



RECORDATION
TRADEMARKS ONLY
103217182

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

Integriti Systems LLC
80 South Jackson St., Ste. 407
Seattle, WA 98104

- Individual(s)
- General Partnership
- Corporation- State: _____
- Other Limited Liability Company
- Association
- Limited Partnership

Citizenship (see guidelines) US

Additional names of conveying parties attached? Yes No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) October 5, 2004

- Assignment
- Security Agreement
- Other Sale of all assets and liabilities
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Stinger Industries, LLC

Internal

Address: _____

Street Address: 1152 Park Ave.

City: Murfreesboro

State: TN

Country: US Zip: 37129

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other LLC

Citizenship US
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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2285867; 2956420

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Michael McNeil

Internal Address: Liell & McNeil Attorneys PC

Street Address: 511 S. Madison Street
P.O. Box 2417

City: Bloomington

State: Indiana Zip: 47402

Phone Number: (812) 333-5355

Fax Number: (812) 333-3173

Email Address: mmcneil@liellmcneil.com

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 65

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 500226

Authorized User Name Michael McNeil

9. Signature:

Signature

4-4-06

Date

Michael B. McNeil

Reg. No. 35.949

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 25

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

AGREEMENT

This AGREEMENT ("Agreement") is made as of October 5, 2004 (the "Effective Date") by and among STINGER INDUSTRIES, LLC, a Tennessee limited liability company ("Stinger"), and INTEGRITI SYSTEMS, LLC, a Washington limited liability company (the "Company").

RECITALS

A. **WHEREAS**, the Company is composed of certain assets and liabilities that are currently owned by the Company, or that the Company is currently obligated by, as the case may be; and

B. **WHEREAS**, the Company desires to convey, transfer, and assign to Stinger, and Stinger desires to receive from the Company all of its right title and interest in and to the portion of the business of the Company comprised of the Assets (as hereinafter defined) of the Company; Stinger is willing to assume, all of the Liabilities (as hereinafter defined) of the Company; and, in consideration of Company's conveyance of the Assets and Liabilities, Stinger desires to transfer to the Company, and the Company desires to receive from Stinger an ownership interest in Stinger, in each case as more fully described and upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I

ACQUISITION OF ASSETS AND LIABILITIES AND EXCHANGE OF OWNERSHIP INTEREST

1.1 Assets

(a) For good and sufficient consideration, the receipt of which is hereby acknowledged, the Company, by this Agreement hereby presents, transfers, assigns, conveys and delivers to Stinger all right, title and interest in and to all of the Assets, as that term is defined below, in accordance with, and subject to, the terms and conditions of this Agreement.

(b) For purposes of this Agreement, the term "Assets" means all the assets, properties and rights of the Company as of immediately prior to the Effective Date, whether tangible or intangible, real, personal or mixed, including, without limitation, those assets, properties and rights set forth or described in paragraphs (i) through (xi) below, whether or not any of such assets, properties or rights have any value for accounting purposes or are carried or reflected on or specifically referred to in the Company's financial statements:

(i) All of the Company's interests in and to real property and in and to tangible personal property, supplies, computers, printers, equipment, furniture, fixtures, goods and other similar assets;

(ii) Accounts, accounts receivable, notes receivable, chattel paper, and all other receivables of any type or nature of the Company;

(iii) All of the Company's rights and benefits under any operative mortgage, indenture, lease, contract, covenant or other agreement, instrument or commitment, permit, concession, franchise or license (each, a "Contract") to which the Company or any of its properties or assets (whether tangible or intangible) is subject, including, but not limited to the documents listed on Schedule 1.1(b)(iii) attached hereto;

(iv) All of the Company's trade names, trademarks, service marks and service names (including registrations, licenses and applications pertaining thereto), including, but not limited to, those identified on Schedule 1.1(b)(iv) hereto, together with all goodwill associated therewith;

(v) All rights of the Company in and to general intangibles, computer programs, designs, processes, drawings, schematics, blueprints, copyrights, copyright applications, inventions, processes, know-how, trade secrets, patents, patent applications and other proprietary information, including, but not limited to, the registered copyrights, patents and copyright and patent applications set forth on Schedule 1.1(b)(v) hereto;

(vi) All goodwill associated with the Company and the Assets;

(vii) All rights of the Company in and to (a) the customer and client lists, vendor lists, (b) catalogues, data relating to vendors, promotion lists and marketing data and other compilations of names and requirements; and (c) telephone numbers, internet addresses and web sites;

(viii) All inventories and work in process of the Company, wheresoever located;

(ix) All rights in and to any governmental and private permits, licenses, certificates of occupancy, franchises and authorizations, to the extent assignable, used in or relating to the Company's business or the Assets;

(x) Cash, cash deposits or cash equivalents held by the Company;

(xi) Claims or causes of action of the Company against any third party, whether contingent, unliquidated or otherwise.

1.2 Liabilities

(a) In consideration of the presentation, transfer, assignment, conveyance and delivery of the Assets, Stinger hereby accepts, assumes and agrees to pay, perform or otherwise discharge the Liabilities (as defined below) in accordance with, and subject to, the terms and conditions of this Agreement.

(b) For the purposes of this Agreement, the Term "Liabilities" means any and all liabilities or obligations of the Company, known or unknown, reported or not reported, absolute or contingent, accrued or unaccrued, whether due or to become due, to the extent such liabilities or obligations were incurred or accrued on or before the Effective Date.

