

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM344142

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Avery Outdoors, Inc.		05/08/2015	CORPORATION: TENNESSEE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Banded Finance LLC		
<b>Street Address:</b>	1710 Powell St.		
<b>City:</b>	Springdale		
<b>State/Country:</b>	ARKANSAS		
<b>Postal Code:</b>	72764		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: ARKANSAS		
<b>PROPERTY NUMBERS Total: 30</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	2882779	MIGRATOR	
<b>Registration Number:</b>	3581730	BUCKBRUSH	
<b>Registration Number:</b>	2938569	MARSH GRASS	
<b>Registration Number:</b>	3005058	KILLERWEED	
<b>Registration Number:</b>	3073147	HOT BUY	
<b>Registration Number:</b>	3085283	REAL MOTION	
<b>Registration Number:</b>	3095698	KEEL GRABBER	
<b>Registration Number:</b>	3095615	TRAC-LOC	
<b>Registration Number:</b>	3109151	QUICKSNAP	
<b>Registration Number:</b>	3804465	BUG-OUT KENNEL COVER	
<b>Registration Number:</b>	3120441	TUFF	
<b>Registration Number:</b>	3120071	FINISHER	
<b>Registration Number:</b>	3141486	GAMEHOG	
<b>Registration Number:</b>	3175582	GROUND FORCE	
<b>Registration Number:</b>	3180753	TEAM WATER DOG	
<b>Registration Number:</b>	3891902	KW-1	
<b>Registration Number:</b>	3217805	NEOTUB	
<b>Registration Number:</b>	3307990	ATB	
<b>Registration Number:</b>	3370554	HEXABUMPER	

OP \$765.00 2882779

Property Type	Number	Word Mark
Registration Number:	3383109	HARVESTER
Registration Number:	4354232	GREENBRIER
Registration Number:	2365823	AVERY
Registration Number:	2436580	GREENHEAD GEAR
Registration Number:	2541634	QUICK-FIX
Registration Number:	2737921	FINISHER BLIND
Registration Number:	2792582	SNAP-LOCK
Registration Number:	2795903	FAT BOY
Registration Number:	2797381	QUICK-SET
Registration Number:	2813880	POWER HUNTER
Registration Number:	2822668	NYLAP

**CORRESPONDENCE DATA**

**Fax Number:** 5013751309

*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.*

**Phone:** 501-377-0417

**Email:** kperkins@roselawfirm.com

**Correspondent Name:** Kathryn Bennett Perkins

**Address Line 1:** 120 East Fourth Street

**Address Line 4:** Little Rock, ARKANSAS 72201

**NAME OF SUBMITTER:** Kathryn Bennett Perkins

**SIGNATURE:** /kathryn bennett perkins/

**DATE SIGNED:** 06/10/2015

**Total Attachments: 19**

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NOTICE  
OF  
GRANT OF SECURITY INTEREST  
IN  
TRADEMARKS

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Security Agreement dated as of May 8, 2015 (as the same may be amended, modified, extended, or restated from time to time, the "Agreement") by and between Avery Outdoors, Inc. (the "Grantor") and Banded Finance LLC (the "Lender"), the undersigned Grantor has granted to Lender a continuing security interest in, and a right to set off against, any and all of Grantor's right, title and interest in the trademarks shown on Schedule 1 hereto (the "Trademark Collateral"), as well as all proceeds.

The undersigned Grantor hereby acknowledges and agrees that the security interest in the trademarks shown on Schedule 1 hereto (i) may only be terminated in accordance with the terms of the Agreement and (ii) is not to be construed as an assignment of any trademark.

