

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
Morris Yacht, Inc.		06/14/2013	CORPORATION: MAINE

RECEIVING PARTY DATA	
Name:	TD Bank, N.A.
Street Address:	77 Exchange St.
City:	Bangor
State/Country:	MAINE
Postal Code:	04401
Entity Type:	CORPORATION: MAINE

PROPERTY NUMBERS Total: 5		
Property Type	Number	Word Mark
Registration Number:	3344234	LIBERTY
Registration Number:	3082413	MY
Serial Number:	85799711	MORRIS YACHTS
Serial Number:	85799717	OCEAN SERIES
Serial Number:	85799721	M-SERIES

CORRESPONDENCE DATA	
Fax Number:	2076229732
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	207 622 3747
Email:	jhuntington@eatonpeabody.com
Correspondent Name:	Jonathan B. Huntington
Address Line 1:	P.O. Box 5249
Address Line 4:	Augusta, MAINE 04333-5249

ATTORNEY DOCKET NUMBER:	91514.16
-------------------------	----------

CH \$140.00 3344234

NAME OF SUBMITTER:	Jonathan B. Huntington
Signature:	/Jonathan B. Huntington/
Date:	06/25/2013
<p>Total Attachments: 13 source=01411417#page1.tif source=01411417#page2.tif source=01411417#page3.tif source=01411417#page4.tif source=01411417#page5.tif source=01411417#page6.tif source=01411417#page7.tif source=01411417#page8.tif source=01411417#page9.tif source=01411417#page10.tif source=01411417#page11.tif source=01411417#page12.tif source=01411417#page13.tif</p>	

SECURITY AGREEMENT

This Security Agreement ("Agreement") is dated this 14th day of June, 2013, by and between **MORRIS YACHT, INC.**, a Maine corporation having a principal place of business and mailing address of 27 Ramp Road, Trenton, Maine 04604 ("Debtor"), and **TD BANK, N.A.**, a national banking association having a place of business and mailing address of 77 Exchange Street, Bangor, Maine, 04401 ("Lender").

BACKGROUND

A. Debtor desires to establish financing arrangements with Lender and Lender is willing to make certain loans and extensions of credit to Debtor. Debtor is also a Guarantor of the Obligations of Morris Holdings, LLC.

B. As a condition to such loans and extensions of credit and to secure the Obligations of Debtor herein and that certain Loan Agreement, as hereafter defined, Lender has required that Debtor grant the security interest contemplated by this Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, hereby agree as follows:

SECTION 1. DEFINITIONS AND INTERPRETATION

1.1 Terms Defined: As used in this Agreement, all capitalized terms used herein without further definition shall have the respective meanings ascribed thereto in the Loan Agreement. Any other capitalized terms used without further definition herein shall have the respective meaning set forth in the UCC.

1.2 Construction: No doctrine of construction of ambiguities in agreements or instruments against the interests of the party controlling the drafting shall apply to any Loan Documents.

SECTION 2. COLLATERAL

2.1 Collateral: As security for the payment of the Obligations, and satisfaction by Debtor of all covenants and undertakings contained in this Agreement and the other Loan Documents:

(a) Personal Property: Debtor hereby assigns and grants to Lender, a continuing Lien on and security interest in, upon and to all assets of Debtor, including but not limited to the following Property, all whether now owned or hereafter acquired, created or arising and wherever located:

- (1) Accounts - All Accounts;
- (2) Chattel Paper - All Chattel Paper;
- (3) Documents - All Documents;

- (4) Instruments - All Instruments;
- (5) Inventory - All Inventory;
- (6) General Intangibles - All General Intangibles, including but not limited to Intellectual Property identified on Schedule 2.1(6), attached;
- (7) Equipment - All Equipment,
- (8) Fixtures - All Fixtures;
- (9) Deposit Accounts - All Deposit Accounts;
- (10) Goods - All Goods;
- (11) Investment Property - All Investment Property;
- (12) Property in Lender's Possession - All Property of Debtor, now or hereafter in Lender's possession; and
- (13) Proceeds - The Proceeds (including, without limitation, insurance proceeds), whether cash or non-cash, of all of the foregoing property described in clauses (1) through (12).