1.3 Exchange of Ownership Interests

In consideration for the transfer, assignment, conveyance and delivery by the Company of the Assets to Stinger, and in addition to assuming the Liabilities, Stinger grants to the Company and the Company hereby accepts a twenty seven and four tenths percent (27.4%) ownership interest in Stinger, and an equivalent interest in the profits, losses, distributions, and capital of the Company. Such ownership interest and appurtenant rights thereto shall be as reflected in that certain Stinger Industries, LLC Operating Agreement attached hereto as Exhibit A (the "Stinger Operating Agreement").

1.4 Company Further Assurances and Further Conveyances.

The Company, for itself, and its successors and assigns, hereby covenants and agrees that, at any time and from time to time forthwith upon the written request of Stinger, the Company will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, each and all further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be required by Stinger or as required pursuant to this Agreement in order to assign, transfer, set over, convey, assure and confirm unto and vest in Stinger, its successors and assigns, title to the Assets assigned, conveyed, transferred and delivered by this Agreement.

1.5 Stinger Further Assurances and Further Conveyances and Assumptions.

From time to time following the Effective Date, Stinger shall execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and acquittances and such other instruments, and shall take such further actions, as may be necessary or appropriate to effectively and fully convey to the Company the ownership interest in Stinger to be conveyed to the Company under this Agreement, and to assure fully to the Company and its successors and assigns, the assumption of the liabilities and obligations to be assumed by Stinger under this Agreement, and to otherwise make effective the transactions contemplated hereby.

1.6 Taxes

Unless specifically imposed on the Company by statute, Stinger and the Company shall each pay fifty percent (50%) of all applicable taxes and all recording and filing fees that may be imposed, assessed or payable arising out of the transactions contemplated by this Agreement, including the transfers and contributions contemplated hereby, except for the Company's federal, state, local or foreign income, franchise or other taxes based on the Company's income, or operations which shall be fully assumed by Stinger as Liabilities. It is the intent of the parties that the transactions contemplated hereunder be treated as a nontaxable contribution of property in exchange for an interest in Stinger under Internal

Revenue Code Section 721 and the parties agree to take reasonable steps as necessary to preserve or facilitate such treatment.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as may be set forth in the schedules attached hereto (the Schedules), the Company hereby represents and warrants to Stinger, as of the date hereof, as follows:

2.1 Organization of the Company.

The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Washington. The Company has the corporate power to own its properties and to carry on its business as now being conducted. The Company is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which it conducts business. The Company has delivered a true and correct copy of its organizational documents, each as amended to date and in full force and effect on the date hereof, to Stinger. The Company elected to be, and is currently, taxed as a partnership.

2.2 Company Capital Structure.

As of the date hereof, the capitalization of the Company is comprised of the following ownership interests: PRP Investments, LLC ("PRP") possesses 7,053 ownership units (59%); Yargo Asset Management, LLC, ("Yargo") possesses 2,985 ownership units (25%); Denis O'Conner possesses 400 ownership units (4%); Patrick Jensen possesses 1,000 ownership units (8%); and M. Jay Pearce possesses 500 ownership units (4%). There are no options, warrants, calls, rights, commitments or agreements of any character outstanding, written or oral, to which the Company is a party or by which it is bound obligating the Company to issue, deliver, sell, repurchase or redeem, or cause to be issued, delivered, sold, repurchased or redeemed, any ownership interest of the Company or obligating the Company to grant, extend, change the price of, otherwise amend or enter into any such option, warrant, call, right, commitment or agreement.

2.3 Authority.

The Company has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company, and no further action is required on the part of the Company to authorize the Agreement and the transactions contemplated hereby. This Agreement and the transactions contemplated hereby have received the requisite approval and consent of the members and members of the management committee of the Company. This Agreement has been duly executed and delivered by the Company.

2.4 No Conflict.

Except as specifically provided on Schedule 2.4, the Company has obtained the required consents listed on Schedule 2.4 and the execution and delivery by the Company of this Agreement does not, and the consummation of the transactions contemplated hereby, will not conflict with or result in any violation of or default under (with or without notice or lapse of time, or both) or give rise to a right of termination, cancellation, modification or acceleration of any obligation or loss of any benefit under (any such event, a "Conflict") (i) any provision of the organizational documents of the Company, (ii) any Contract to which the Company or any of its properties or assets (whether tangible or intangible) is subject, or (iii) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Company or any of its properties (whether tangible or intangible) or assets. The Company is in compliance with and has not breached, violated or defaulted under, or received notice that it has breached, violated or defaulted under, any of the terms or conditions of any Contract, nor does the Company have knowledge of any event that would constitute such a breach, violation or default with the lapse of time, giving of notice or both. Each Contract is in full force and effect, and the Company is not in breach, violation or default thereof, nor, to the knowledge of the Company, is any third party obligated to the Company pursuant to any such Contract in breach, violation or default thereof.

2.5 Consents.

Except as specifically provided on Schedule 2.4 and in this Section 2.5, the Company has obtained the required consents listed on Schedule 2.4, and no consent, waiver, approval, order or authorization of, or registration, declaration or filing with any court, administrative agency or commission or other authority within the State of Washington or other foreign governmental authority, instrumentality, agency or commission or any third party, including a party to any Contract with the Company (so as not to trigger any Conflict), is required by or with respect to the Company in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby. The Company has obtained an indication, either orally or via written correspondence, from Capsule Technologie that it has agreed to sign a consent to the assignment of the Datacaptor Solution Partnership Agreement and anticipates that such written consent will be obtained within 15 days of the Effective Date.