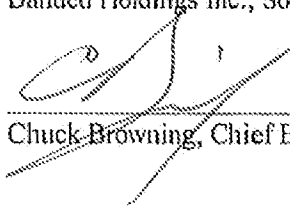
The undersigned Grantor hereby further acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[Remainder of page intentionally left blank -- Signature page to follow]

Very truly yours,

BANDED FINANCE LLC,  
an Arkansas limited liability company

By: Banded Holdings Inc., Sole Member



\_\_\_\_\_  
Chuck Browning, Chief Executive Officer

Acknowledged and Accepted:

AVERY OUTDOORS, Inc., a Tennessee corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Very truly yours,

BANDED FINANCE LLC,  
an Arkansas limited liability company

By: Banded Holdings Inc., Sole Member

\_\_\_\_\_  
Chuck Browning, Chief Executive Officer

Acknowledged and Accepted:

AVERY OUTDOORS, Inc., a Tennessee corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Schedule 1

**U.S. Trademarks**

<u>Mark</u>	<u>Serial Number</u>	<u>Reg. Number</u>
Migrator (blinds)	76976852	2882779
Buckbrush (.4)	78767751	3581730
Marsh Grass (.35)	76393638	2938569
KillerWeed (.22)	78364687	3005058
Hot Buy (.33)	78556665	3073147
Real Motion (.32)	78624796	3085283
Keel Grabber (.31)	78653700	3095698
Trac-Loc (.30)	78649570	3095615
Quick Snap (.29)	78642955	3109151
Bug-Out Kennel Cover	77716612	3804465
Tuff (.28)	78687998	3120441
Finisher (.18)	78673088	3120071
Gamehog (.23)	78644605	3141486
Ground Force (.21)	78708692	3175582
Team Waterdog (.20)	78797356	3180753
KW1	77817886	3891902
NeoTub (.17)	78885438	3217805
ATB (.16)	77047935	3307990
HexaBumper (.15)	78798323	3370554
Harvester (.14)	78818660	3383109
Greenbrier	77780739	4354232
Avery (.34)	75579345	2365823
Greenhead Gear #1	75811602	2436580
Quick-Fix	76058432	2541634
Finisher Blind	76223278	2737921
Snap-Lock (.37)	76417804	2792582
Fat Boy	76439565	2795903
Quick-Set (.36)	76491508	2797381
Power Hunter	76435391	2813880
Nylap	76497786	2822668

## SECURITY AGREEMENT

This **SECURITY AGREEMENT** (the "*Security Agreement*") is made and entered into as of May 8, 2015, by **AVERY OUTDOORS, INC.**, a Tennessee corporation (the "*Debtor*") having a notice address of c/o John Ryder, Receiver, 40 S. Main Street, Memphis, TN 38103, for the benefit of **BANDED FINANCE LLC**, an Arkansas limited liability company ("*Secured Party*"), having a notice address of 1710 Powell St., Springdale, AR 72764.

### RECITALS

A. Pursuant to a Loan Agreement dated as of even date herewith (as may be amended, supplemented or otherwise modified from time to time, the "*Loan Agreement*"), by and among Debtor, Avery Superstore, LLC, a Tennessee limited liability company ("*Superstore*"); Casscoe Properties, LLC, a Tennessee limited liability company ("*Casscoe*"), and Secured Party (Debtor, Superstore, and Casscoe collectively the "*Avery Entities*"), Secured Party has agreed to make loans to Debtor upon the terms and subject to the conditions set forth therein, to be evidenced by the Promissory Notes (defined below) issued by Debtor thereunder.

B. It is a condition precedent to the obligation of the Secured Party to extend such loans under the Loan Agreement that Debtor shall have executed and delivered this Security Agreement to Secured Party.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and to induce the Secured Party to extend such loans to Debtor, Debtor hereby agrees with the Secured Party as follows:

**1. Defined Terms.** Except as otherwise expressly defined herein, all capitalized terms shall have the meanings ascribed to them in the Loan Agreement. The following capitalized terms shall have the meanings ascribed to them in the Uniform Commercial Code in effect in the State of Tennessee on the date hereof: Accounts, Chattel Paper, Deposit Accounts, Documents, Equipment, Fixtures, Farm Products, Financing Statements, General Intangibles, Commercial Tort Claims, Goods, Instruments, Inventory, Investment Property, Letter-of-Credit Rights, Proceeds and Supporting Obligations. In addition, the terms set forth below are defined as follows:

"*Casscoe Security Agreement*" shall mean the security agreement between Casscoe and Secured Party date as of even date herewith, as amended, supplemented or otherwise modified from time to time.

"*Collateral*" shall have the meaning set forth in Section 2 below.