2.2 Perfection of Security Interest: Debtor shall execute and/or deliver to Lender, or cause to be executed and delivered (all in form and substance satisfactory to Lender and its counsel):

(a) Financing statements pursuant to the UCC, which Lender may file in the jurisdiction where Debtor is organized and in any other jurisdiction that Lender deems appropriate;

(b) Any other agreements, documents, instruments and writings, including, without limitation, intellectual property security agreements, required by Lender to evidence, perfect or protect the Liens and security interests in the Collateral or as Lender may reasonably request from time to time.

(c) Debtor acknowledges and confirms that this Agreement is effective to create in favor of Lender legal, valid and enforceable Liens in all right, title and interest of Debtor in the Collateral, and when financing statements have been filed in the offices of the Maine Secretary of State and the Hancock County Registry of Deeds under Debtor's name, Debtor will have granted to Lender, and Lender will have perfected first priority Liens in the Collateral, superior in right to any and all other Liens, existing or future.

2.3 Other Actions:

(a) In addition to the foregoing, Debtor shall do anything further that may be reasonably required by Lender to secure Lender and effectuate the intentions and objects of this Agreement, including, without limitation, the execution and delivery of security agreements, contracts, control agreements and any other documents required hereunder and the delivery of

motor titles with Lender's lien noted thereon, and, with respect to amounts due to Debtor from the United States or any agency or instrumentality thereof, the execution and delivery of such documents as may be required to assign such amounts to Lender under the Assignment of Claims Act. At Lender's reasonable request, Debtor shall also immediately deliver (with execution by Debtor of all necessary documents or forms to reflect, implement or enforce the Liens described herein), or cause to be delivered to Lender all items for which Lender must receive possession to obtain a perfected security interest, including without limitation, all notes, stock powers, letters of credit, certificates and documents of title, Chattel Paper, Warehouse Receipts, Instruments, and any other similar instruments constituting Collateral.

(b) Lender is hereby authorized to file financing statements and amendments to financing statements without Debtor's signature, in accordance with the UCC. Debtor hereby authorizes Lender to file all such financing statements and amendments to financing statements describing the Collateral in any filing office as Lender, in its sole discretion may determine, including financing statements listing "All Assets" in the collateral description therein. Debtor agrees to comply with the requests of Lender in order for Lender to have and maintain a valid and perfected first security interest in the Collateral including, without limitation, executing and causing any other Person to execute such documents as Lender may require to obtain Control (as defined in the UCC) over all Deposit Accounts, Letter of Credit Rights and Investment Property.

2.4 Searches, Certificates: Lender may from time to time, at Debtor's expense, obtain any searches as Lender may require in accordance with Section 3.4 of the Loan Agreement.

2.5 Landlord's and Warehouseman's Waivers: If applicable, Debtor will cause each owner of any premises occupied by Debtor at which Debtor maintains its chief executive office or its material books and records, and will use its best efforts to cause each other owner of premises occupied or to be occupied by Debtor and each warehouseman of any warehouse, where, in either event Collateral is held, to execute and deliver to Lender an instrument as Lender may require in accordance with Section 3.5 of the Loan Agreement.

2.6 Filing Security Agreement: A carbon, photographic or other reproduction or other copy of this Agreement or of a financing statement is sufficient as and may be filed in lieu of a financing statement.

2.7 Power of Attorney: Each of the officers of Lender is hereby irrevocably made, constituted and appointed the true and lawful attorney for Debtor during such time as any Obligations are outstanding (without requiring any of them to act as such) with full power of substitution to do the following: (a) endorse the name of Debtor upon any and all checks, drafts, money orders and other instruments for the payment of monies that are payable to Debtor and constitute collections on Debtor's Accounts or proceeds of other Collateral; (b) execute and/or file in the name of Debtor any financing statements, schedules, assignments, instruments, documents and statements that Debtor is obligated to give Lender hereunder or is necessary to perfect (or continue or evidence the perfection of such security interest or Lien) Lender's security interest or Lien in the Collateral; and (c) during the continuance of an Event of Default, do such other and further acts and deeds in the name of Debtor that Lender may reasonably deem necessary or desirable to enforce any Account or other Collateral.