2.6 Financial Statements.

The Company has made available to Stinger its unaudited financial statements (including balance sheet, income statement and statement of cash flows) for the fiscal year ended December 31, 2003 and its unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of July 31, 2004 and for the seven-month period ended July 31, 2004 (collectively, the "Company Financial Statements"). The Company Financial Statements fairly present the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein, subject to normal year-end audit adjustments. Except as set forth in the Company Financial Statements, the Company has no material liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to July 31, 2004, (ii) obligations under contracts and

commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in the Company Financial Statements, which, in both cases, individually or in the aggregate are not material to the financial condition or operating results of the Company, or (iii) as applicable, the Liabilities set forth on Schedule 2.6.

2.7 Changes.

Since July 31, 2004, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the Company Financial Statements, except changes in the ordinary course of business that have not been, in the aggregate, materially adverse, including, to the extent applicable, the Liabilities set forth in Schedule 2.6;

(b) any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the business, properties, prospects, or financial condition of the Company;

(c) any waiver or compromise by the Company of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and that is not material to the business, properties, prospects or financial condition of the Company;

(e) any material change to a material contract or agreement by which the Company or any of its assets is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee, officer, director or shareholder;

(g) any sale, assignment or transfer of any patents, trademarks, copyrights, trade secrets or other intangible assets;

(h) any resignation or termination of employment of any officer or key employee of the Company; and the Company is not aware of any impending resignation or termination of employment of any such officer or key employee;

(i) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its Assets, except liens for taxes not yet due or payable;

(j) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(k) to the Company's knowledge, any other event or condition of any character that might materially and adversely affect the business, properties, prospects or financial condition of the Company;

(l) any arrangement or commitment by the Company to do any of the things described in this Section 2.7; or

(m) any "writing off" of an asset recorded as an account receivable in the Company Financial Statements.

2.8 No Undisclosed Liabilities.

The Company has no liability, indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any type, whether accrued, absolute, contingent, matured, unmatured, including without limitation (a) commitments for capital expenditures or for additions to property, plant or equipment of the Company, (b) operating expenses not presently charged to the Company, (c) forward purchase commitments, (d) arrangements under which the Company is a guarantor or surety of the obligations of a person not a party to this Agreement, (e) claims under a contract of other obligation calling for the Company to indemnify any person not a party to this Agreement, or (f) warranty claims, except those listed on Schedule 2.8, or which have been reflected in the Company Financial Statements attached hereto.

2.9 Tax Matters.

The Company has prepared and timely filed all required returns, estimates, information statements and reports concerning any and all taxes concerning or attributable to the Company or its operations and such returns were, at the time they were filed, true and correct and have been or will be completed in accordance with applicable law; and, the Company has paid all taxes it is required to pay. No issue has been raised or is currently pending by the Internal Revenue Service or any other taxing authority in connection with the returns and reports of the Company. No audit is pending or, to the knowledge of Company, threatened with respect to any tax returns filed by, or taxes due from, the Company. No issue has been raised by any tax authority in any audit of the Company that if raised with respect to any other period not so audited could be expected to result in a proposed deficiency for any period not so audited.

2.10 Title to Property and Assets.

Except as may be set forth on Schedule 2.10, the Company owns its property and assets free and clear of all mortgages, liens, loans and encumbrances, except such encumbrances and liens which arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the Company is in compliance with such leases and, to its knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances. All Assets either owned or covered by leases or other agreements are in good operating condition

and repair. No condition exists that interferes, or may interfere, with the economic value or use of the Assets.

2.11 Intellectual Property.

No product marketed or sold by the Company violates any license or infringes on any trademark trade name, service mark, copyright, know-how or patent of a person not a party to this Agreement. The Company owns or possesses sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information and proprietary rights and processes ("Intellectual Property Rights") necessary for its business as presently conducted without any conflict with, or infringement, misappropriation or violation of, the rights of others. The assignment to Stinger of such Intellectual Property Rights as contemplated by this Agreement shall not violate any license or infringe on any trademark trade name, service mark, copyright, know-how or patent of a person not a party to this Agreement. Except as set forth in Schedule 2.11, there are no outstanding options, licenses, or agreements of any kind relating to any of the Company's Intellectual Property Rights, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property Rights of any other person or entity. The Company has no knowledge of any facts or circumstance that would render invalid or unenforceable any of the Intellectual Property Rights (whether issued, registered, unregistered or subject to an application) of the Company. The Company has not received any communications alleging that the Company has infringed or violated or, by conducting its business as presently conducted, infringes or violates any of the Intellectual Property Rights of any other person or entity. Schedule 1.1(b)(v) sets forth a complete list of all of the Company's registered Intellectual Property Rights as well as all pending applications for registration.

2.12 Agreements, Contracts and Commitments.

Set forth on Schedule 2.12 is a list of all of the agreements the Company is a party to that are of the following type: any mortgages, indentures, guarantees, loans or credit agreements, security agreements or other agreements or instruments concerning the borrowing of money or extension of credit other than in connection with the purchase by the Company of consumables and inventory and the sale by the Company of products, all in the ordinary course of business.

