

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

ETAS ID: TM850857

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Patent, Trademark and Copyright Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Combined Systems, Inc.		11/01/2023	Corporation: NEW YORK
CTS-CSI Holdings, Inc.		11/01/2023	Corporation: DELAWARE
RECEIVING PARTY DATA			
Name:	First National Bank of Pennsylvania		
Street Address:	12 Federal Street		
Internal Address:	One North Shore Center, Suite 500		
City:	Pittsburgh		
State/Country:	PENNSYLVANIA		
Postal Code:	15212		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 15			
Property Type	Number	Word Mark	
Registration Number:	3780973	CTS	
Registration Number:	3780874	CTS	
Registration Number:	3869260	PENN ARMS	
Registration Number:	5117466	PENN ARMS	
Registration Number:	3833982	COMBINED TACTICAL SYSTEMS	
Registration Number:	3780992	DEDICATED TO YOUR MISSION	
Registration Number:	3780994	A FORCE FOR ORDER	
Registration Number:	3929948	CSI	
Registration Number:	2960810	MINI BANG	
Registration Number:	3654793	COMBINED TACTICAL SYSTEMS	
Registration Number:	3206004	SUPER-SOCK	
Registration Number:	2978387	VENOM	
Registration Number:	2119308	TRIPLE-PHASER	
Registration Number:	4286012	CTS THOMPSON	
Registration Number:	4551036	COMBINED SYSTEMS	
CORRESPONDENCE DATA			

CH \$390.00 3780973

Fax Number: 4125621041

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: 4125621637

Email: vicki.cremonese@bipc.com

Correspondent Name: Michael L. Dever

Address Line 1: Suite 200

Address Line 2: 501 Grant Street

Address Line 4: Pittsburgh, PENNSYLVANIA 15219

ATTORNEY DOCKET NUMBER:	0076967-000045
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NAME OF SUBMITTER:	Michael L. Dever
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SIGNATURE:	/Michael L. Dever/
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DATE SIGNED:	11/03/2023
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Total Attachments: 13

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PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

This Patent, Trademark and Copyright Security Agreement (as amended, restated, modified or supplemented from time to time, the "**Agreement**"), dated as of November 1, 2023 is entered into by and among **EACH OF THE PERSONS LISTED ON THE SIGNATURE PAGES HERETO AND EACH OF THE OTHER PERSONS WHICH BECOME PLEDGORS HEREUNDER FROM TIME TO TIME** (each a "**Pledgor**" and collectively, the "**Pledgors**") and **FIRST NATIONAL BANK OF PENNSYLVANIA**, as the lender under the Credit Agreement described below (the "**Lender**").

WHEREAS, pursuant to that certain Credit and Security Agreement (as the same may be amended, restated, modified or supplemented from time to time, the "**Credit Agreement**") dated as of the date hereof, by and among COMBINED SYSTEMS, INC., a New York corporation (the "**Borrower**"), CTS-CSI HOLDINGS, INC., a Delaware corporation, as a Guarantor, and the Lender, the Lender has agreed to provide certain loans and other financial accommodations to the Borrower; and the Pledgors have agreed, among other things, to grant a security interest to the Lender in certain patents, trademarks, copyrights and other property as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Defined Terms.

(a) Except as otherwise expressly provided herein, (i) capitalized terms used in this Agreement shall have the respective meanings assigned to them in the Credit Agreement and (ii) the rules of construction set forth in Section 1.4 of the Credit Agreement shall apply to this Agreement. Where applicable and except as otherwise expressly provided herein, terms used herein (whether or not capitalized) shall have the respective meanings assigned to them in the Uniform Commercial Code as enacted in the Commonwealth of Pennsylvania as amended from time to time (the "**Code**").

(b) "**Patents, Trademarks and Copyrights**" shall mean and include all of each Pledgor's present and future right, title and interest in and to the following: all trade names, patent applications, patents, trademark applications, trademarks and copyrights, whether now owned or hereafter acquired by each Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of the patents, trademarks and copyrights relate.

(c) "**Secured Obligations**" shall mean the Obligations as defined in the Credit Agreement. Notwithstanding anything to the contrary contained herein, the Secured Obligations shall specifically exclude any and all Excluded Hedge Liabilities.