"*Loan Documents*" shall mean, collectively, this Security Agreement, the Superstore Security Agreement, the Casscoe Security Agreement, the Promissory Notes, the Loan Agreement, the Mortgage, and all other instruments, documents and certificates, including, without limitation, mortgages, pledges, powers of attorney, consents, assignments, guaranties, contracts, and other written matter, if any, whether heretofore, now or hereafter executed by Debtor, Superstore, or



Casscoe and delivered to the Secured Party, in connection with the Secured Obligations or the transactions contemplated hereby.

*"Promissory Notes"* shall mean the two promissory notes, one in the original principal amount of One Million Six Hundred Thousand and No/100 United States Dollars (\$1,600,000.00) and one with a principal amount of up to Two Million Eight Hundred Thousand and No/100 United States Dollars (\$2,800,000.00), both executed and delivered by Debtor to the Secured Party pursuant to the Loan Agreement dated the date hereof, and any and all amendments, modifications, supplements, renewals, extensions, replacements or restatements thereof.

*"Secured Obligations"* shall mean:

(a) the unpaid principal amount of, and interest on, the Promissory Notes and all other obligations and liabilities of Debtor or any of the other Avery Entities to the Secured Party, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with the Promissory Notes, this Security Agreement, the Loan Agreement, or any other Loan Document;

(b) the full and complete performance of, and compliance with, all terms, provisions, covenants and agreements contained herein, in the Promissory Notes, in the Loan Agreement, or any other Loan Document;

(c) all renewals, extensions or modifications of any of the foregoing or indebtedness directly or indirectly arising from or related to any of the foregoing;

(d) all judgments, decrees, awards or orders directly or indirectly arising from or related to any of the foregoing; and

(e) any and all other indebtedness of whatever kind or nature, existing or to become due from the Debtor or any of the other Avery Entities to the Secured Party at any time prior to the filing of a Uniform Commercial Code termination statement by the Secured Party in connection with this Security Agreement, including, but not limited to, the repayment of any amounts advanced or expended by the Secured Party pursuant to the exercise of its rights and remedies under Section 6.

*"Security Agreement"* shall mean this Security Agreement, as amended, supplemented or otherwise modified from time to time.

*"Superstore Security Agreement"* shall mean the security agreement between Superstore and Secured Party date as of even date herewith, as amended, supplemented or otherwise modified from time to time.

**2. Security Interest.** To secure the payment and performance of all of the Secured Obligations, Debtor hereby assigns, grants and conveys to the Secured Party a security interest in

and lien on all of Debtor's right, title and interest in Debtor's property, personal and real, including without limitation (collectively, the "Collateral"):

- (a) all Goods;
- (b) all Equipment;
- (c) all Inventory;
- (d) all Fixtures;
- (e) all Accounts;
- (f) all General Intangibles;

(g) all trademark licenses, trademarks, service marks, corporate names, company names, business names, trade dress, trade styles, logos or other indicia of origin or source identification, trademark and service mark registrations, all applications for, registrations of and licenses of the foregoing, including without limitation, each registration and application set forth on Exhibit A attached hereto, the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and all other rights of any kind whatsoever accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above (collectively, "Trademarks");

(h) all patents, patent applications and patentable inventions, each issued patent and patent application, all inventions and improvements described and claimed therein, the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever accruing thereunder or pertaining thereto (collectively, "Patents");

(i) all copyrights, regardless of whether the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, the rights to print, publish and distribute any of the foregoing, the right to sue or

otherwise recover for any and all past, present and future infringements or misappropriations thereof, all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and all other rights of any kind whatsoever accruing thereunder or pertaining thereto (collectively, "*Copyrights*");

(j) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations thereof, all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and all other rights of any kind whatsoever accruing thereunder or pertaining thereto (collectively, "*Trade Secrets*");

(k) all licenses or agreements, whether written or oral, providing for the grant by or to any Grantor of: (A) any right to use any Trademark or Trade Secret, (B) any right to manufacture, use or sell any invention covered in whole or in part by a Patent, and (C) any right under any Copyright including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright, the right to sue or otherwise recover for any and all past, present and future infringements or misappropriations of any of the foregoing, all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), and all other rights of any kind whatsoever accruing thereunder or pertaining thereto;

