

Form **PTO-1594**
(Rev. 03/01)
OMB No. 0661-0027 exp. 5/31/2002
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09-09-2002



IEET U.S. DEPARTMENT OF COMMERCE
.Y U.S. Patent and Trademark Office

To the Honorable Commission

102215268

Attached original documents or copy thereof.

1. Name of conveying party(ies):

Eldorado Cartridge Corporation

- Individual(s)
- General Partnership
- Corporation-State
- Other 6.5.02
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: 5/17/2002

2. Name and address of receiving party(ies)

Name: UEE Cartucheria Deportiva, S.A.

Internal

Address: _____

Street Address: c/o Santa Marina s/n

City: Alava State: SPAIN Zip: @%!(@

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other a Spanish Corporation

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,253,178

Additional number(s) attached Yes No

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

Name: Peter R. George, Esq.

Internal Address: Baker & McKenzie

130 E. Randolph Drive, Suite 3100

Street Address: 130 E. Randolph Drive

Suite 3100

City: Chicago State: IL Zip: 60601

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:

501-649

(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.

Peter R. George

Name of Person Signing

Signature

9/4/02

Date

Total number of pages including cover sheet, attachments, and document

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

OFFICE OF PUBLIC RECORDS
SEP - 4 AM 09
FINANCE SECTION

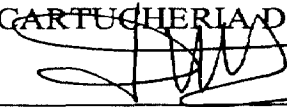
2,253,178

POWER OF ATTORNEY/APPOINTMENT OF DOMESTIC REPRESENTATIVE

Assignee hereby appoints Leslie Bertagnolli, Paula Krasny, David I. Roche, David J. Davis, John A. Bacon, Colin J. Sawdy, Patricia Y. Song, Lisa Luedke, Annette L. Honan, Peter R. George and Bradley R. Weissenberger members of the Bar of the State of Illinois, whose mailing address is One Prudential Plaza, Suite 3100, Chicago, Illinois 60601, to prosecute this conveyance, to transact all business in the Patent and Trademark Office in connection with it, and to receive correspondence with respect to it. Please address all communications to one of these appointed attorneys, who shall service as our domestic representatives upon whom notice or process in proceedings affecting the mark may be served.

Date: 21st May, 2002

UEE GARTUCHERIA DEPORTIVA, S.A.

BY: 
(Signature)

Name: FERNANDO CUBELLS
(Printed)

Title: DEPUTY GENERAL MANAGER

Peter R. George
BAKER & McKENZIE
One Prudential Plaza
130 E. Randolph Drive
Chicago, Illinois 60601 USA
312/861-6587

06-24-2002

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): FINANCE SECTION

Eldorado Cartridge Corporation

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other 6-5-02

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

3. Nature of conveyance:

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

Execution Date: 5-17-2002

2. Name and address of receiving party(ies)

Name: UEE Cartucheria Deportiva, S.A.

Internal _____

Address: _____

Street Address: C/Santa Marina s/n

City: Alava State: SPAIN Zip: 25192

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other a Spanish Corporation

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

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Peter R. George

Name of Person Signing

Signature

5/23/02
Date

Total number of pages including cover sheet, attachments, and document: 1

06/21/2002 BYRNE

00000170 301649 2253178

01 FC:481

40.00 CH

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002577 FRAME: 0486

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT dated as of May 17, 2002, executed and delivered by **ELDORADO CARTRIDGE CORPORATION**, a corporation organized under the laws of the State of Nevada, with its principal place of business and chief executive office located at 12801 U.S. 95 South 89005, P.O. Box 62508, Boulder City, Nevada (the "Debtor"), in favor of **UEE CARTUCHERIA DEPORTIVA, S.A.**, with its registered office located at C/ Santa Marina s/n, 01230 Nanclares de la Oca (Alava) Spain, in its capacity as Agent (the "Agent"), for itself and on behalf of **CARTUCHOS SAGA, S.A.**, with its registered office located at Partida de la Caparrella s/n, 25192 (Lerida) Spain ("Saga"), and **CARTUCHOS GB, S.A.**, with its registered office located at Barrio de Sta Marina, s/n, 01428 Nanclares de la Oca (Alava) Spain ("GB", GB together with Saga and the Agent, each a Secured Party and collectively the "Secured Parties").

WHEREAS, the Debtor has incurred or will incur certain payment obligations to the Secured Parties and desires to secure such payment obligations by granting to the Secured Parties an interest in the Debtor's "Trade Commercial Names" as follows:

PMC

NOW, THEREFORE, in consideration of the above the Debtor hereby agrees with the Agent as follows:

Section 1. Security Interest. Debtor hereby grants to Agent for the benefit of the Secured Parties, a security interest in all of Debtor's right, title and interest in and to the collateral described in Section 1 herein (the "Collateral") in order to secure the prompt and complete payment, observance and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations.

- Collateral. The Collateral is:

(a) Debtor's trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "Trade Commercial Names"); and

(b) the goodwill of Debtor's business connected with and symbolized by the Trade Commercial Names.