2.13 Litigation.

Except as set forth in Schedule 2.13, there is no action, suit, claim or proceeding of any nature pending, or to the knowledge of the Company, potential or threatened, against the Company, its properties (tangible or intangible) or any of its officers or directors in their capacities as such, nor to the knowledge of the Company is there any reasonable basis therefor. There is no investigation or other proceeding pending or, to the knowledge of the Company, potential or threatened, against the Company, any of its properties (tangible or intangible) or any of its officers or directors in their capacities as such by or before any governmental entity, nor to the knowledge of the Company is there any reasonable basis

therefor. No governmental entity has at any time challenged or questioned the legal right of the Company to conduct its operations as presently or previously conducted.

2.14 Environmental Matters.

No action, proceeding, revocation proceeding, amendment procedure, writ, injunction or claim is pending, or to the knowledge of the Company, threatened, concerning any environmental matter. The Company has no knowledge of any fact or circumstance which could reasonably be expected to involve the Company in any environmental litigation or claim or impose upon the Company any environmental liability.

2.15 Employment Matters.

The Company is in material compliance with all applicable foreign, federal, state and local laws, rules and regulations respecting employment, employment practices, terms and conditions of employment and wages and hours, in each case, with respect to employees, and no work stoppage, strike or any other labor action against the Company is pending, or to the knowledge of the Company, threatened or reasonably anticipated. The Company has not engaged in any unfair labor practices which would give rise to any action against the Company by any local authority or otherwise. Except as is disclosed on Schedule 2.15, the Company does not have any employment contracts for a definite duration with any of its employees, verbal or written, and all of the Company's employees are employees at will. The Company has disclosed to Stinger all plans, including, but not limited to, pension, retirement, hospitalization, insurance, and other arrangements, maintained currently by the Company or under which the Company has had any obligations with respect to an employee of the Company (the "Plans"). The Company is in compliance in all material respects with the Plans and all applicable provisions of Title IV of the Employee Retirement Income Security Act of 1974, as amended from time to time and there are no actions or claims pending, other than routine claims for benefits, or to the Company's knowledge, threatened against any Plan or against the assets of any Plan.

2.16 Compliance with Laws.

The Company has complied in all material respects with, is not in violation of, has not received any notices of and knows of no fact which would give rise to or constitute a violation with respect to any Federal, state or foreign regulation or law.

2.17 Accounts Receivable. All accounts receivable of the Company that are reflected on the accounting records of the Company as of the Effective Date of this Agreement (collectively, the "Accounts Receivable") represent or will represent valid obligations arising from sales actually made or services actually performed in the ordinary course of business. Unless paid prior to Effective Date, the Accounts Receivable are or will be as of the Effective Date of this Agreement current and collectible net of the respective reserves shown on accounting records of Company as of the date of this Agreement Effective Date (which reserves are adequate and calculated consistent with past practice and will not represent a material adverse change in the composition of such Accounts Receivable in terms of aging). To the knowledge of the Company, there is no contest, claim, or right of set-off

with any obligor of an Account Receivable relating to the amount or validity of such Account Receivable.

2.18 Inventory. Except as set forth on Schedule 2.18, all inventory of the Company, whether or not reflected in the accounting records of the Company, consists of a quality and quantity usable and salable in the ordinary course of business, except for obsolete items and items of below-standard quality, all of which have been written off or written down to net realizable value in the accounting records of the Company as of the Effective Date. The quantities of each item of inventory (whether raw materials, work-in-process, or finished goods) are not excessive, but are reasonable in accordance with past practices and the present circumstances of the Company

2.19 Representations Complete. None of the representations or warranties made by the Company (as modified by the Schedules thereto), and none of the statements made in the Schedules thereto contain any untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which made, not misleading. There are no events, transactions or information regarding the Company, other than as set forth herein, which have come to the attention of the Company which could be reasonably expected to have a material adverse effect on the profitability of the business and operations of Stinger.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF STINGER

Except as may be set forth in the Schedules, Stinger hereby represents and warrants to the Company, as of the date hereof, as follows:

3.1 Organization of Stinger.

Stinger is a limited liability company duly organized, validly existing and in good standing under the laws of Tennessee. Stinger has the power to own its properties and to carry on its business as now being conducted. Stinger is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which it is required to be so qualified or licensed. Stinger has delivered a true and correct copy of its organizational documents, each as amended to date and in full force and effect on the date hereof, to the Company. Stinger elected to be, and is currently, taxed as a partnership.

3.2 Company Capital Structure.

As of the date hereof the capitalization of Stinger is comprised of the following ownership interests: Gary M. Coonan possesses eighty percent (80 %) and Donald F. Coonan possesses twenty percent (20%). There are no options, warrants, calls, rights, commitments or agreements of any character outstanding, written or oral, to which Stinger is a party or by which it is bound obligating Stinger to issue, deliver, sell, repurchase or redeem, or cause to be issued, delivered, sold, repurchased or redeemed, any ownership interest of Stinger or

obligating Stinger to grant, extend, change the price of, otherwise amend or enter into any such option, warrant, call, right, commitment or agreement.

3.3 Authority.

Stinger has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Stinger, and no further action is required on the part of Stinger to authorize the Agreement and the transactions contemplated hereby. This Agreement and the transactions contemplated hereby have received the requisite approval and consent of the members of Stinger. This Agreement has been duly executed and delivered by Stinger.