2. To secure the full payment and performance of all Secured Obligations, each Pledgor hereby grants and conveys a security interest to the Lender and its respective affiliates, in the entire right, title and interest of such Pledgor in and to all of its Patents, Trademarks and Copyrights.

3. Each Pledgor jointly and severally represents and warrants, and covenants that:

(a) the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) each of the Patents, Trademarks and Copyrights is valid and enforceable, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles or by principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law);

(c) such Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances, except for Permitted Encumbrances, including pledges, assignments, licenses, shop rights and covenants by such Pledgor not to sue third persons;

(d) such Pledgor has the corporate, limited liability company or partnership power and authority, as applicable, to enter into this Agreement and perform its terms;

(e) no claim has been made to such Pledgor or, to the knowledge of such Pledgor, any other person that the use of any of the Patents, Trademarks and Copyrights does or may violate the rights of any third party;

(f) such Pledgor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Patents, Trademarks and Copyrights;

(g) such Pledgor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents, Trademarks and Copyrights, except for those Patents, Trademarks and Copyrights that are hereafter allowed to lapse in accordance with Paragraph 11 hereof;

(h) the representations and warranties set forth in Article V of the Credit Agreement solely as they relate such Pledgor and to this Agreement, each of which is hereby incorporated herein by reference, are true and correct in all respects as of the date hereof (except to the extent any such representation or warranty expressly relates only to any earlier and/or specified date), and the Lender shall be entitled to rely on each of them as if they were fully set forth herein;

(i) such Pledgor shall comply with all covenants and agreements in the Credit Agreement and the Other Documents, which are hereby made a part of this Agreement to the same extent and with the same force as if fully set forth herein, including, without limitation all covenants and agreements regarding the ownership, operation, and management of the Patents, Trademarks and Copyrights and the perfection and protections of all Liens securing the Secured Obligations; and

(j) such Pledgor shall at any time and from time to time take such steps as the Lender may reasonably request as are necessary for the Lender to insure the continued perfection of the Lender's security interest in the Patents, Trademarks and Copyrights with the same priority required hereby and the preservation of its rights therein.

4. Each of the obligations and additional liabilities of each and every Pledgor under this Agreement are joint and several with the obligations of the other Pledgors, and each Pledgor hereby waives to the fullest extent permitted by Law any defense it may otherwise have to the payment and performance of the Secured Obligations that its liability hereunder is limited and not joint and several.

Each Pledgor acknowledges and agrees that the foregoing waiver serves as a material inducement to the agreement of the Lender to make the Loans, and that the Lender is relying on such waiver in entering into this Agreement. The undertakings of each Pledgor hereunder secure the obligations of the Loan Parties and the other Pledgors. Upon the occurrence and during the continuance of an Event of Default, the Lender may, in its sole discretion, elect to enforce this Agreement against any Pledgor without any duty or responsibility to pursue any other Pledgor and such an election by the Lender shall not be a defense to any action the Lender may elect to take against any Pledgor. The Lender hereby reserves all rights against each Pledgor.

5. Each Pledgor agrees that, until indefeasible payment in full of all of the Secured Obligations (other than inchoate indemnification obligations), termination or expiration of all Letters of Credit, termination or expiration of all Lender-Provided Interest Rate Hedges and termination of all commitments of the Lender to make Advances under the Credit Agreement, it will not enter into any agreement (for example, a license agreement) which is inconsistent with such Pledgor's obligations under this Agreement, without the Lender's prior written consent which shall not be unreasonably withheld except such Pledgor may license technology in the ordinary course of business without the Lender's consent to suppliers and customers to facilitate the manufacture and use of such Pledgor's products.