Section 2. Representations and Warranties. The Debtor represents and warrants to the Agent as follows:

- **Name; Taxpayer ID Number.** The correct corporate name of the Debtor is set forth in the first paragraph of this Agreement, and the Debtor does not conduct and, during the five-year period immediately preceding the date of this Agreement, has not conducted, business under any trade name or other fictitious name other than PMC Ammunition. The Internal Revenue Service taxpayer identification number, as applicable, of the Debtor is 88-0239738.
- **Organization; Power; Qualification.** The Debtor is a corporation, duly organized, validly existing and in good standing under the laws of Nevada, has the power and authority to own its properties and to carry on its business as now being and hereafter proposed to be conducted and is duly qualified and authorized to do business as a foreign corporation in each jurisdiction in which the character of its properties or the nature of its business requires such qualification or authorization.
- **Authorization.** The Debtor has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform this Pledge Agreement in accordance with its terms. The Debtor has the full right and power to grant the security interest in the Collateral. This Pledge Agreement, agreements and other documents to which the Debtor is a party and which evidence or relate in any way to the Pledge Agreement have been executed and delivered by the authorized officers of the Debtor and each is a legal, valid and binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- **Title.** Except as otherwise provided herein, the Debtor is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trade Commercial Names shall continue in force, free from any lien in favor of any person, other than the Agent.
- **No Conflict.** It has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral.
- **No Unauthorized Use.** No material infringement or unauthorized use presently is being made of any of the Trade Commercial Names which would adversely affect the fair market value of the Collateral or the benefits of this Agreement granted to the Agent, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of the Agent hereunder, and Debtor will continue to maintain monitoring and enforcement practices which fully and adequately protect the Collateral. Debtor has advised the Agent of its trademark monitoring and enforcement practices, and will not materially modify such practices without the prior written consent of the Agent.

Section 3. Covenants Regarding Trade Commercial Names Generally.

- **Defense of Title.** The Debtor shall at all times be the sole owner of each and every Trade Commercial Names and shall defend its title in and to, and against the claims and demands of all Persons.
- **Royalties.** Debtor hereby agrees that the permitted use by Agent of the Trade Commercial Names shall be worldwide without any liability for royalties or other related charges from Agent to Debtor, provided, that an Event of Default has occurred or is continuing.
- **Maintenance of Trade Names.** Debtor shall preserve and maintain all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trade Commercial Names. Any expenses incurred in connection with the applications referred to in this Section 3 shall be borne by Debtor. Debtor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings. Debtor shall keep Agent advised on a current basis of any such applications or proceedings. Debtor shall take all action necessary to preserve and maintain the validity, perfection and first priority of Agent's security interest granted herein in the Collateral, including, without limitation, filings with (i) the United States Patent and Trademark Office and (ii) the Nevada Secretary of State, necessary to perfect Agent's security interest in the Collateral.

Section 4. Negative Covenants. So long as any of the Obligations remain unpaid or unperformed, the Debtor shall not:

- **Liens.** Create, assume, incur or permit or suffer to exist or to be created, assumed or incurred, any Lien upon any of its Trade Commercial Names.
- **Change of Trade Commercial Names.** Without giving the Agent at least sixty (60) days prior written notice, change its Trade Commercial Names.
- **Restrictions on Future Agreements.** Without the Agent's prior written consent, (a) enter into any agreement, including, without limitation, any license agreement that is inconsistent with Debtor's obligations under this Agreement, or any other agreement to which Debtor is a party, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of the Trade Commercial Names), that would affect the validity or enforceability of the rights transferred to the Agent under this Agreement or (c) enter into any other indebtedness which may restrict or inhibit the Agent's right to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of a default under this Agreement or any other agreement.

Section 5. The Agent May Perform. If the Debtor fails to perform any agreement contained herein, the Agent may, without notice to the Debtor, itself perform, or cause

performance of, such agreement, and the expenses of the Agent incurred in connection therewith shall be payable by the Debtor.

Section 6. Remedies. The Agent may take any or all of the following actions upon the occurrence of an Event of Default hereunder.

- **Acceleration.** Upon the occurrence of an Event of Default specified in the definition thereof, all of the Obligations shall become automatically due and payable without presentment, demand, protest, or other notice of any kind, all of which are expressly waived, notwithstanding anything in this Pledge Agreement or any other agreement evidencing any Obligations to the contrary. If any other Event of Default shall have occurred and be continuing, the Agent may declare all of the Obligations to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived, anything in this Pledge Agreement or any other agreement evidencing any Obligations to the contrary notwithstanding.
- **Assignment, Sale of Collateral.** If any Event of Default shall have occurred, then Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code (the "UCC") whether or not the UCC applies to the affected Collateral, and also may (i) require Debtor, and Debtor hereby agrees that it will upon the request of Agent, forthwith, (A) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (B) take such other action as Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (ii) without notice except as specified below, sell the Trade Commercial Names and the goodwill of the businesses related thereto or any part thereof in one or more parcels at public or private sale, at any of Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Agent may deem commercially reasonable. Debtor agrees that at least fifteen (15) days notice to Debtor of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Agent may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may setoff the amount of such price against the Obligations. Debtor agrees that Agent has no obligation to preserve rights to the Collateral against any other parties. Debtor waives any right it may have to require Agent to pursue any third person for any of the Obligations.