SECTION 3. REPRESENTATIONS AND WARRANTIES

All representations and warranties set forth in Section V of the Loan Agreement are hereby incorporated herein by reference and made a part hereof

SECTION 4. COVENANTS

Debtor covenants that:

4.1 Payment of Taxes and Claims: Debtor shall pay, before they become delinquent, all taxes, assessments and governmental charges, or levies imposed upon it, or upon Debtor's Property, and all claims or demands of materialmen, mechanics, carriers, warehousemen, landlords and other Persons, entitled to the benefit of statutory or common law Liens which, in any case, if unpaid, would result in the imposition of a Lien upon its Property; provided however, that Debtor shall not be required to pay any such tax, assessment, charge, levy, claim or demand if the amount, applicability or validity thereof, shall at the time, be contested in good faith and by appropriate proceedings by Debtor, and if Debtor shall have set aside on its books adequate reserves in respect thereof, if so required in accordance with GAAP; which deferment of payment is permissible so long as no Lien other than a Permitted Lien has been entered and Debtor's title to, and its right to use, its Property are not materially adversely affected thereby.

4.2 Maintenance of Properties and Legal Existence:

(a) Property - Debtor shall maintain its Property in good condition (normal wear and tear excepted) make all necessary renewals, replacements, additions, betterments and improvements thereto and will pay and discharge when due the cost of repairs and maintenance to its Property, and will pay all rentals when due for all real estate leased by Debtor.

(b) Property Insurance, Public and Products Liability Insurance - Debtor shall maintain and keep in force insurance (i) on all insurable tangible Property against fire, flood, casualty and such other hazards (including, without limitation, extended coverage, workmen's compensation, boiler and machinery, with inflation coverage by endorsement) and (ii) against public liability, product liability and business interruption, in each case in such amounts, with such deductibles and with such insurers as are customarily used by companies operating in the same industry as Debtor, all in such form and substance as Lender may reasonably require. In the event Debtor fails to procure or cause to be procured any such insurance or to timely pay or cause to be paid the premium(s) on any such insurance, Lender may do so for Debtor, but Debtor shall continue to be liable for the same. The policies of all such casualty insurance shall contain standard Lender's Loss Payable Clauses (and, with respect to liability and interruption insurance, additional insured clauses) issued in favor of Lender under which all losses thereunder shall be paid to Lender as Lender's interest may appear. Such policies shall expressly provide that the requisite insurance cannot be altered or canceled without thirty (30) days prior written notice to Lender and shall insure Lender notwithstanding the act or neglect of Debtor. Debtor hereby appoints Lender as Debtor's attorney-in-fact, exercisable at Lender's option to endorse any check which may be payable to Debtor in order to collect the proceeds of such insurance and any amount or amounts collected by Lender pursuant to the provisions of this Section may be applied by Lender, in its sole discretion, to any Obligations or to repair, reconstruct or replace the loss of or damage to Collateral as Lender in its discretion may from time to time determine.

(c) Legal Existence and Rights - Debtor shall do (or cause to be done) all things necessary to preserve and keep in full force and effect its existence (as a corporation, limited liability company or limited partnership, as applicable), good standing, rights and franchises.

4.3 Places of Business: Debtor shall give thirty (30) days prior written notice to Lender of any changes in the location of any of its respective places of business, of the places where records concerning its Accounts or where its Inventory are kept, or the establishment of any new, or the discontinuance of any existing place of business; provided that Debtor may not establish any place of business outside of the United States without Lender's prior written consent. The only places of business of Debtor, and the places where Debtor keeps and intends to keep its Property, are at the addresses shown on Schedule 4.3 attached hereto and made part hereof.

4.4 Commercial Tort Claims: Debtor will immediately notify Lender in writing in the event that Debtor becomes a party to or obtains any rights with respect to any Commercial Tort Claim. Such notification shall include information sufficient to describe such Commercial Tort Claim, including, but not limited to, the parties to the claim, the court in which the claim was commenced, the docket number assigned to such claim, if any, and a detailed explanation of the events that gave rise to the claim. Debtor shall execute and deliver to Lender all documents and/or agreements necessary to grant Lender a security interest in such Commercial Tort Claim to secure the Obligations. Debtor authorizes Lender to file (without Debtor's signature) initial financing statements or amendments, as Lender deems necessary to perfect its security interest in the Commercial Tort Claim.