(l) all Documents;

(m) all Instruments, including promissory notes;

(n) all Chattel Paper, whether tangible or intangible;

(o) all Deposit Accounts;

(p) all Letter-of-Credit Rights, whether or not the letter of credit is evidenced by a writing;

(q) all Supporting Obligations;

(r) all Commercial Tort Claims;

(s) all Investment Property;

(t) all books, records, computer records, computer disks, ledger cards, programs, software and other computer materials, customer and supplier lists, invoices, orders and other property and general intangibles at any time evidencing or relating to any of the Collateral (collectively, "Records"); and

(u) to the extent not listed above as original Collateral, all substitutes and replacements for, all accessions, attachments and other additions to, tools, parts, and equipment used in connection with, and all products, increases and Proceeds of, any of the foregoing, and to the extent not otherwise included, all payments under any insurance policy or any indemnity, warranty, or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing;

in each case, wherever located, whether now owned or hereafter acquired by Debtor or its subsidiaries, and all proceeds or products thereof, and however their interest therein may arise or appear (whether by ownership, leasehold interest, security interest, claim or otherwise).

### **3. Perfection of Security Interests.**

3.1. *Financing Statements.* Debtor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any Uniform Commercial Code jurisdiction any financing statements and amendments to perfect or protect the Secured Party's security interest in the Collateral, and Debtor agrees to promptly furnish any information necessary for the filing of such financing statements as Secured Party may request. Debtor hereby appoints the Secured Party as its attorney-in-fact, which appointment is a power coupled with an interest and is irrevocable, for the purpose of executing any and all financing statements or continuations or amendments thereof, or other documents necessary to perfect or continue perfection of the rights of the Secured Party hereunder. The powers conferred on the Secured Party hereunder are solely to protect interests of the Secured Party in the Collateral and shall not impose any duty upon it to exercise any such powers.

3.2. *Possession.* Debtor shall have possession of the Collateral, except where expressly otherwise provided in this Security Agreement or any other Loan Document or where the Secured Party chooses to perfect its security interest by possession in addition to the filing of a financing statement. Where Collateral is in the possession of a third party, Debtor will join with the Secured Party in notifying the third party of the Secured Party's security interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of the Secured Party.

3.3. *Control.* Debtor will cooperate with the Secured Party in obtaining control with respect to Collateral consisting of Deposit Accounts, Investment Property, Letter-of-credit rights, and electronic Chattel Paper. Debtor will not create any electronic Chattel Paper without placing a legend on the Chattel Paper acceptable to the Secured Party indicating that the Secured Party has a security interest in the Chattel Paper.

3.4. *Other Actions.* Debtor further agrees to take any other action reasonably requested by the Secured Party to insure the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral including, without limitation, (a) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that the Debtor's signature thereon is required therefor, (b) causing the Secured Party's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (c) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such collateral, (d) obtaining governmental or other third party consents and approvals, including without limitation any consent of licensor, lessor or other person obligated on Collateral, (e) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party and (f) taking all actions required by any earlier version of the Uniform Commercial Code or by other law, as applicable in any relevant Uniform Commercial Code jurisdiction, or by other law as applicable in any foreign jurisdiction. Should Debtor fail to deliver any such writings upon demand, Debtor hereby conveys to the Secured Party a specific Power of Attorney, which power is coupled with an interest and is irrevocable, to execute such writings on its behalf, whenever necessary.

**4. Representations and Warranties.** Debtor represents and warrants as follows:

4.1. *Title, No Other Liens.* Except for liens in favor of the Secured Party, Debtor has good and marketable title to all of the Collateral and no other person, entity or governmental agency (whether federal, state or local) has or purports to have any right, title, encumbrance, lien, security interest (except as may be created herein or by any of the other Loan Documents or approved in writing by the Secured Party) or adverse claims (including without limitation, claims for taxes and assessments) in or to any of the Collateral.

4.2. *No Encumbrances.* Except for the financing statements executed by Debtor to perfect the security interest in the Collateral in favor of the Secured Party, at the time of granting the security interest described herein, no financing statement covering the Collateral or any portion thereof is on file in any public office and Debtor agrees not to execute or authorize the filing of any such additional financing statement in favor of any person, entity or governmental agency, (whether federal, state or local) other than the Secured Party as long as any portion of the indebtedness evidenced by the Promissory Notes remains unpaid.