- **Power of Attorney.** Debtor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power, from and after the occurrence of an Event of Default to (a) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Collateral including, without limitation, if Debtor fails to execute and deliver within three (3) Business Days of Agent's request therefor the assignment substantially in the form of Exhibit A hereto, (b) take any other actions with respect to the Collateral as Agent deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Obligations shall have been paid in full and the Pledge Agreement has been terminated.
- **Waiver.** To the fullest extent it may lawfully so agree, Debtor agrees that it will not at any time insist upon, claim, plead, or take any benefit or advantage of any appraisal, valuation, stay, extension, moratorium, redemption or similar law now or hereafter in force in order to prevent, delay, or hinder the enforcement hereof or the absolute sale of any part of the Collateral. Debtor for itself and all who claim through it, so far as it or they now or hereafter lawfully may do so, hereby, waives the benefit of all such laws, and all right to have the Collateral marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose this Agreement may order the sale of the Collateral as an entirety.

Section 7. Application of Proceeds. All proceeds from each sale of, or other realization upon, all or any part of the Trade Commercial Names following an Event of Default shall be applied or paid over as follows:

- First: to the payment of all costs and expenses incurred in connection with such sale or other realization, including attorneys' fees;
- Second: to the payment of the interest due upon any of the Obligations, in any order which the Agent may elect;
- Third: to the payment of the principal due upon any of the Obligations in any order which the Agent may elect; and
- Fourth: the balance (if any) of such proceeds shall be paid to the Debtor or to whomsoever may be legally entitled thereon.

The Debtor shall remain liable and shall pay, on demand, any deficiency remaining in respect of the Obligations, together with interest thereon at a rate per annum equal to the highest rate then payable hereunder on such Obligations, which interest shall constitute part of the Obligations.

Section 8. Rights Cumulative. The rights and remedies of the Agent under this Pledge Agreement and each other document or instrument evidencing or securing the Obligations shall be cumulative and not exclusive of any rights or remedies which it would otherwise have. In exercising its rights and remedies the Agent may be selective and no failure or delay by the Agent in exercising any right shall operate as a waiver of it, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

Section 9. Amendments, Etc. No amendment or waiver of any provision of this Pledge Agreement nor consent to any departure by the Debtor herefrom shall in any event be effective unless the same shall be in writing and signed by the parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10. Notices. Unless otherwise provided herein, communications provided for hereunder shall be in writing and shall be mailed, telecopied or delivered, to the addresses for the parties set forth in the first paragraph hereof.

Section 11. Continuing Trade Commercial Names Interest. This Agreement shall create a continuing interest in the Trade Commercial Names and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations, (ii) be binding upon the Debtor, its successors and assigns and (iii) inure the benefit of the Secured Parties, and its successors and assigns. The Debtor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession thereof or therefore.

Section 12. Applicable Laws; Severability. THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEVADA. Whenever possible, each provision of this Pledge Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this Pledge Agreement shall be prohibited by or invalid under Applicable Law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Pledge Agreement. If any provision hereof shall render an otherwise valid Trade Commercial Names invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trade Commercial Names is thereby preserved, and Debtor shall make suitable other valid arrangements to provide Agent with equivalent protections to that intended hereby.

Section 13. CONSENT TO THE JURISDICTION. DEBTOR AGREES THAT ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MAY BE BROUGHT IN ANY COURT OF THE UNITED STATES OF AMERICA OR OF THE STATE OF NEVADA, SITTING IN OR HAVING JURISDICTION OVER THE COUNTY OF CLARK, NEVADA AND DEBTOR HEREBY SUBMITS TO AND ACCEPTS GENERALLY AND UNCONDITIONALLY THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS WITH RESPECT TO ITS PERSON AND PROPERTY AND IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS IN CONNECTION WITH ANY SUCH ACTION OR PROCEEDING BY

MAILING SUCH SERVICE OF PROCESS (CERTIFIED OR REGISTERED, IF CAPABLE OF CERTIFICATION OR REGISTRATION) TO DEBTOR AT ITS ADDRESS SET FORTH IN THE FIRST PARAGRAPH HEREOF. DEBTOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH SUIT OR PROCEEDING IN THE ABOVE-DESCRIBED COURTS. NOTHING IN THIS PARAGRAPH SHALL AFFECT THE RIGHT OF AGENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR LIMIT THE RIGHT OF AGENT TO BRING ANY SUCH ACTION OR PROCEEDING AGAINST DEBTOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION. DEBTOR IRREVOCABLY AND GENERALLY CONSENTS IN RESPECT OF ANY PROCEEDINGS TO THE GIVING OF ANY RELIEF OR THE ISSUE OF ANY PROCESS IN CONNECTION WITH THOSE PROCEEDINGS INCLUDING, WITHOUT LIMITATION, THE MAKING, ENFORCEMENT OR EXECUTION AGAINST ANY ASSETS WHATSOEVER OF ANY ORDER OR JUDGMENT WHICH MAY BE MADE OR GIVEN IN THOSE PROCEEDINGS.