4.5 Letter of Credit Rights: Debtor shall provide Lender with written notice of any Letters of Credit for which Debtor is the beneficiary. Debtor shall execute and deliver (or cause to be executed or delivered) to Lender, all documents and agreements as Lender may require in order to obtain and perfect its security interest in such Letter of Credit Rights.

4.6 [Intentionally Omitted:]

4.7 Liens and Encumbrances: Debtor shall not: (i) execute a negative pledge agreement with any Person covering any of its Property, or (ii) cause or permit or agree or consent to cause or permit in the future (upon the happening of a contingency or otherwise), its Property (including, without limitation, the Collateral), whether now owned or hereafter acquired, to be subject to a Lien or be subject to any claim except for Permitted Liens.

4.8 Jurisdiction of Organization: Without providing at least 30 days' prior written notice to Lender, Debtor shall not change its name, its type of organization, jurisdiction of organization or other legal structure, its place of business or, if more than one, chief executive office, or its mailing address or organizational identification number.

SECTION 5. DEFAULT

5.1 Events of Default: Each of the following events shall constitute an event of default ("Event of Default"):

(a) Payments - if Debtor fails to make any payment of principal interest, charges, fees, Expenses or other monetary obligations owing to Lender on the date such payment is due and

payable, and such default shall have continued beyond any applicable notice or cure period provided for in the Loan Agreement; or

(b) Particular Covenant Defaults - if Debtor fails to perform, comply with or observe any covenant or undertaking contained in this Agreement, and such failure continues beyond any applicable notice or cure period provided for in the Loan Agreement; or

(c) Uninsured Loss - if there shall occur any uninsured damage to or loss, theft, or destruction with respect to any portion of any Property of Debtor; or

(d) Warranties or Representations - if any warranty, representation or other statement by or on behalf of Debtor contained in or pursuant to this Agreement is false, erroneous, or misleading in any material respect when made; or

(e) Other Agreements with Lender - if Debtor breaches or violates the terms of, or if a default (and expiration of any applicable cure period), or an Event of Default, occurs under, the Loan Agreement, any Interest Hedging Instrument or any other existing or future agreement (related or unrelated) (including, without limitation, the other Loan Documents) between Debtor and Lender; or

(f) Liens - if any Lien in favor of Lender shall cease to be valid, enforceable and perfected and prior to all other Liens other than Permitted Liens or if Debtor or any Governmental Authority shall assert any of the foregoing; or

(g) Default Under Any Loan Document - if there exists an uncured Event of Default as such term is defined in the Loan Agreement or any other Loan Document.

5.2 Cure: Nothing contained in this Agreement or the Loan Documents shall be deemed to compel Lender to accept a cure of any Event of Default hereunder.

5.3 Rights and Remedies on Default:

(a) In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the occurrence and during the continuance of a Default or an Event of Default, Lender may, in its discretion, withhold or cease making Advances.

(b) In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the occurrence and during the continuance of an Event of Default Lender may, in its discretion, terminate any obligation to extend credit to Debtor and declare the Obligations immediately due and payable, all without demand, notice, presentment or protest or further action of any kind.

(c) In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the acceleration of the

Obligations following the occurrence of an Event of Default, Lender may, in its discretion, exercise all rights under the UCC and any other applicable law or in equity, and under all Loan Documents permitted to be exercised after the occurrence of an Event of Default, including the following rights and remedies (which list is given by way of example and is not intended to be an exhaustive list of all such rights and remedies):

(1) The right to take possession of, send notices regarding and collect directly the Collateral, with or without judicial process (including without limitation the right to notify the United States postal authorities to redirect mail addressed to Debtor to an address designated by Lender); or

(2) By its own means or with judicial assistance, enter Debtor's premises and take possession of the Collateral, or render it unusable, or dispose of the Collateral on such premises in compliance with subsection (e) below, without any liability for rent, storage, utilities or other sums, and Debtor shall not resist or interfere with such action; or

(3) Require Debtor at Debtor's expense to assemble all or any part of the Collateral (other than real estate or fixtures) and make it available to Lender at any place designated by Lender.