3.4 No Conflict.

The execution and delivery by Stinger of this Agreement does not, and the consummation of the transactions contemplated hereby will not, Conflict with or result in any Conflict under (i) any provision of the organizational documents of Stinger, (ii) any Contract to which Stinger or any of its properties or assets (whether tangible or intangible) is subject, or (iii) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Stinger or any of its properties (whether tangible or intangible) or assets. Stinger is in compliance with and has not breached, violated or defaulted under, or received notice that it has breached, violated or defaulted under, any of the terms or conditions of any Contract, nor does Stinger have knowledge of any event that would constitute such a breach, violation or default with the lapse of time, giving of notice or both. Each Contract is in full force and effect, and Stinger is not in breach, violation or default thereof, nor, to the knowledge of Stinger, is any third party obligated to Stinger pursuant to any such Contract in breach, violation or default thereof.

3.5 Financial Statements.

Stinger has made available to the Company its unaudited financial statements (including balance sheet, income statement and statement of cash flows) for the fiscal year ended December 31, 2003 and its unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of July 31, 2004 and for the seven-month period ended July 31, 2004 (collectively, the "Stinger Financial Statements"). The Stinger Financial Statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods indicated, except that the unaudited Stinger Financial Statements may not contain all footnotes required by generally accepted accounting principles. The Stinger Financial Statements fairly present the financial condition and operating results of Stinger as of the dates, and for the periods, indicated therein, subject to normal year-end audit adjustments. Except as set forth in the Stinger Financial Statements, Stinger has no material liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to July 31, 2004 and (ii) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in the Stinger

Financial Statements, which, in both cases, individually or in the aggregate are not material to the financial condition or operating results of Stinger.

3.6 Changes.

Since July 31, 2004, there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of Stinger from that reflected in the Stinger Financial Statements, except changes in the ordinary course of business that have not been, in the aggregate, materially adverse;

(b) any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the business, properties, prospects, or financial condition of Stinger;

(c) any waiver or compromise by Stinger of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by Stinger, except in the ordinary course of business and that is not material to the business, properties, prospects or financial condition of Stinger;

(e) any material change to a material contract or agreement by which Stinger or any of its assets is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee, officer, director or shareholder;

(g) any sale, assignment or transfer of any patents, trademarks, copyrights, trade secrets or other intangible assets;

(h) any resignation or termination of employment of any officer or key employee of Stinger; and Stinger is not aware of any impending resignation or termination of employment of any such officer or key employee;

(i) any mortgage, pledge, transfer of a security interest in, or lien, created by Stinger, with respect to any of its material properties or assets, except liens for taxes not yet due or payable;

(j) any loans or guarantees made by Stinger to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business;

(k) to Stinger's knowledge, any other event or condition of any character that might materially and adversely affect the business, properties, prospects or financial condition of Stinger; or

(l) any arrangement or commitment by Stinger to do any of the things described in this Section 3.6.

3.7 No Undisclosed Liabilities.

Stinger has no liability, indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any type, whether accrued, absolute, contingent, matured, unmatured or other which individually or in the aggregate (i) has not been reflected in Stinger Financial Statements, or (ii) has not arisen in the ordinary course of business consistent with past practices.

3.8 Title to Property and Assets.

Stinger owns its property and assets free and clear of all mortgages, liens, loans and encumbrances, except such encumbrances and liens which arise in the ordinary course of business and do not materially impair Stinger's ownership or use of such property or assets. With respect to the property and assets it leases, Stinger is in compliance with such leases and, to its knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances.

3.9 Intellectual Property.

To its knowledge, Stinger possesses all Intellectual Property Rights necessary for its business as presently conducted without any conflict with, infringement of, or misappropriation of, the rights of others. Except as set forth in Schedule 3.9, there are no outstanding options, licenses, or agreements of any kind relating to any of Stinger's Intellectual Property Rights, nor is Stinger bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property Rights of any other person or entity. Stinger has no knowledge of any facts or circumstance that would render invalid or unenforceable any of the Intellectual Property Rights (whether issued, registered, unregistered or subject to an application) of Stinger. Stinger has not received any communications alleging that Stinger has infringed or violated or, by conducting its business as presently conducted, infringes or violates any of the Intellectual Property Rights of any other person or entity.

3.10 Consents.

No consent, waiver, approval, order or authorization of, or registration, declaration or filing with any court, administrative agency or commission or other authority, instrumentality, agency or commission or any third party, including a party to any Contract with Stinger (so as not to trigger any Conflict), is required by or with respect to Stinger in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

3.12 Litigation.

Except as disclosed in Schedule 3.12, there is no action, suit, claim or proceeding of any nature pending, or to the knowledge of Stinger, threatened, against Stinger, its properties

(tangible or intangible) or any of its officers or directors in their capacities as such, nor to the knowledge of Stinger is there any reasonable basis therefor. There is no investigation or other proceeding pending or, to the knowledge of Stinger, threatened, against Stinger, any of its properties (tangible or intangible) or any of its officers or directors in their capacities as such by or before any governmental entity, nor to the knowledge of Stinger is there any reasonable basis therefor. No governmental entity has at any time challenged or questioned the legal right of Stinger to conduct its operations as presently or previously conducted.

