

06-15-2001

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FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027

06-07-2001

U.S. Patent & TMO/TM Mail Rcpt Dt. #73

101752571

TRADEMARK

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

6.7.01

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

#### Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

#### Conveyance Type

- Assignment  License
  - Security Agreement  Nunc Pro Tunc Assignment
  - Merger  Change of Name
  - Other \_\_\_\_\_
- Effective Date  
Month Day Year  
\_\_\_\_\_

#### Conveying Party

Mark if additional names of conveying parties attached

Name Blackpowder Products, Inc.

Execution Date  
Month Day Year  
4/19/2001

Formerly \_\_\_\_\_

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other \_\_\_\_\_
- Citizenship/State of Incorporation/Organization Georgia

#### Receiving Party

Mark if additional names of receiving parties attached

Name R. Robert Hickey

DBA/AKATA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 2201 Brooke Farm Trail

Address (line 2) Dunwoody, Georgia 30338

Address (line 3) \_\_\_\_\_ State/Country \_\_\_\_\_ Zip Code \_\_\_\_\_

- Individual  General Partnership  Limited Partnership
- Corporation  Association
- Other \_\_\_\_\_

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization US

06/14/2001 LNUELLER 00000131 75514980

FOR OFFICE USE ONLY

01 FC:481  
02 FC:482

40.00 DP  
300.00 DP

Public burden reporting for this collection of information is estimated to average approximately 36 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 002314 FRAME: 0579

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

860 241-2630

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

9

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

**Number of Properties**

Enter the total number of properties involved.

#

13

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

340.00

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

03-3355

Authorization to charge additional fees:

Yes

No

**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. Charges to deposit account are authorized, as indicated herein.

Peter L. Costas

Name of Person Signing

Signature

6/4/2001

Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date

Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

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## TRADEMARK SECURITY AGREEMENT

THIS AGREEMENT is made as of April 19, 2001, between BLACKPOWDER PRODUCTS, INC., a Georgia corporation (the "Company"), and R. ROBERT HICKEY, a resident of the state of Georgia ("Hickey").

WITNESSETH:

WHEREAS, the Company and Hickey have entered into an Assumption Agreement dated the date hereof under which the Company is obligated to pay Hickey certain monies and royalties.; and

WHEREAS, the parties desire to secure the payments under the Assumption Agreement by the execution of this Agreement;

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, and in consideration of the premises, the Company hereby agrees with Hickey as follows:

1. To secure the payment and performance under the Assumption Agreement ("Obligations"), the Company hereby pledges, assigns and grants to Hickey a continuing security interest in and lien upon all of the following property of the Company, whether now owned or existing or hereafter acquired (the "Collateral"):

(a) all trademarks, trademark registrations, trade names and trademark applications, including each trademark and application listed on Schedule A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof; (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including damages and payments for past or future infringement or dilution thereof or injury to the associated goodwill, (iii) the right to sue for past, present and future infringement or dilution thereof or injury to the associated goodwill, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks"); and

(b) the goodwill of the Company's business connected with and symbolized by each Trademark.

2. The Company represents and warrants that:

(a) Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;

(b) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal and valid perfected lien upon and security interest in the Collateral (other than foreign trademarks), enforceable against the Company and all third parties in accordance

with its terms;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person; and

(d) The Company has the unqualified right to enter into this Agreement and perform its terms.

3. The Company covenants and agrees that:

(a) Each of the Trademarks is valid and enforceable;

(b) The Company is the sole and exclusive owner of the entire right, title and interest in and to each of the Collateral, free and clear of any liens, charges and encumbrances, including pledges, assignments, licenses, registered user agreements and covenants by the Company not to sue third Persons; except as set out on Exhibit 1 attached hereto.

(c) The Company will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement, and will provide Hickey quarterly with a certificate to that effect in the form attached hereto as Exhibit 2 executed by an officer of the Company;

(d) The Company will not change the quality of the products associated with the Trademarks without Hickey's prior written consent; and

(e) The Company has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks, and has made and will make all appropriate filings with the United States Patent and Trademark Office to maintain the Trademark registrations in existence, including filing an affidavit of use with the United States Patent and Trademark Office during the sixth year of registration for each trademark as required by law.