(d) In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), or otherwise available at law or in equity, upon or at any time after the occurrence and during the continuance of an Event of Default, Debtor shall, at the request of Lender, notify Account Debtors and other persons obligated on any of the Collateral of the security interest of Debtor in any Account, Chattel Paper, General Intangible, Instrument or other Collateral and that payment thereof is to be made directly to Lender or to any financial institution designated by Lender as Lender's agent therefor, and Lender may itself, without notice to or demand upon Debtor, so notify Account Debtors and other persons obligated on Collateral. After the making of such a request or the giving of any such notification, Debtor shall hold any proceeds of collection of Accounts, Chattel Paper, General Intangibles, Instruments and other Collateral received by Debtor as trustee for Lender without commingling the same with other funds of Debtor and shall turn the same over to Lender in the identical form received, together with any necessary endorsements or assignments. Lender shall apply the proceeds of collection of Accounts, Chattel Paper, General Intangibles, Instruments and other Collateral received by Lender to the Obligations, such proceeds to be immediately entered after final payment in cash or other immediately available funds of the items giving rise to them.

(e) Debtor hereby agrees that a notice received by it at least seven (7) days before the time of any intended public sale or of the time after which any private sale or other disposition of the Collateral is to be made, shall be deemed to be reasonable notice of such sale or other disposition. If permitted by applicable law, any perishable inventory or Collateral which threatens to speedily decline in value or which is sold on a recognized market may be sold immediately by Lender without prior notice to Debtor. Debtor covenants and agrees not to interfere with or impose any obstacle to Lender's exercise of its rights and remedies with respect to the Collateral, after the occurrence of an Event of Default hereunder. Lender shall have no obligation to clean up or prepare the Collateral for sale. If Lender sells any of the Collateral upon credit, Debtor will only be credited with payments actually made by the purchaser thereof, that are

received by Lender. Lender may, in connection with any sale of the Collateral specifically disclaim any warranties of title or the like.

5.4 Nature of Remedies: All rights and remedies granted Lender hereunder and under the Loan Documents, or otherwise available at law or in equity, shall be deemed concurrent and cumulative, and not alternative remedies, and Lender may proceed with any number of remedies at the same time until all Obligations are satisfied in full. The exercise of any one right or remedy shall not be deemed a waiver or release of any other right or remedy, and Lender, upon or at any time after the occurrence of an Event of Default, may proceed against Debtor, at any time, under any agreement, with any available remedy and in any order.

5.5 Set-Off:

In addition to all other rights, options and remedies granted or available to Lender under this Agreement or the Loan Documents (each of which is also then exercisable by Lender), upon or at any time after the occurrence and during the continuance of an Event of Default, Lender (and any participant) shall have and be deemed to have, without notice to Debtor, the immediate right of set-off against any bank account of Debtor with Lender or any participant and may apply the funds or amount thus set-off against any of Debtor's Obligations hereunder or under the Loan Agreement.

If any bank account of Debtor with Lender or any participant is attached or otherwise liened or levied upon by any third party, Lender (and such participant) shall have and be deemed to have, without notice to Debtor, the immediate right of set-off and may apply the funds or amount thus set-off against any of Debtor's Obligations hereunder or under the Loan Agreement.

SECTION 6. MISCELLANEOUS

6.1 Governing Law: THIS AGREEMENT AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND ALL RELATED AGREEMENTS AND DOCUMENTS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF MAINE. THE PROVISIONS OF THIS AGREEMENT AND ALL OTHER AGREEMENTS AND DOCUMENTS REFERRED TO HEREIN ARE TO BE DEEMED SEVERABLE, AND THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION SHALL NOT AFFECT OR IMPAIR THE REMAINING PROVISIONS WHICH SHALL CONTINUE IN FULL FORCE AND EFFECT.

6.2 Integrated Agreement: The other Loan Documents, all related agreements, and this Agreement shall be construed as integrated and complementary of each other, and as augmenting and not restricting Lender's rights and remedies. If, after applying the foregoing, an inconsistency still exists, the provisions of this Agreement shall constitute an amendment thereto and shall control.

6.3 Waiver: No omission or delay by Lender in exercising any right or power under this Agreement or any related agreements and documents will impair such right or power or be construed to be a waiver of any Default, or Event of Default or an acquiescence therein, and any

single or partial exercise of any such right or power will not preclude other or further exercise thereof or the exercise of any other right, and as to Debtor no waiver will be valid unless in writing and signed by Lender and then only to the extent specified.