4.3. *Organization; Chief Executive Office.* Debtor is a duly organized corporation, validly existing and in good standing under the laws of the State of Tennessee. Debtor's chief executive officer and chief place of business is located in Memphis, Tennessee.

4.4. *Farm Products.* None of the Collateral constitutes, or is the proceeds of, Farm Products.

4.5. *Names.* Since inception, the only name used by the Avery Entities in the conduct of their business is Avery Outdoors, Inc., Avery Superstore, LLC, and Casscoe Properties, LLC.

**5. Covenants and Agreements of Debtor.** Debtor hereby covenants and agrees as follows:

5.1. *Change of Name or Place of Business.* The Collateral will be maintained at the Debtor's place or places of business located in Memphis, Tennessee. Debtor will promptly notify the Secured Party in writing of any change in the location of the Collateral or any place of business, the establishment of any new place of business, or of any change in the Debtor's name.

5.2. *Title.* Debtor will, at its own expense, appear in and defend any and all actions and proceedings which purport to affect title to the Collateral or any part thereof or affect the security interest of the Secured Party therein.

5.3. *Disposition of Assets.* Debtor will retain possession of the Collateral during the existence of this Security Agreement and, except for sales and transfers for value of Inventory in the ordinary course of Debtor's business, and the use of Accounts in the ordinary course of business, will not sell, exchange, assign, loan, deliver, lease, mortgage, grant a security interest in, encumber or otherwise dispose of same, whether by operation of law or otherwise, without the prior written consent of the Secured Party, which consent may be given or withheld in the sole and absolute discretion of the Secured Party; provided that obsolete and worn out property may be sold, leased or removed in the ordinary course of business to the extent that the proceeds of any such sale are used to acquire replacement property or to reduce the Obligations, and provided that the Secured Party continues to have a perfected security interest in any such replacement property.

5.4. *Liens.* Debtor will keep the Collateral free and clear of all liens, charges, encumbrances, taxes and assessments other than liens in favor of or approved in writing by the Secured Party.

5.5. *Maintenance of Collateral.* Debtor will keep the Collateral in good condition and repair and permit no waste thereof and will replace any worn out or obsolete property if necessary to the operation of the Debtor's business with property reasonably satisfactory to the Secured Party.

5.6. *Insurance.* Debtor shall have and maintain at all times with respect to the Collateral such insurance that is required by the Loan Agreement, such insurance to be payable to the Secured Party and to the Debtor as their interests may appear. All policies of insurance shall provide for thirty days' written minimum cancellation notice to the Secured Party. In the event of failure to provide and maintain insurance as herein provided, the Secured Party may, at its option, provide such insurance, and Debtor hereby promises to pay to the Secured Party on demand the amount of any disbursements made by the Secured Party for such purpose. Debtor shall furnish to the Secured Party certificates or other evidence satisfactory to the Secured Party of compliance with the foregoing insurance provisions. The Debtor shall give immediate notice to the Secured Party, and to the insurers, of any loss or damage to the Collateral, and shall promptly file proofs of loss with such insurers.

5.7. *Use of Collateral.* The Collateral will not be used for any unlawful purpose or in any way which will void any insurance required by this Security Agreement and any other Loan Documents.

5.8. *Collection of Accounts.*

(a) Debtor will, subject to the terms hereof, collect the Accounts, provided that Debtor agrees that in the event of a Default (as defined herein) the Secured Party may at any time, without notice, curtail or terminate this right.

(b) So long as no Default under this Security Agreement and no event which, with the passage of time or the giving of notice or both would constitute a Default under this Security Agreement, has occurred and is continuing, Debtor may grant, in the ordinary course of business, to any party obligated on any Account (an "*Account Debtor*"), any rebate, refund or allowance to which such party may be lawfully entitled and may accept, in connection therewith, the return of goods, the sale or lease of which shall have given rise to such Account.