4. The Company hereby grants to Hickey and his agents the right upon prior notice to the Company to visit the Company's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. The Company shall do any and all acts required by Hickey to ensure the Company's compliance with paragraph 3(c) of this Agreement.

5. The Company agrees that, until all of the Obligations have been satisfied in full, it will not enter into any agreement (including any license agreement) which is inconsistent with the Company's duties under this Agreement.

6. If, before the Obligations have been satisfied in full, the Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or

any renewal of any Trademark, the provisions of paragraph 1 hereof shall automatically apply thereto, and the Company shall give to Hickey prompt notice thereof in writing.

7. The Company authorizes Hickey to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications within the definition of Trademarks under paragraph 1 or paragraph 6 hereof.

8. Upon and at any time after the occurrence of an Event of Default (as defined in the Assumption Agreement), Hickey shall have, in addition to all other rights and remedies given it by this Agreement, all rights and remedies under applicable law and all rights and remedies of a secured party under the Uniform Commercial Code as adopted and then in force in the State of Georgia. Without limiting the generality of the foregoing, Hickey may immediately, without notice or demand, each of which the Company hereby waives, collect directly any payments due the Company in respect of the Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Collateral. The Company hereby agrees that ten (10) days written notice to the Company of any public or private sale or other disposition of any of the Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Hickey may, to the extent permitted by applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Collateral all costs and expenses incurred by Hickey in enforcing its rights hereunder (including all attorney's fees and legal expenses), Hickey shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as Hickey in its sole discretion may determine subject to the rights of any parties set out on Exhibit 1. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Company. If any deficiency shall arise, the Company shall remain liable to Hickey therefor.

9. The Company hereby makes, constitutes and appoints Hickey and any officer or agent of Hickey as Hickey may select as the Company's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse the Company's name on all applications, documents, papers and instruments necessary for Hickey to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other party, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any other party. The Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Assumption Agreement shall have been terminated.

10. At such time as all of the Obligations shall have been satisfied finally and in full and the Assumption Agreement shall have been terminated, Hickey shall execute and deliver to the Company, without representation, warranty or recourse, at the Company's expense, all releases and other instruments necessary to terminate Hickey's security interest in the Collateral, subject to any disposition thereof which may have been made by Hickey pursuant to the terms of this Agreement, the Assumption Agreement.

11. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Hickey in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by the Company (it being the intent of the Company and Hickey that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including all renewal fees with respect to the Trademarks) or, if paid Hickey, shall be paid by the Company on demand to Hickey and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate of twelve percent (12%) per annum.

12. The Company shall use its best efforts to detect any infringers of the Trademarks and shall notify Hickey in writing of infringements detected. The Company shall have the duty, through counsel acceptable to Hickey, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed necessary or desirable by Hickey to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any pending trademark application or Trademark without the consent of Hickey.

13. Without limiting the obligations of the Company described in paragraph 12 hereof, after Hickey's receipt of notice from the Company as provided in paragraph 12, or if Hickey reasonably believes the act of any Person constitutes an infringement of any Trademark, or a violation of any right of the Company or Hickey therein, or an unlawful or unauthorized thereof; Hickey shall have the right (but shall not be obligated) to take such steps and institute such suits or proceedings as Hickey shall deem necessary or advisable in its own name, or in the name of the Company or in the names of Hickey and the Company jointly, to enforce the Trademarks and any license thereunder, or to protect the rights of the parties thereunder, in which event the Company shall at the request of Hickey do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Hickey to aid such enforcement, and the Company shall promptly, upon demand, reimburse and indemnify Hickey for all costs and expenses incurred in the exercise of Hickey's rights under this paragraph 13. Nothing herein shall be deemed to prohibit the Company from bringing any such suit in its own name at any time that an Event of Default does not exist, if Hickey declines to institute such suit.