6.4 Indemnity: Debtor releases and shall indemnify, defend and hold harmless Lender and its respective officers, employees and agents, of and from any claims, demands, liabilities, obligations, judgments, injuries, losses, damages and costs and expenses (including, without limitation, reasonable legal fees) resulting from (i) acts or conduct of Debtor under, pursuant or related to this Agreement and the other Loan Documents, (ii) Debtor's breach or violation of any representation, warranty, covenant or undertaking contained in this Agreement or the other Loan Documents, (iii) Debtor's failure to comply with any or all laws, statutes, ordinances, governmental rules, regulations or standards, whether federal, state or local, or court or administrative orders or decrees, (including without limitation Environmental Laws, etc.), and (iv) any claim by any other creditor of Debtor against Lender arising out of any transaction whether hereunder or in any way related to the Loan Documents and all costs, expenses, fines, penalties or other damages resulting therefrom, unless resulting solely from acts or conduct of Lender constituting willful misconduct or gross negligence.

6.5 Time: Whenever Debtor shall be required to make any payment, or perform any act, on a day which is not a Business Day, such payment may be made, or such act may be performed, on the next succeeding Business Day. Time is of the essence in Debtor's performance under all provisions of this Agreement and all related agreements and documents.

6.6 Expenses of Lender: Debtor will pay upon demand of Lender all reasonable costs, fees and expenses of Lender in connection with (i) the analysis, negotiation, preparation, execution, administration, delivery and termination of this Agreement, and other Loan Documents and the documents and instruments referred to herein and therein, and any amendment, amendment and restatement, supplement, waiver or consent relating hereto or thereto, whether or not any such amendment, amendment and restatement, supplement, waiver or consent is executed or becomes effective, search costs, the reasonable fees, expenses and disbursements of counsel for Lender, and reasonable charges of any expert consultant to Lender, (ii) the enforcement of Lender's rights hereunder, or the collection of any payments owing from, Debtor under this Agreement and/or the other Loan Documents or the protection, preservation or defense of the rights of Lender hereunder and under the other Loan Documents, and (iii) any refinancing or restructuring of the credit arrangements provided under this Agreement and other Loan Documents in the nature of a "work-out" or of any insolvency or bankruptcy proceedings, or otherwise (including the reasonable fees and disbursements of counsel for Lender and, with respect to clauses (ii) and (iii), reasonable allocated costs of internal counsel) (collectively, the "Expenses").

6.7 Notices: Any notices or consents required or permitted by this Agreement shall be in writing and shall be deemed given if delivered in accordance with Section 9.8 of the Loan Agreement.

6.8 Headings: The headings of any paragraph or Section of this Agreement are for convenience only and shall not be used to interpret any provision of this Agreement.

6.9 Survival: All warranties, representations, and covenants made by Debtor herein, or in any agreement referred to herein or on any certificate, document or other instrument

delivered by it or on its behalf under this Agreement, shall be considered to have been relied upon by Lender, and shall survive the delivery to Lender of the Notes, regardless of any investigation made by Lender or on its behalf. All statements in any such certificate or other instrument prepared and/or delivered for the benefit of Lender shall constitute warranties and representations by Debtor hereunder. Except as otherwise expressly provided herein, all covenants made by Debtor hereunder or under any other agreement or instrument shall be deemed continuing until all Obligations are satisfied in full. All indemnification obligations under this Agreement shall survive the termination of this Agreement and payment of the Obligations for a period of two (2) years.

6.10 Successors and Assigns: This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties. Debtor may not transfer, assign or delegate any of its duties or obligations hereunder. Debtor acknowledges and agrees that Lender may at any time, and from time to time, (a) sell participating interests in the Obligations, and Lender's rights hereunder to other financial institutions, and (b) sell, transfer, or assign the Obligations and Lender's rights hereunder, to any one or more additional banks or financial institutions, subject (as to Lender's rights under this clause (b)) to Debtor's written consent, which consent shall not be unreasonably withheld; provided that, no consent under this clause (b) shall be required if an Event of Default exists at the time of such sale, transfer or assignment.