- **WAIVER OF JURY TRIAL.** BOTH DEBTOR AND AGENT EACH KNOWINGLY, VOLUNTARILY, IRREVOCABLY AND WITHOUT COERCION, WAIVE ALL RIGHTS TO TRIAL BY JURY OF ALL DISPUTES BETWEEN THEM ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Section 14. Termination. This Pledge Agreement shall terminate upon the Debtor's full satisfaction and payment of all Obligations owing to the Secured Parties.

Section 15. Indemnification. The Debtor agrees to indemnify and hold the Secured Parties harmless from and against any claim, loss, damage, action, cause of action, liability, cost and expense or suit of any kind or nature whatsoever, brought against or incurred by the Secured Parties, in any manner arising out of or, directly or indirectly, related to or connected with any action taken by the Secured Parties pursuant to the terms of this Pledge Agreement.

Section 16. Counterparty. This Pledge Agreement may be executed in several counterparts, each of which shall be an original and all of which, taken together, shall constitute but one and the same instrument.

Section 17. Definitions. (a) For the purposes of this Pledge Agreement:

“Agent” has the meaning set forth in the first paragraph hereof.

“Agreement” means this Pledge Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Applicable Law” means all applicable provisions of constitutions, statutes, laws, rules, regulations and orders of all governmental bodies and all orders, rulings and decrees of all courts arbitrators.

“Debtor” has the meaning set forth in the first paragraph hereof.

“Default” means any of the events specified in the definition of Event of Default, whether or not there has been satisfied any requirement for giving of notice, lapse of time or the happening of any other condition.

“Event of Default” means any of the following events, whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule or regulation of any governmental or nongovernmental body:

- failure of the Debtor to pay any principal, interest or other amount with respect to any of the Obligations when due;
- the failure of the Debtor to comply with any of the terms and provisions of this Pledge Agreement or any of the documents or instruments evidencing any of the Obligations;
- any oral or written representation or warranty made at any time by the Debtor to the Secured Parties shall prove to have been incorrect or misleading in any material respect when made;

“Lien”, as applied to the property of any Person, means any security interest, lien, encumbrance, mortgage, deed to secure debt, deed of trust, pledge, charge, conditional sale or other title retention agreement, or other encumbrance of any kind covering any property of such Person, or upon the income or profits therefrom or any agreement to convey any of the foregoing or any other agreement or interest covering the property of a Person which is intended to provide collateral security for the obligation of such person.

“Obligations” means, individually and collectively:

- all obligations, liabilities and indebtedness of the Debtor owing to the Secured Parties of every kind, nature and description, under or with respect to this Pledge Agreement, or any of the other documents and instruments executed and delivered in connection herewith or therewith, whether direct or indirect, absolute or contingent, due or not due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note including, without limitation, all payment obligations arising under purchase order invoices issued by Secured Parties to Debtor evidencing the supply of products to the Debtor.
- all other obligations, liabilities and indebtedness owing by the Debtor to the Secured Parties and all future advances made to the Debtor by the Secured Parties, however and whenever created, arising or evidenced, whether direct or indirect, joint or several, liquidated or unliquidated, secured or unsecured, through assignment from third parties, whether absolute or contingent, or otherwise, now or hereafter existing, or due or to become due, including, without limitation, obligations under all guaranties, letters of credit and overdrafts; and

- all renewals, substitutions, modifications, extensions and supplements to any of the foregoing items (a) and (b).

“Person” means an individual, corporation, partnership, association, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

“Secured Parties” means UEE CARTUCHERIA DEPORTIVA, S.A., CARTUCHOS SAGA, S.A., and CARTUCHOS GB, S.A.

“Trade Commercial Names” means:

PMC

As used by Eldorado Cartridge Corporation in the normal course of business.

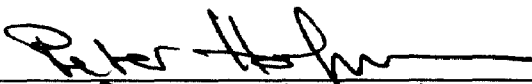
“Uniform Commercial Code” means:

(a) the Uniform Commercial Code as in effect in the State of Nevada, as the same may be amended from time to time.

(b) unless otherwise set forth herein to the contrary, all terms not otherwise defined herein and which are defined in the Uniform Commercial Code are used herein with the meanings ascribed to them in the Uniform Commercial Code.

IN WITNESS WHEREOF, the Debtor has caused this Pledge Agreement to be duly executed and delivered under seal by its duly authorized officers as of the day first above written.

**ELDORADO CARTRIDGE
CORPORATION**

By: 
Name: PETER HOFFMANN
Title: PRESIDENT

(CORPORATE SEAL)

**ELDORADO CARTRIDGE CORP.
P. O. Box 62598
Boulder City, NV 89006**

Agreed and accepted as of the
Date first written above.

UEE CARTUCHERIA DEPORTIVA, S.A.