3.13 Environmental Matters.

No action, proceeding, revocation proceeding, amendment procedure, writ, injunction or claim is pending, or to the knowledge of Stinger, threatened, concerning any environmental matter. Stinger has no knowledge of any fact or circumstance which could reasonably be expected to involve Stinger in any environmental litigation or claim or impose upon Stinger any environmental liability.

3.14 Employment Matters.

Stinger is in material compliance with all applicable foreign, federal, state and local laws, rules and regulations respecting employment, employment practices, terms and conditions of employment and wages and hours, in each case, with respect to employees, and no work stoppage, strike or any other labor action against Stinger is pending, or to the knowledge of Stinger, threatened or reasonably anticipated. Stinger has not engaged in any unfair labor practices which would give rise to any action against Stinger by any local authority or otherwise.

3.15 Compliance with Laws.

Stinger has complied in all material respects with, is not in violation of, and has not received any notices of violation with respect to any Federal, state or foreign regulation or law.

3.16 Representations Complete.

None of the representations or warranties made by Stinger (as modified by the Schedules thereof), and none of the statements made in the Schedules thereof contain any untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which made, not misleading.

ARTICLE IV CERTAIN COVENANTS

4.1 Conditions of Stinger's Obligations at Closing.

The obligations of Stinger to the Company under this Agreement are subject to the fulfillment of each of the following conditions, unless otherwise waived:

(a) Representations and Warranties. The representations and warranties of the Company contained in Section 2 shall be true and correct in all material respects on and as of the Effective Date.

(b) Stinger Operating Agreement. The Company shall sign the Stinger Operating Agreement and become a party thereto and become a member therein.

(c) Amendment of Company Operating Agreement. The Company shall have executed and delivered to Stinger an executed and effective amendment to that certain Second Amended and Restated Operating Agreement of Trio Medical, LLC, dated January 23, 2004, in substantially the form attached as Exhibit B (the "Amended Integrity Operating Agreement"), which shall provide, among other things, that a transfer or liquidation of all of the assets of the Company must be approved by a unanimous vote of all of the members of the Management Committee of the Company to be effective.

(d) Amendment of the Alliance Purchase and Sale Agreement. The members of the Company shall have executed and delivered to Stinger an executed and effective amendment to that certain Purchase and Sale Agreement by and between Alliance Instruments, Inc. and Trio Medical, LLC, dated July 2003 as amended, in substantially the form attached as Exhibit C which shall provide that: (i) Alliance Instruments, Inc. will receive royalties on the sale of Company products beginning in the fourth quarter of 2004, instead of a "trigger" which commences royalty payments following two consecutive profitable quarters by the Company, and (ii) will provide for a royalty of \$100 per unit (as more fully detailed in Exhibit C), rather than 5% of gross revenue of Company.

(e) Capital Contribution to Company. PRP and Yargo shall have each made a capital contribution in the Company in amounts of three hundred thousand dollars (\$300,000) and one hundred thousand dollars (\$100,000), respectively, in exchange for 1053 ownership units in the Company, and 351 ownership units in the Company, respectively. Such capital contribution and the resulting capitalization of the Company shall be reflected in the Amended Integriti Operating Agreement.

(f) Consents and Notifications. The Company shall have obtained an indication, either orally or via written correspondence, from Welch Allyn Protocol and Capsule Technologie, that such parties have agreed to sign a consent to the assignment of the OEM Purchase Agreement and the Datacaptor Solution Partnership Agreement, respectively.

(g) Good Standing Certificates. The Company shall have delivered to Stinger (i) a certificate of valid existence for the Company from the Secretary of State of the State of Washington, and the certificates of good standing or authority to transact business from the states in which the Company is qualified to do business as a foreign corporation, each dated as of a date 30 days prior to the Effective Date, and (ii) a bring-down of such good standings dated as of the Effective Date.

4.2 Conditions of the Company's Obligations at Closing.

The obligations of the Company to Stinger under this Agreement are subject to the fulfillment of each of the following conditions, unless otherwise waived:

(a) Representations and Warranties. The representations and warranties of Stinger contained in Section 3 shall be true and correct in all material respects on and as of the Effective Date.

(b) Stinger Operating Agreement. The members of Stinger shall have executed and delivered the Stinger Operating Agreement in substantially the form attached as Exhibit A which shall provide, among other things, that:

(i) The Stinger Board of Governors (the "Stinger Board") shall consist of two members appointed by the Company and five members appointed by agreement of Gary M. Coonan and Donald F. Coonan the members of Stinger immediately prior to the Effective Date.

(ii) Approval of a simple majority of the interests represented on the Stinger Board shall be required for:

(A) Any borrowing or encumbrance in excess of \$100,000;

(B) Acquisition or lease of real property costing in excess of \$100,000 (or if leased, having an annual lease cost in excess of \$100,000), other than purchases of inventory in the ordinary course of business;

\$100,000;

(C) Instituting litigation or settling any claims in excess of

excess of \$100,000;

(D) Any decision or action to invest Stinger's funds in

(E) Annual capital and operating budgets;

(iii) Approval of not less than 80% of the interests represented on the Stinger Board shall be required for:

(A) Any transaction which involves an actual or potential conflict of interest;

(B) Any sale of substantially all of the Company's assets, merger, liquidation or other change of control transaction; and

(C) Any amendment to the Operating Agreement.