5.9. *Accounts: Books and Records; Inspections.* Debtor will keep and maintain at its own cost and expense satisfactory and complete records of the Accounts, including without limitation a record of all payments received, all credits granted thereon, all merchandise returned and all other dealings therewith. The Secured Party or any of the Secured Party's agents shall have the right to call at Debtor's place or place(s) of business at intervals to be determined by the Secured Party, and without hindrance or delay, to inspect, audit, check and make extracts from the books, records, journals, orders, receipts, correspondence and other data relating to the Accounts or to any other transactions between the parties hereto.

**6. Default and Remedies.**

6.1. *Default.* After the expiration of any applicable notice and cure periods, the following shall constitute a default by Debtor (herein called a "*Default*");

(a) Any Event of Default with respect to any of the Avery Entities as defined in any of the other Loan Documents.

(b) Uninsured loss, theft, damage or destruction to or sale or encumbrance outside the ordinary course of business of a material portion of the Collateral, or the making or occurrence of any levy, seizure or attachment thereof.

6.2. *Rights and Remedies.* Following the occurrence of a Default, the Secured Party, to the extent permitted by law, may do any one or more of the following:

(a) Remedies. The Secured Party shall have all the rights, remedies and privileges with respect to repossession, retention and sale of the Collateral and disposition of the proceeds therefrom as are accorded herein, under any other Loan Document, and to secured parties by the applicable laws of the State of Tennessee, including without limitation, the UCC.

(b) Acceleration. At the option of the Secured Party, the Secured Obligations (collectively, or at the option of the Secured Party, separately) shall immediately become due and payable in full without notice or demand.

(c) Possession of Collateral. Debtor hereby authorizes and empowers the Secured Party, with the aid and assistance of any person or persons, to (i) enter any place or places where the Collateral or proceeds thereof is or may be placed, and to take possession and carry away all or part of the Collateral; (ii) control, manage, rent or lease Collateral either separately or in conjunction with the Debtor's real property; and (iii) collect all rents, income or insurance proceeds from the Collateral and apply the same in accordance with the provisions of this Security Agreement.

(d) Sale of Collateral. The Secured Party may sell all or part of the Collateral separately or together with any real property mortgaged to Secured Party by Debtor. Upon demand by the Secured Party, Debtor shall assemble all the Collateral or proceeds thereof and make it available to the Secured Party at the time and place designated in the demand.

(e) Notice. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. Debtor hereby acknowledges that the requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown in the Loan Agreement at least ten days before the time of the sale or disposition. Notwithstanding the foregoing, Debtor hereby expressly waives any and all rights it may have to any notice or judicial hearing prior to seizure by the Secured Party of any of the Collateral or enforcement of any of the Secured Party's rights hereunder whether pursuant to legal process or otherwise.

(f) Sale Proceeds. The Secured Party shall apply the proceeds of any sale or liquidation of any of the Collateral as follows:

First. To the payment of the costs and expenses of such sale or liquidation, including a reasonable compensation to agents and attorneys of the Secured Party, and all charges, expenses, liabilities and advances incurred or made by the Secured Party, including without limitation the payment of all taxes, assessments or liens, if any, prior to the lien of this Security Agreement;

Second. To the payment of the whole amount then due and unpaid for principal and interest upon the Secured Obligations; and

Third. The balance, if any, shall be paid to Debtor, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.



(g) Deficiency. Debtor shall remain liable for any deficiency resulting from a sale or liquidation of the Collateral and shall pay any such deficiency forthwith on demand.

6.3. *Expenses*. Any amounts advanced or expended by the Secured Party pursuant to the exercise of its rights and remedies under this Section 6 shall be additional indebtedness secured hereby and by the Loan Documents bearing interest thereon at the highest rate of interest set forth in the Promissory Notes.

6.4. *Remedies Cumulative*. Debtor hereby agrees that all rights and remedies that the Secured Party is afforded by reason of this Agreement are separate and cumulative and may be pursued separately, successively or concurrently, as the Secured Party deems advisable. In addition, all such rights and remedies are non-exclusive and shall in no way limit or prejudice the Secured Party's ability to pursue any other legal or equitable rights or remedies that may be available.