6.11 Duplicate Originals: Two or more duplicate originals of this Agreement may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument.

6.12 Modification: No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed by Debtor and Lender.

6.13 Signatories: Each individual signatory hereto represents and warrants that he is duly authorized to execute this Agreement on behalf of his principal and that he executes the Agreement in such capacity and not as a party.

6.14 Third Parties: No rights are intended to be created hereunder, or under any related agreements or documents for the benefit of any third party donee, creditor or incidental beneficiary of Debtor. Nothing contained in this Agreement shall be construed as a delegation to Lender of Debtor's duty of performance, including, without limitation, Debtor's duties under any account or contract with any other Person.

6.15 Discharge of Taxes, Debtor's Obligations, Etc.: Lender, in its sole discretion, shall have the right at any time, and from time to time, with at least ten (10) days prior notice to Debtor if Debtor fail to do so, to: (a) pay for the performance of any of Debtor's obligations hereunder, and (b) discharge taxes or Liens, at any time levied or placed on Debtor's Property in violation of this Agreement unless Debtor is in good faith with due diligence by appropriate proceedings contesting such taxes or Liens and maintaining proper reserves therefor in accordance with GAAP. Expenses and advances shall be added to the Obligations and bear interest at the highest rate applicable to the Obligations, until reimbursed to Lender. Such payments and advances made by Lender shall not be construed as a waiver by Lender of a Default or Event of Default under this Agreement.


6.16 Consent to Jurisdiction: Debtor and Lender each hereby irrevocably consent to the non-exclusive jurisdiction of the Courts in the County Penobscot, State of Maine or the United States District Court for the District of Maine located in Penobscot County in any and all actions and proceedings whether arising hereunder or under any other agreement or undertaking. Debtor waives any objection which Debtor may have based upon lack of personal jurisdiction, improper venue or forum non conveniens. Debtor irrevocably agrees to service of process by certified mail, return receipt requested to the address of the appropriate party set forth herein.

6.17 Waiver of Jury Trial: DEBTOR AND LENDER EACH HEREBY WAIVE ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION, PROCEEDING OR COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO OR UNDER THE LOAN DOCUMENTS OR WITH RESPECT TO ANY CLAIMS ARISING OUT OF ANY DISCUSSIONS, NEGOTIATIONS OR COMMUNICATIONS INVOLVING OR RELATED TO ANY PROPOSED RENEWAL, EXTENSION, AMENDMENT, MODIFICATION, RESTRUCTURE, FORBEARANCE, WORKOUT, OR ENFORCEMENT OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS.

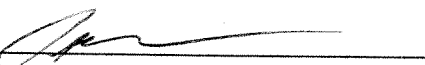
6.18 Consequential Damages: Neither Lender nor agent or attorney of Lender, shall be liable for any consequential damages arising from any breach of contract, tort or other wrong relating to the establishment, administration or collection of the Obligations.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement the day and year first above written.

MAINE YACHT, INC., a Maine corporation,
organizational identification number: 19990513ND

By: 
Dewitt C. Morris, Its President,
Duly Authorized

TD BANK, N.A.

By: 
Jeffrey A. Plourde, Its Vice President,
Duly Authorized

Schedule 4.3

Locations

4 Orchard Pond Way
Tremont, ME 04662

53 Granville Road
Bass Harbor, ME 04653

Schedule 2.1(6)

Trademarks in Federal Register

1. LIBERTY, REGISTRATION #: 3,344,234. NOVEMBER 27, 2007. CURRENT THROUGH 11/2013
2. MY (LOGO), REGISTRATION #: 3,082,413. APRIL 18, 2006. CURRENT THROUGH 4/2016.
3. (PENDING) MORRIS YACHTS S/N #: 85/799,711. FILING DATE DECEMBER 11, 2012. HAS BEEN PUBLISHED, EXPECTED TO ISSUE.
4. (PENDING) OCEAN SERIES: S/N 85/799,717. FILING DATE DECEMBER 11, 2012. HAS BEEN PUBLISHED, EXPECTED TO ISSUE.
5. (PENDING) M-SERIES: S/N 85/799,721. FILING DATE DECEMBER 11, 2012. HAS BEEN PUBLISHED, EXPECTED TO ISSUE.