(e) Capital Contribution to the Company. Yargo and PRP shall have each made a capital contribution in the Company in the amount of three hundred thousand dollars (\$300,000) and one hundred thousand dollars (\$100,000), respectively, in exchange for 1,053 ownership units, and 351 ownership units, respectively. Such capital contribution and the resulting capitalization of the Company shall be reflected in the Amended Company Operating Agreement as set forth in Exhibit B.

ARTICLE V INDEMNIFICATION

The rights and obligations of Stinger and the Company under this Agreement shall be subject to the following terms and conditions:

5.1 General Agreement to Indemnify

(a) Each party shall indemnify, defend and hold harmless the other party, and any member or employee, or contract employee thereof (each an "Indemnified Party") from and against any and all claims, actions, suits, proceedings, liabilities, obligations, losses, and damages, amounts paid in settlement, interest, costs and expenses (including reasonable attorneys' fees, court costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) (collectively, "Losses") incurred or suffered by any Indemnified Party to the extent that the Losses arise by reason of, or result from any breach of a warranty made in this Agreement; further, Stinger shall so indemnify the Company for Losses that occur by reason of, or result from: (i) any failure to discharge any of the Liabilities, or (ii) Stinger's performance or failure to perform under any of the Contracts assigned to it hereunder.

(b) The Indemnified Party seeking indemnification under this Agreement shall promptly notify the party against whom indemnification is sought (the "Indemnifying Party") of the assertion of any claim, or the commencement of any action, suit or proceeding, in respect of which indemnity may be sought hereunder and shall give the Indemnifying Party such information with respect thereto as the Indemnifying Party may reasonably request, but failure to give such notice shall not relieve the Indemnifying Party of any liability hereunder (unless the Indemnifying Party has suffered material prejudice by such failure). The Indemnifying Party shall have the right, but not the obligation, exercisable by written notice to the Indemnified Party within thirty (30) days of receipt of notice from the Indemnified Party of the commencement of or assertion of any action, claim or proceeding in respect of which indemnity may be sought hereunder (a "Indemnifiable Claim"), to assume the defense and control the settlement of such Indemnifiable Claim that (i) involves (and continues to involve) solely money damages or (ii) involves (and continues to involve) claims for both money damages and equitable relief against the Indemnified Party that cannot be severed, where the claims for money damages are the primary claims and the claims for equitable relief are incidental to the claims for money damages.

(c) The Indemnifying Party or the Indemnified Party, as the case may be, shall have the right to participate in (but not control), at its own expense, the defense of any Indemnifiable Claim that the other is defending, as provided in this Agreement.

(d) The Indemnifying Party, if it has assumed the defense of any Indemnifiable Claim as provided in this Agreement, shall not consent to a settlement of, or the entry of any judgment arising from, any such Indemnifiable Claim without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld or delayed) unless such settlement or judgment relates solely to monetary damages. The Indemnifying Party shall not, without the Indemnified Party's prior written consent, enter into any compromise or settlement that (i) commits the Indemnified Party to take, or to forbear to take, any action or (ii) does not provide for a complete release of the Indemnified Party. The Indemnified Party shall have the sole and exclusive right to settle any Indemnifiable Claim, on such terms and conditions as it deems reasonably appropriate, to the extent such Indemnifiable Claim involves equitable or other non-monetary relief against the Indemnified Party, and shall have the right to settle any Indemnifiable Claim involving money damages for which the Indemnifying Party has not assumed the defense pursuant to this Section 5.1 with the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

ARTICLE VI MISCELLANEOUS PROVISIONS

6.1 Survival

The agreements and covenants contained in this Agreement shall survive the Effective Date indefinitely or in accordance with their terms, if any.

6.2 Notices

All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given upon receipt if (i) mailed by certified or registered mail, return receipt requested, (ii) sent by Federal Express or other express carrier, fee prepaid, (iii) sent via facsimile with receipt confirmed, or (iv) delivered personally, addressed as follows or to such other address or addresses of which the respective party shall have notified the other.

(a) If to the Company, to:

Integrati Systems, LLC
80 South Jackson St., Ste. 407
Seattle, WA 98104
Telephone No.: (206) 652-4700
Telecopier No.: (206) 652-4730
Attention: President

With a copy to:

Leary Franke Droppert PLLC
Attn: Marc Droppert, Esq.
1500 Fourth Avenue, Suite 600
Seattle, WA 98101-1613
United States of America
Telephone No.: (206) 343-8835
Telecopier No.: (206) 343-8895

(b) If to Stinger, to:

Stinger Industries, LLC
1152 Park Avenue
Murfreesboro, TN 37129
United States of America
Telephone No.: (615) 896-1652
Telecopier No.: (615) 278-2074

With a copy to:

King & Ballow
Attn: Alan Korpady, Esq.
Union Street Plaza 1100
315 Union Street
Nashville, TN 37201
United States of America
Telephone No.: (615) 726-5471
Telecopier No.: (615) 726-5419

6.3 Expenses

Except as otherwise provided in this Agreement, each party to this Agreement will bear all the fees, costs and expenses that are incurred by it in connection with the transactions contemplated hereby, whether or not such transactions are consummated.