By: _____
Name: _____
Title: _____

SCHEDULE A

TO

PLEDGE AGREEMENT

Dated as of May 17, 2002

Trademarks Owned By Eldorado Cartridge Corporation

TRADEMARK
PMC

DATE OF REGISTRATON
OR APPLICATION
June 15, 1999

REGISTRATION NUMBER
2,253,178

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of May 17, 2002 by and between Eldorado Cartridge Corporation, a Nevada corporation, having an office at 12801 U.S. 95 South 89005, P.O. Box 62508, Boulder City, Nevada ("Assignor"), in favor of UEE Cartuchería Deportiva, S.A., a corporation organized under the laws of Spain, having an office at C/ Santa Marina s/n, 01230 Nanclares de la Oca (Alava) Spain ("Assignee"), in its capacity as Agent for itself and on behalf of Cartuchos SAGA, S.A., a corporation organized under the laws of Spain, having an office at Partida de la Caparrella s/n, 25192 (Lerida) Spain and Cartuchos GB, S.A., a corporation organized under the laws of Spain, having an office at Barrio de Sta. Marina s/n, 01428 Nanclares de la Oca (Alava) Spain.

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Pledge Agreement dated as of May 17, 2002 made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled;

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), and (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks. The Trademarks and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or

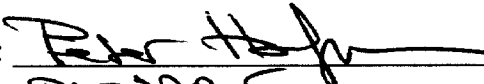
future assignment or encumbrance of any or all of the Collateral, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

4. Binding Effect: Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the internal law of the State of Nevada.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

Eldorado Cartridge Corporation
a Nevada corporation

By: 
Its: President

SCHEDULE I

TRADEMARK REGISTRATION NUMBER
OR
(APPLICATION SERIAL NUMBER)
2,253,178

TRADEMARK
PMC

REGISTRATION OR
FILING DATE
June 15, 1999

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT dated as of May 20, 2002, executed and delivered by **ELDORADO CARTRIDGE CORPORATION**, a corporation organized under the laws of the State of Nevada, with its principal place of business and chief executive office located at 12801 U.S. 95 South 89005, P.O. Box 62508, Boulder City, Nevada (the "Debtor"), in favor of **UEE CARTUCHERIA DEPORTIVA, S.A.**, with its registered office located at C/ Santa Marina s/n, 01230 Nanclares de la Oca (Alava) Spain, in its capacity as Agent (the "Agent"), for itself and on behalf of **CARTUCHOS SAGA, S.A.**, with its registered office located at Partida de la Caparrella s/n, 25192 (Lerida) Spain ("Saga"), and **CARTUCHOS GB, S.A.**, with its registered office located at Barrio de Sta Marina, s/n, 01428 Nanclares de la Oca (Alava) Spain ("GB", GB together with Saga and the Agent, each a Secured Party and collectively the "Secured Parties").

WHEREAS, the Debtor has incurred or will incur certain payment obligations to the Secured Parties and desires to secure such payment obligations by granting to the Secured Parties an interest in the Debtor's "Trade Commercial Names" as follows:

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NOW, THEREFORE, in consideration of the above the Debtor hereby agrees with the Agent as follows:

Section 1. Security Interest. Debtor hereby grants to Agent for the benefit of the Secured Parties, a security interest in all of Debtor's right, title and interest in and to the collateral described in Section 1 herein (the "Collateral") in order to secure the prompt and complete payment, observance and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations.

- Collateral. The Collateral is:

(a) Debtor's trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "Trade Commercial Names"); and

(b) the goodwill of Debtor's business connected with and symbolized by the Trade Commercial Names.

Section 2. Representations and Warranties. The Debtor represents and warrants to the Agent as follows:

- Name; Taxpayer ID Number. The correct corporate name of the Debtor is set forth in the first paragraph of this Agreement, and the Debtor does not conduct and, during the five-year period immediately preceding the date of this Agreement, has not conducted, business under any trade name or other fictitious name other than PMC Ammunition. The Internal Revenue Service taxpayer identification number, as applicable, of the Debtor is 88-0239738.
- Organization; Power; Qualification. The Debtor is a corporation, duly organized, validly existing and in good standing under the laws of Nevada, has the power and authority to own its properties and to carry on its business as now being and hereafter proposed to be conducted and is duly qualified and authorized to do business as a foreign corporation in each jurisdiction in which the character of its properties or the nature of its business requires such qualification or authorization.
- Authorization. The Debtor has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform this Pledge Agreement in accordance with its terms. The Debtor has the full right and power to grant the security interest in the Collateral. This Pledge Agreement, agreements and other documents to which the Debtor is a party and which evidence or relate in any way to the Pledge Agreement have been executed and delivered by the authorized officers of the Debtor and each is a legal, valid and binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- Title. Except as otherwise provided herein, the Debtor is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trade Commercial Names shall continue in force, free from any lien in favor of any person, other than the Agent.
- No Conflict. It has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral.
- No Unauthorized Use. No material infringement or unauthorized use presently is being made of any of the Trade Commercial Names which would adversely affect the fair market value of the Collateral or the benefits of this Agreement granted to the Agent, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of the Agent hereunder, and Debtor will continue to maintain monitoring and enforcement practices which fully and adequately protect the Collateral. Debtor has advised the Agent of its trademark monitoring and enforcement practices, and will not materially modify such practices without the prior written consent of the Agent.