6.5. *Special Provisions Regarding Accounts*. Following the occurrence of a Default, Debtor will, upon the Secured Party's request, immediately comply with all or any of the following provisions as the Secured Party shall, from time to time (in its sole discretion) designate and direct:

(a) The proceeds of the Account, when collected by Debtor, whether consisting of checks, notes, drafts, bills of exchange, money orders, commercial paper of any kind whatsoever, or other documents received in payment of the Accounts shall be promptly deposited by Debtor in precisely the form received, except for Debtor's endorsement when required, in a special bank account maintained by the Secured Party, subject to withdrawal by the Secured Party only, as hereinafter provided, and until so turned over, shall be deemed to be held in trust by Debtor for and as the Secured Party's property and shall not be commingled with any other funds. The Secured Party is hereby authorized to endorse any such instruments, and Debtor hereby irrevocably constitutes and appoints the Secured Party as its attorney-in-fact for the foregoing purpose, which appointment is a power coupled with an interest and is irrevocable. Such proceeds, when deposited, shall continue to be collateral security for all of the Secured Obligations and shall not constitute payment thereof until applied as hereinafter provided. At any time in the Secured Party's election, the Secured Party shall apply all or any part of the fund on deposit in said special account on account of the principal or interest of any of the Secured Obligations, or costs or expenses in connection therewith, the order and method of such application to be in the Secured Party's discretion;

(b) Debtor will not, without the Secured Party's written consent, grant any extension of time of payment of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof or allow any credit or discount whatsoever thereon. Debtor will promptly notify the Secured Party in writing of the rejection of any services represented by the Accounts. The Secured Party may, without notice to or assent by Debtor, extend the time of payment of, compromise or settle for cash, credit or otherwise, and upon any terms and conditions, and accounts, thereby discharge the person or persons liable for the payment thereof, without affecting the Secured Obligations hereunder;

(c) Debtor will deliver to the Secured Party all original and other documents evidencing, and relating to, the sale and delivery of or the performance of labor or services which created the Accounts, including, but not limited to, all original orders, reports, lists, schedules, cost reports, invoices, records and shipping receipts;

(d) The Secured Party may notify any Account Debtor to make payment to the Secured Party of all amounts due or to become due under any Account and enforce collection of any of the Accounts by suit or otherwise and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby, all without releasing Debtor from any of its obligations to the Secured Party.

(e) The Secured Party shall have the right to make verifications of all Accounts in any manner and through any mechanism that the Secured Party may reasonably elect;

(f) If any of the Accounts arise out of contracts with the United States or any department, agency, or instrumentality thereof, Debtor will immediately notify the Secured Party thereof in writing and execute any instruments and take any steps required by the Secured Party in order that all monies due and to become due under such contract shall be assigned to the Secured Party and notice thereof given to the Government under the Federal Assignment of Claims Act; and

(g) If any of the Accounts should be evidenced by promissory notes, trade acceptances or other instruments for the payment of money, Debtor will immediately deliver same to the Secured Party, without recourse to the Secured Party and appropriately endorsed to the Secured Party's order and, regardless of the form of such endorsement, Debtor hereby waives presentment, demand, notice of dishonor, protest, notice of protest and all other notices with respect thereto.

## 7. **Miscellaneous.**

7.1. *Performance of Obligations.* Should Debtor fail to make any payment or perform any act herein agreed to be made or performed, the Secured Party may, although not obligated to do so, advance monies for payment or performance of the same with such advance to be additional indebtedness secured hereunder and under the Loan Documents, and in that event Debtor agrees to reimburse the Secured Party on demand in full for all payments, expenses and costs thereby incurred, with interest thereon at the maximum rate permitted by applicable law.

7.2. *Costs and Expenses.* Debtor will pay all, all fees for recording and filing and all taxes (including penalties and interest, if any, assessed thereon) payable in connection herewith. If any dispute among the parties to this Security Agreement results in litigation, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

7.3. *Waiver.* Waiver of or acquiescence in any Default (as defined herein), or failure of the Secured Party to insist upon strict performance by Debtor of any warranties or agreements in this Security Agreement, shall not constitute a waiver of any subsequent or other Default or failure. The Secured Party's acceptance of partial or delinquent payments or its exercise or failure to exercise any right or remedy shall not constitute a modification of this Security Agreement or of the Promissory Notes or of the other Loan Documents. The taking of this Security Agreement shall not waive or impair any other security the Secured Party may have or hereafter acquire for the payment of the Promissory Notes, nor shall the taking of any such additional security waive or impair this Security Agreement but the Secured Party may resort to any security it may have in the order it may deem proper, and notwithstanding any collateral security, the Secured Party shall retain its rights of setoff against Debtor.