6.4 Entire Agreement

The agreement of the parties, which consists of this Agreement, the Schedules and Exhibits hereto and the documents referred to herein, sets forth the entire agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, relating to the subject matter of this Agreement; provided, however, that the Confidentiality Agreement executed by and between the parties hereto, dated September 13, 2004, shall remain in full force and effect except to the extent such agreement conflicts with this Agreement, in which case the terms of this Agreement shall control.

6.5 Assignment; Binding Effect; Severability

This Agreement may not be assigned by any party hereto without the other party's written consent. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the successors, legal representatives and permitted assigns of each party hereto. The provisions of this Agreement are severable, and in the event that any one or more provisions are deemed illegal or unenforceable the remaining provisions shall remain in full force and effect unless the deletion of such provision shall cause this Agreement to become materially adverse to either party, in which event the parties shall use reasonable best efforts to arrive at an accommodation that best preserves for the parties the benefits and obligations of the offending provision.

6.6 Governing Law; Dispute Resolution

6.7 This Agreement and the rights of the Members shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee. All disputes and claims arising out of, or in connection with this Agreement, related to any provision hereof, to any specification, standard, or operating procedure or other obligation of the parties to this Agreement or to the breach thereof (including, without limitation, any claim that this Agreement, any provision thereof, any specification, standard, or operating procedure or any other obligation of the Company or one or Members or Managers is illegal, unenforceable, or voidable under any law, ordinance, or ruling shall be settled by arbitration at the office of the American Arbitration Association located nearest to Nashville, Tennessee, in accordance with the United States Arbitration Act (9 U.S.C. § 1 et seq.), if applicable, and the rules of the general rules of commercial arbitration of the American Arbitration Association, provided that the arbitrator shall have the right to award or include in any award the specific performance of this Agreement. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, the Members shall fully perform this Agreement. If, after an arbitration proceeding is instituted, a party to the arbitration asserts a claim, counterclaim, or defense, the subject matter of which, under statute or current judicial decision is nonarbitrable for public policy reasons, the party against whom the claim,

counterclaim, or defense is asserted may elect to proceed with the arbitration of all arbitrable claims, counterclaims, or defenses or to proceed to litigate all claims, counterclaims, or defenses in a court having competent jurisdiction. Execution in Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6.8 Public Announcement

Prior to the signing of this Agreement, the Company and Stinger shall prepare a mutually agreeable release announcing the transactions contemplated hereby. Except for such press release, neither the Company nor Stinger shall, without the approval of the other, make any press release or other announcement concerning the existence of this Agreement or the terms of the transactions contemplated by this Agreement, except as and to the extent that any such party shall be so obligated by Law, in which case the other party shall be advised and the parties shall use their reasonable best efforts to cause a mutually agreeable release or announcement to be issued; provided, however, that the foregoing shall not preclude communications or disclosures necessary to comply with accounting, or federal securities law disclosure obligations.

6.9 No Third-Party Beneficiaries

Nothing in this Agreement, express or implied, is intended to or shall (a) confer on any person other than the parties hereto and their respective successors or assigns any rights (including third-party beneficiary rights), remedies, obligations or liabilities under or by reason of this Agreement or (b) constitute the parties hereto as partners or as participants in a joint venture. This Agreement shall not provide third parties with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to the terms of this Agreement. No third party shall have any right, independent of any right that exist irrespective of this Agreement, under or granted by this Agreement, to bring any suit at law or equity for any matter governed by or subject to the provisions of this Agreement.

6.10 Noncompetition

For a period of three years commencing on the Effective Date:

(a) Company will not, and Company will not permit any affiliate of Company to, directly or indirectly, manufacture, furnish, assemble, sell or distribute, within or without the United States, any product manufactured, furnished, assembled, sold or distributed by Company at any time during the three-year period ending on the Effective Date or otherwise attempt to compete with Stinger with respect to that portion of the business of Company to be sold by Company to Stinger pursuant to this Agreement.

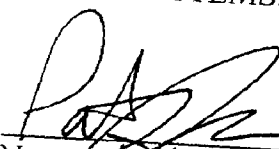
(b) No Member of Company shall enter into the employ of, render services or advice to, or engage in or become a proprietor, partner or stockholder (other than a member, stockholder or similar position, holding less than 1 percent of the total number of

outstanding shares of any class of stock or other equity securities) of any business which competes with or contemplates competing with the business of Company to be acquired by Stinger pursuant to this Agreement.

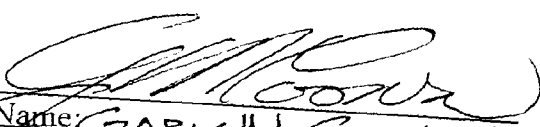
[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused this Agreement to be duly executed on its behalf by its duly authorized officer as of the date first written above.

INTEGRITI SYSTEMS, LLC.

By: 
Name: Patrick Jensen
Title: President

STINGER INDUSTRIES, LLC.

By: 
Name: GARY W. COONAN
Title: PRESIDENT/CEO

[Signature Page to Exchange Agreement]

SCHEDULE 1.1(b)(iv)
TRADEMARKS

- Trademark No. 75179562 issued 10-12-1999. Covers “integriti” for use as a medical device.
- Trademark No. 76255773 filed 05-10-2001. Expands the “integriti” trademark to cover medical software applications. Original application requested “integriti” for all software. Office action response that the Company would need to limit the scope of the trademark to cover only medical applications. The Company revised the scope and submitted a response to the trademark office.