Section 3. Covenants Regarding Trade Commercial Names Generally.

- Defense of Title. The Debtor shall at all times be the sole owner of each and every Trade Commercial Names and shall defend its title in and to, and against the claims and demands of all Persons.
- Royalties. Debtor hereby agrees that the permitted use by Agent of the Trade Commercial Names shall be worldwide without any liability for royalties or other related charges from Agent to Debtor, provided, that an Event of Default has occurred or is continuing.
- Maintenance of Trade Names. Debtor shall preserve and maintain all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trade Commercial Names. Any expenses incurred in connection with the applications referred to in this Section 3 shall be borne by Debtor. Debtor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings. Debtor shall keep Agent advised on a current basis of any such applications or proceedings. Debtor shall take all action necessary to preserve and maintain the validity, perfection and first priority of Agent's security interest granted herein in the Collateral, including, without limitation, filings with (i) the United States Patent and Trademark Office and (ii) the Nevada Secretary of State, necessary to perfect Agent's security interest in the Collateral.

Section 4. Negative Covenants. So long as any of the Obligations remain unpaid or unperformed, the Debtor shall not:

- Liens. Create, assume, incur or permit or suffer to exist or to be created, assumed or incurred, any Lien upon any of its Trade Commercial Names.
- Change of Trade Commercial Names. Without giving the Agent at least sixty (60) days prior written notice, change its Trade Commercial Names.
- Restrictions on Future Agreements. Without the Agent's prior written consent, (a) enter into any agreement, including, without limitation, any license agreement that is inconsistent with Debtor's obligations under this Agreement, or any other agreement to which Debtor is a party, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of the Trade Commercial Names), that would affect the validity or enforceability of the rights transferred to the Agent under this Agreement or (c) enter into any other indebtedness which may restrict or inhibit the Agent's right to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of a default under this Agreement or any other agreement.

Section 5. The Agent May Perform. If the Debtor fails to perform any agreement contained herein, the Agent may, without notice to the Debtor, itself perform, or cause



performance of, such agreement, and the expenses of the Agent incurred in connection therewith shall be payable by the Debtor.

Section 6. Remedies. The Agent may take any or all of the following actions upon the occurrence of an Event of Default hereunder.

- Acceleration. Upon the occurrence of an Event of Default specified in the definition thereof, all of the Obligations shall become automatically due and payable without presentment, demand, protest, or other notice of any kind, all of which are expressly waived, notwithstanding anything in this Pledge Agreement or any other agreement evidencing any Obligations to the contrary. If any other Event of Default shall have occurred and be continuing, the Agent may declare all of the Obligations to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived, anything in this Pledge Agreement or any other agreement evidencing any Obligations to the contrary notwithstanding.
- Assignment; Sale of Collateral. If any Event of Default shall have occurred, then Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code (the "UCC") whether or not the UCC applies to the affected Collateral, and also may (i) require Debtor, and Debtor hereby agrees that it will upon the request of Agent, forthwith, (A) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (B) take such other action as Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (ii) without notice except as specified below, sell the Trade Commercial Names and the goodwill of the businesses related thereto or any part thereof in one or more parcels at public or private sale, at any of Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Agent may deem commercially reasonable. Debtor agrees that at least fifteen (15) days notice to Debtor of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Agent may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may setoff the amount of such price against the Obligations. Debtor agrees that Agent has no obligation to preserve rights to the Collateral against any other parties. Debtor waives any right it may have to require Agent to pursue any third person for any of the Obligations.



- Power of Attorney. Debtor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power, from and after the occurrence of an Event of Default to (a) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Collateral including, without limitation, if Debtor fails to execute and deliver within three (3) Business Days of Agent's request therefor the assignment substantially in the form of Exhibit A hereto, (b) take any other actions with respect to the Collateral as Agent deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Obligations shall have been paid in full and the Pledge Agreement has been terminated.
- Waiver. To the fullest extent it may lawfully so agree, Debtor agrees that it will not at any time insist upon, claim, plead, or take any benefit or advantage of any appraisement, valuation, stay, extension, moratorium, redemption or similar law now or hereafter in force in order to prevent, delay, or hinder the enforcement hereof or the absolute sale of any part of the Collateral. Debtor for itself and all who claim through it, so far as it or they now or hereafter lawfully may do so, hereby, waives the benefit of all such laws, and all right to have the Collateral marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose this Agreement may order the sale of the Collateral as an entirety.

Section 7. Application of Proceeds. All proceeds from each sale of, or other realization upon, all or any part of the Trade Commercial Names following an Event of Default shall be applied or paid over as follows:

- First: to the payment of all costs and expenses incurred in connection with such sale or other realization, including attorneys' fees;
- Second: to the payment of the interest due upon any of the Obligations, in any order which the Agent may elect;
- Third: to the payment of the principal due upon any of the Obligations in any order which the Agent may elect; and
- Fourth: the balance (if any) of such proceeds shall be paid to the Debtor or to whomsoever may be legally entitled thereon.