7.4. *UCC; Severability.* Unless otherwise stated in this Security Agreement, the applicable provisions of the UCC shall govern the rights, duties and remedies of the parties and any provisions herein declared invalid under any applicable law shall not invalidate any other provision of this Security Agreement.

7.5. *Successors and Assigns.* The terms, representations, warranties and agreements herein contained shall bind and inure to the benefit of the respective parties hereto, and their respective legal representatives, successors and assigns.

7.6. *Term of Agreement.* The term of this Security Agreement shall commence with the date hereof and end on the date upon which Debtor indefeasibly repays to the Secured Party all amounts of every kind and character due under the Secured Obligations and/or all instruments evidencing or securing the Secured Obligations.

7.7. *Governing Law.* The laws of the State of Tennessee (without giving effect to the principles of conflicts of law) shall govern the construction and enforcement of this Security Agreement and the rights and duties of the parties hereto.

7.8. *Conflict.* In the event of any conflict between the terms and provisions hereof and of the Loan Agreement, the Loan Agreement shall control.

7.9. *Headings.* The headings of each section of this Security Agreement are for convenience only and shall not define or limit the provisions thereof.

IN WITNESS WHEREOF, the parties hereto affix their signatures as of the date first above written.

**Debtor:**

**AVERY OUTDOORS, INC**, a Tennessee corporation

By: [Signature]  
Name: [Signature]  
Title: [Signature]

**Secured Party:**

**BANDED FINANCE LLC**, an Arkansas limited liability company

By: Banded Holdings Inc., an Arkansas corporation, Sole Member

By: \_\_\_\_\_  
Chuck Browning, Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto affix their signatures as of the date first above written.

**Debtor:**

**EVERY OUTDOORS, INC.**, a Tennessee corporation

By: \_\_\_\_\_

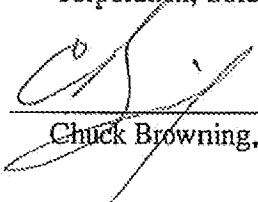
Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Secured Party:**

**BANDED FINANCE LLC**, an Arkansas limited liability company

By: Banded Holdings Inc., an Arkansas corporation, Sole Member

By:  \_\_\_\_\_

Chuck Browning, Chief Executive Officer

**EXHIBIT A**

**Trademarks**

<u>Mark</u>	<u>Serial Number</u>	<u>Reg. Number</u>
Migrator (blinds)	76976852	2882779
Buckbrush (.4)	78767751	3581730
Marsh Grass (.35)	76393638	2938569
KillerWeed (.22)	78364687	3005058
Hot Buy (.33)	78556665	3073147
Real Motion (.32)	78624796	3085283
Keel Grabber (.31)	78653700	3095698
Trac-Loc (.30)	78649570	3095615
Quick Snap (.29)	78642955	3109151
Bug-Out Kennel Cover	77716612	3804465
Tuff (.28)	78687998	3120441
Finisher (.18)	78673088	3120071
Gamehog (.23)	78644605	3141486
Ground Force (.21)	78708692	3175582
Team Waterdog (.20)	78797356	3180753
KWI	77817886	3891902
NeoTub (.17)	78885438	3217805
ATB (.16)	77047935	3307990
HexaBumper (.15)	78798323	3370554
Harvester (.14)	78818660	3383109
Greenbrier	77780739	4354232
Avery (.34)	75579345	2365823
Greenhead Gear #1	75811602	2436580
Quick-Fix	76058432	2541634
Finisher Blind	76223278	2737921
Snap-Lock (.37)	76417804	2792582
Fat Boy	76439565	2795903
Quick-Set (.36)	76491508	2797381
Power Hunter	76435391	2813880
Nylap	76497786	2822668

Exhibit A-1

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