14. If the Company fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Hickey may do so in the Company's name or in Hickey's name, but at the Company's expense, and the Company agrees to reimburse Hickey in full for all expenses, including attorneys' fees and legal expenses, incurred by Hickey in prosecuting, defending or maintaining the Trademarks or Hickey's interest therein pursuant to this Agreement.

15. No course of dealing between the Company and Hickey, nor any failure to exercise, nor any delay in exercising, on the part of Hickey, any right, power or privilege hereunder or under the Assumption Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. All of Hickey's rights and remedies with respect to the Collateral, whether established by this Agreement, by the Assumption Agreement, by any other agreements or by applicable law shall be cumulative and may be exercised singularly or concurrently.

17. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof; in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 7 hereof.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the heirs, next of kin, executors, administrators, legal representatives, successors and assigns of Hickey and upon the successors of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Hickey.

20. Notice of acceptance hereof is hereby waived by the Company.

21. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.

22. THE COMPANY AND HICKEY EACH WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE COLLATERAL.

WITNESS the execution hereof under seal as of the date and year first above written.

BLACKPOWDER PRODUCTS, INC.

By: *R. Robert Hickey, Gen Mgr*  
R. Robert Hickey, General Manager

*R. Robert Hickey*  
R. ROBERT HICKEY



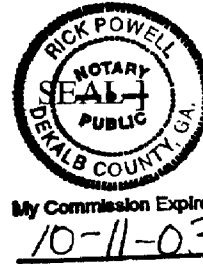
STATE OF GEORGIA

COUNTY OF GWINNETT

BEFORE ME, the undersigned authority, on this day personally appeared R. Robert Hickey, General Manager of BLACKPOWDER PRODUCTS, INC., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 19 day of April, 2001.

Rick Powell  
Notary Public



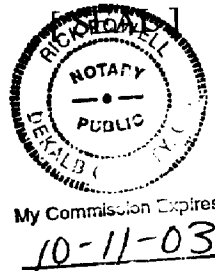
STATE OF GEORGIA

COUNTY OF GWINNETT

BEFORE ME, the undersigned authority, on this day personally appeared R. Robert Hickey, to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

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Rick Powell  
Notary Public



SCHEDULE A

UNITED STATES REGISTERED TRADEMARKS

<u>TRADEMARK</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
CVA LOGO	1,075,909	October 25, 1977
CVA	1,540,167	May 23, 1989
SST	1,490,223	May 31, 1988
SST & DESIGN	1,489,390	May 24, 1988
CVA & DESIGN	1,346,020	July 2, 1985
CVA & DESIGN	1,358,888	September 10, 1985
CONNECTICUT VALLEY ARMS	1,388,061	April 1, 1986
CONNECTICUT VALLEY ARMS	1,389,005	April 8, 1986
ACCUSYSTEM	2,208,011	December 8, 1998
ILLUMINATOR	2,175,658	July 21, 1998
ACCUBOLT	2,230,509	March 9, 1999
FIREBOLT	2,230,510	March 9, 1999

FOREIGN TRADEMARK REGISTRATIONS

<u>COUNTRY</u>	<u>TRADEMARK</u>	<u>REG. NO.</u>	<u>REG. DATE</u>
AUSTRALIA	CVA LOGO	B347,740	June 26, 1980
AUSTRALIA	CVA LOGO	A367,025	June 26, 1980
CANADA	CVA LOGO	257,194	March 27, 1981
CANADA	CVA LOGO	358,503	July 14, 1989
SPAIN	CVA LOGO	929,438/4	July 21, 1980
SPAIN	CVA LOGO	929,438/4	July 21, 1980
SPAIN	CVA LOGO	929,437/6	September 20, 1980
SPAIN	CONNECTICUT VALLEY ARMS	929,436	July 21, 1980
SPAIN	CONNECTICUT VALLEY ARMS	929,436	July 21, 1980

PENDING UNITED STATES TRADEMARK APPLICATIONS

TRADEMARK

SERIAL NO.

FILING DATE

MUSKETMAG

75/514,980

July 6, 1998