the Collateral against, and will take such other commercially reasonable action as is necessary to remove, any lien or claim on or to the Collateral or any portion thereof, other than the security interests created hereby, and other than as permitted pursuant to the Loan Agreement, and will take all commercially reasonable actions

that are necessary to defend the right, title and interest of Lender in and to any of the Collateral against the claims and demands of all persons whomsoever.

(c) Limitations on Dispositions of Collateral. Grantor will not sell, transfer or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except as permitted in the Loan Agreement.

(d) Notices. Grantor will advise Lender promptly, in reasonable detail, at Lender's address set forth in the Loan Agreement, (i) of any lien (other than liens created hereby or permitted under the Loan Agreement) on, or claim asserted against, the Collateral or any portion thereof, and (ii) of the occurrence of any other event which could reasonably be expected to have a material adverse effect on the value of the Collateral or on the liens created hereunder.

(e) Patents and Trademarks.

(i) Grantor (either itself or through licensees) will, except with respect to any Trademark that Grantor shall reasonably determine is of immaterial economic value to it or otherwise reasonably determines not to do so, (A) continue to use such Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force and effect, free from any claim of abandonment for non-use, (B) maintain as in the past the quality of products and services offered under such Trademark, (C) employ such Trademark with the appropriate notice of registration, (D) not adopt or use any mark which is confusingly similar to or a colorable imitation of such Trademark unless within 30 days after such use or adoption, Lender, for its benefit, shall obtain a perfected security interest in such mark pursuant to this Security Agreement, and (E) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(ii) Grantor will not, except with respect to any Patent that Grantor shall reasonably determine is of immaterial economic value to it, do any act, or omit to do any act, whereby any Patent may become abandoned.

(iii) Grantor will promptly notify Lender if Grantor knows, or has reason to know, that any application relating to any Patent or any Trademark may become abandoned or dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark office or any court or tribunal in any country)

regarding Grantor's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(iv) Whenever Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, Grantor shall report such filing to Lender within five business days after the last day of the fiscal quarter in which such filing occurs. Upon request of Lender, Grantor shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as Lender may request to evidence Lender's security interest in any newly filed Patent or Trademark (or the application related thereto) and the goodwill and general intangibles of Grantor relating thereto or represented thereby, and Grantor hereby constitutes Lender its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations are paid in full.

(v) Grantor will take all reasonable and necessary steps, including, without limitation, in any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration or issuance) and to maintain each Patent and each registration of Trademarks, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability when appropriate.

(vi) In the event Grantor knows or has reason to know that any Patent or Trademark included in the Collateral is infringed, misappropriated or diluted by a third party, Grantor shall promptly notify Lender after it learns thereof and shall, unless Grantor shall reasonably determine that such Patent or Trademark is of immaterial economic value to Grantor which determination Grantor shall promptly report to Lender, promptly sue for infringement, misappropriation or dilution, or take other actions as Grantor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark.

5. Remedies. If an Event of Default shall occur and be continuing, Lender shall have all of the rights and remedies set forth in the Loan Agreement and all other rights and remedies that Lender may now or hereafter possess at law, in equity, by statute or otherwise.

6. Limitation on Duties Regarding Preservation of Collateral. Neither Lender nor any of its shareholders, directors, officers, employees or agents shall be liable for failure to demand,

collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or otherwise.

7. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8. Paragraph Headings. The paragraph headings used in this Security Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

9. No Waiver; Cumulative Remedies. Lender shall not by any act (except by a written instrument pursuant to Section 10 hereof) be deemed to have agreed or consented to any delay, indulgence or omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Lender of any right or remedy hereunder on any occasion shall not be construed as a bar to any right or remedy which Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

10. Waivers and Amendments; Successors and Assigns. None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by Grantor and Lender, provided that any provision of this Security Agreement may be waived by Lender in a written letter or agreement executed by Lender or by telex or facsimile transmission from Lender. This Security Agreement shall be binding upon the successors and assigns of Grantor and shall inure to the benefit of Lender and its successors and assigns.

11. Notices. Any and all notices, elections or demands permitted or required to be made under this Agreement or any of the Loan Documents shall be made in accordance with the terms of the Loan Agreement.

12. Governing Law. This Security Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Georgia applicable to contracts to be wholly performed in such State.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the date first above written.

GRANTOR:

WAYCROSS SKIFF, INC.

By: *Robert A. James*

Title: *President*

LENDER:

**YAMAHA MOTOR CORPORATION,
U.S.A.**

By: *Russell D. Jones*

Title: *Senior Vice President*

[SIGNATURE PAGE TO TRADEMARK AND PATENT SECURITY AGREEMENT]

STATE OF GEORGIA)

COUNTY OF Ware)

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Robert A. Sasser, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself/herself to be the President of Waycross Skiff, Inc. the within named bargainor, a GA corporation, and that he/she as such _____, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as such _____.

WITNESS my hand, at office in Waycross GA, this 28 day of May, 1998.

Melissa A. Hickson
Notary Public

MELISSA A. HICKSON
Notary Public, Pierce County, GA.
My Commission Expires March 12, 1999

My Commission Expires: March 12, 1999

STATE OF California)

COUNTY OF Orange)

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Russell D. Jura, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself/herself to be the Sr. Vice President of Yamaha Motor Corporation, U.S.A., the within named bargainor, a California corporation, and that he/~~she~~ as such _____, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as such _____.

WITNESS my hand, at office in Cypress, California this 29th day of May, 1998.

Leatrice N. Hiratsuka
Notary Public

My Commission Expires: August 16, 2000



[SIGNATURE PAGE TO TRADEMARK AND PATENT SECURITY AGREEMENT]

Exhibit A

PATENTS

Owner	Mark	Filing Date	Application No.	Status
Waycross Skiff Corporation	Design - Boat Hull	12/8/92	D331,561	Registered

TRADEMARKS

Owner	Mark	Registration Date	Registration No.	Status
Waycross Skiff Corporation	CAROLINA SKIFF	10/19/93	1,799,267	Registered

Exhibit A

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TRADEMARKS

Owner	Mark	Registration Date	Registration No.	Status
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