The Debtor shall remain liable and shall pay, on demand, any deficiency remaining in respect of the Obligations, together with interest thereon at a rate per annum equal to the highest rate then payable hereunder on such Obligations, which interest shall constitute part of the Obligations.



Section 8. Rights Cumulative. The rights and remedies of the Agent under this Pledge Agreement and each other document or instrument evidencing or securing the Obligations shall be cumulative and not exclusive of any rights or remedies which it would otherwise have. In exercising its rights and remedies the Agent may be selective and no failure or delay by the Agent in exercising any right shall operate as a waiver of it, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

Section 9. Amendments, Etc. No amendment or waiver of any provision of this Pledge Agreement nor consent to any departure by the Debtor herefrom shall in any event be effective unless the same shall be in writing and signed by the parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10. Notices. Unless otherwise provided herein, communications provided for hereunder shall be in writing and shall be mailed, telecopied or delivered, to the addresses for the parties set forth in the first paragraph hereof.

Section 11. Continuing Trade Commercial Names Interest. This Agreement shall create a continuing interest in the Trade Commercial Names and shall (i) remain in full force and effect until indefeasible payment in full of the Obligations, (ii) be binding upon the Debtor, its successors and assigns and (iii) inure the benefit of the Secured Parties, and its successors and assigns. The Debtor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession thereof or therefore.

Section 12. Applicable Laws; Severability. THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEVADA. Whenever possible, each provision of this Pledge Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision of this Pledge Agreement shall be prohibited by or invalid under Applicable Law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Pledge Agreement. If any provision hereof shall render an otherwise valid Trade Commercial Names invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trade Commercial Names is thereby preserved, and Debtor shall make suitable other valid arrangements to provide Agent with equivalent protections to that intended hereby.

Section 13. CONSENT TO THE JURISDICTION. DEBTOR AGREES THAT ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MAY BE BROUGHT IN ANY COURT OF THE UNITED STATES OF AMERICA OR OF THE STATE OF NEVADA, SITTING IN OR HAVING JURISDICTION OVER THE COUNTY OF CLARK, NEVADA AND DEBTOR HEREBY SUBMITS TO AND ACCEPTS GENERALLY AND UNCONDITIONALLY THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS WITH RESPECT TO ITS PERSON AND PROPERTY AND IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS IN CONNECTION WITH ANY SUCH ACTION OR PROCEEDING BY



MAILING SUCH SERVICE OF PROCESS (CERTIFIED OR REGISTERED, IF CAPABLE OF CERTIFICATION OR REGISTRATION) TO DEBTOR AT ITS ADDRESS SET FORTH IN THE FIRST PARAGRAPH HEREOF. DEBTOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH SUIT OR PROCEEDING IN THE ABOVE-DESCRIBED COURTS. NOTHING IN THIS PARAGRAPH SHALL AFFECT THE RIGHT OF AGENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR LIMIT THE RIGHT OF AGENT TO BRING ANY SUCH ACTION OR PROCEEDING AGAINST DEBTOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION. DEBTOR IRREVOCABLY AND GENERALLY CONSENTS IN RESPECT OF ANY PROCEEDINGS TO THE GIVING OF ANY RELIEF OR THE ISSUE OF ANY PROCESS IN CONNECTION WITH THOSE PROCEEDINGS INCLUDING, WITHOUT LIMITATION, THE MAKING, ENFORCEMENT OR EXECUTION AGAINST ANY ASSETS WHATSOEVER OF ANY ORDER OR JUDGMENT WHICH MAY BE MADE OR GIVEN IN THOSE PROCEEDINGS.

- **WAIVER OF JURY TRIAL.** BOTH DEBTOR AND AGENT EACH KNOWINGLY, VOLUNTARILY, IRREVOCABLY AND WITHOUT COERCION, WAIVE ALL RIGHTS TO TRIAL BY JURY OF ALL DISPUTES BETWEEN THEM ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Section 14. Termination. This Pledge Agreement shall terminate upon the Debtor's full satisfaction and payment of all Obligations owing to the Secured Parties.

Section 15. Indemnification. The Debtor agrees to indemnify and hold the Secured Parties harmless from and against any claim, loss, damage, action, cause of action, liability, cost and expense or suit of any kind or nature whatsoever, brought against or incurred by the Secured Parties, in any manner arising out of or, directly or indirectly, related to or connected with any action taken by the Secured Parties pursuant to the terms of this Pledge Agreement.

Section 16. Counterparty. This Pledge Agreement may be executed in several counterparts, each of which shall be an original and all of which, taken together, shall constitute but one and the same instrument.

Section 17. Definitions. (a) For the purposes of this Pledge Agreement:

"Agent" has the meaning set forth in the first paragraph hereof.

"Agreement" means this Pledge Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Applicable Law" means all applicable provisions of constitutions, statutes, laws, rules, regulations and orders of all governmental bodies and all orders, rulings and decrees of all courts arbitrators.

"Debtor" has the meaning set forth in the first paragraph hereof.



“Default” means any of the events specified in the definition of Event of Default, whether or not there has been satisfied any requirement for giving of notice, lapse of time or the happening of any other condition.

“Event of Default” means any of the following events, whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule or regulation of any governmental or nongovernmental body:

- failure of the Debtor to pay any principal, interest or other amount with respect to any of the Obligations when due;
- the failure of the Debtor to comply with any of the terms and provisions of this Pledge Agreement or any of the documents or instruments evidencing any of the Obligations;
- any oral or written representation or warranty made at any time by the Debtor to the Secured Parties shall prove to have been incorrect or misleading in any material respect when made;

“Lien”, as applied to the property of any Person, means any security interest, lien, encumbrance, mortgage, deed to secure debt, deed of trust, pledge, charge, conditional sale or other title retention agreement, or other encumbrance of any kind covering any property of such Person, or upon the income or profits therefrom or any agreement to convey any of the foregoing or any other agreement or interest covering the property of a Person which is intended to provide collateral security for the obligation of such person.

“Obligations” means, individually and collectively:

- all obligations, liabilities and indebtedness of the Debtor owing to the Secured Parties of every kind, nature and description, under or with respect to this Pledge Agreement, or any of the other documents and instruments executed and delivered in connection herewith or therewith, whether direct or indirect, absolute or contingent, due or not due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note including, without limitation, all payment obligations arising under purchase order invoices issued by Secured Parties to Debtor evidencing the supply of products to the Debtor.
- all other obligations, liabilities and indebtedness owing by the Debtor to the Secured Parties and all future advances made to the Debtor by the Secured Parties, however and whenever created, arising or evidenced, whether direct or indirect, joint or several, liquidated or unliquidated, secured or unsecured, through assignment from third parties, whether absolute or contingent, or otherwise, now or hereafter existing, or due or to become due, including, without limitation, obligations under all guaranties, letters of credit and overdrafts; and



- all renewals, substitutions, modifications, extensions and supplements to any of the foregoing items (a) and (b).

“Person” means an individual, corporation, partnership, association, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

“Secured Parties” means UEE CARTUCHERIA DEPORTIVA, S.A., CARTUCHOS SAGA, S.A., and CARTUCHOS GB, S.A.

“Trade Commercial Names” means:

PMC

As used by Eldorado Cartridge Corporation in the normal course of business.

“Uniform Commercial Code” means:

(a) the Uniform Commercial Code as in effect in the State of Nevada, as the same may be amended from time to time.

(b) unless otherwise set forth herein to the contrary, all terms not otherwise defined herein and which are defined in the Uniform Commercial Code are used herein with the meanings ascribed to them in the Uniform Commercial Code.

IN WITNESS WHEREOF, the Debtor has caused this Pledge Agreement to be duly executed and delivered under seal by its duly authorized officers as of the day first above written.

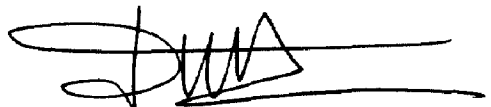
**ELDORADO CARTRIDGE
CORPORATION**

By: _____
Name: _____
Title: _____

(CORPORATE SEAL)

Agreed and accepted as of the
Date first written above.

UEE CARTUCHERIA DEPORTIVA, S.A.

By:  _____
Name: FERNANDO CUBELLS
Title: DEPUTY GENERAL MANAGER

DATE: MAY 20th, 2002

SCHEDULE A

TO

PLEDGE AGREEMENT

Dated as of May 17, 2002

Trademarks Owned By Eldorado Cartridge Corporation

TRADEMARK
PMC

DATE OF REGISTRATON
OR APPLICATION
June 15, 1999

REGISTRATION NUMBER
2,253,178



EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of _____, 20__ by and between Eldorado Cartridge Corporation, a Nevada corporation, having an office at 12801 U.S. 95 South 89005, P.O. Box 62508, Boulder City, Nevada ("Assignor"), in favor of UEE Cartuchería Deportiva, S.A., a corporation organized under the laws of Spain, having an office at C/ Santa Marina s/n, 01230 Nanclares de la Oca (Alava) Spain ("Assignee"), in its capacity as Agent for itself and on behalf of Cartuchos SAGA, S.A., a corporation organized under the laws of Spain, having an office at Partida de la Caparrella s/n, 25192 (Lerida) Spain and Cartuchos GB, S.A., a corporation organized under the laws of Spain, having an office at Barrio de Sta. Marina s/n, 01428 Nanclares de la Oca (Alava) Spain.

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Pledge Agreement dated as of May 17, 2002 made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled;

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), and (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks. The Trademarks and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or

future assignment or encumbrance of any or all of the Collateral, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

4. Binding Effect: Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the internal law of the State of Nevada.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

Eldorado Cartridge Corporation
a Nevada corporation

By: _____
Its: _____

SCHEDULE I

<u>TRADEMARK</u>	<u>TRADEMARK REGISTRATION NUMBER</u> <u>OR</u> <u>(APPLICATION SERIAL NUMBER)</u>	<u>REGISTRATION OR</u> <u>FILING DATE</u>
PMC	2,253,178	June 15, 1999