6. If, before indefeasible payment in full of all of the Secured Obligations (other than inchoate indemnification obligations), termination or expiration of all Letters of Credit, termination or expiration of all Lender-Provided Interest Rate Hedges and termination of all commitments of the Lender to make Advances under the Credit Agreement, any Pledgor shall own any new trademarks or any new copyrightable or patentable inventions, or any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation in part of any Patent, Trademark and Copyright or any improvement on any Patent, Trademark and Copyright, the provisions of this Agreement shall automatically apply thereto and such Pledgor shall give to the Lender prompt notice thereof in writing. Each Pledgor and the Lender agree to modify this Agreement by amending Schedule A to include any such future patents, patent applications, trademark applications, trademarks, copyrights or copyright applications and the provisions of this Agreement shall apply thereto.

7. Lender shall have, in addition to all other rights and remedies given it by this Agreement and those rights and remedies set forth in the Credit Agreement, those allowed by Applicable Law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks and Copyrights may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is continuing, Lender may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Pledgors, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Lender shall designate by notice to the Pledgors, in Pittsburgh, Pennsylvania or elsewhere, the whole or from time to time any part of the Patents, Trademarks and Copyrights, or any interest which any Pledgor may have therein and, after deducting from the proceeds of sale or other disposition of such Patents, Trademarks and Copyrights all expenses (including fees and expenses for brokers and attorneys), and shall apply the remainder of such proceeds toward the payment of the Secured Obligations as the Lender, in its sole discretion, shall determine. Any remainder of the proceeds after payment in full of the Secured Obligations shall be paid over to Pledgors. Notice of any sale or other disposition of the Patents, Trademarks and Copyrights shall be given to Pledgors at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents, Trademarks and Copyrights is to be made, which each Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Lender may, to the extent permissible under Applicable Law, purchase the whole or any part of the Patents, Trademarks and Copyrights sold, free from any right of redemption on the part of Pledgor, which right is hereby waived

and released. Nothing in this Agreement waives any duty of the Lender or any right of Pledgor which cannot be waived under Section 9-602 of the Code or other mandatory provisions of Applicable Law which cannot be waived.

8. If any Event of Default shall have occurred and be continuing, each Pledgor hereby authorizes and empowers the Lender to make, constitute and appoint any officer or agent of the Lender, as the Lender may select in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse such Pledgor's name on all applications, documents, papers and instruments necessary for the Lender to use the Patents, Trademarks and Copyrights, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under such Patents, Trademarks and Copyrights to any third person, or necessary for the Lender to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of such Patents, Trademarks and Copyrights to any third Person. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the life of this Agreement.

9. Upon indefeasible payment in full of all of the Secured Obligations (other than inchoate indemnification obligations), termination or expiration of all Letters of Credit, termination or expiration of all Lender-Provided Interest Rate Hedges and termination of all commitments of the Lender to make Advances under the Credit Agreement, this Agreement shall terminate and the Lender shall execute and deliver to the Pledgors all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Pledgors full title to the Patents, Trademarks and Copyrights, subject to any disposition thereof which may have been made by the Lender pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances, the protection, maintenance or preservation of the Patents, Trademarks and Copyrights, or the defense or prosecution of any actions or proceedings arising out of or related to the Patents, Trademarks and Copyrights, shall be borne and paid by the Pledgors within fifteen (15) days of demand by Lender, and if not paid within such time, shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

11. Each Pledgor shall have the duty, through counsel reasonably acceptable to the Lender, to prosecute diligently any patent applications of the Patents, Trademarks and Copyrights pending as of the date of this Agreement if commercially reasonable or thereafter until indefeasible payment in full of all of the Secured Obligations (other than inchoate indemnification obligations), termination or expiration of all Letters of Credit, termination or expiration of all Lender-Provided Interest Rate Hedges and termination of all commitments of the Lender to make Advances under the Credit Agreement, to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of such Pledgor to do so) and to preserve and maintain all rights in patent applications and patents of such Patent, Trademark and Copyright (as applicable), including the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by the Pledgors. No Pledgor shall abandon any Patent, Trademark and Copyright without the consent of the Lender, which shall not be unreasonably withheld.

12. Each Pledgor shall have the right, with the consent of the Lender, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its own name, and to join the Lender, if

necessary, as a party to such suit so long as the Lender is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents, Trademarks and Copyrights and any licenses thereunder. Each Pledgor shall promptly, upon demand, reimburse and indemnify the Lender for all damages, costs and expenses, including reasonable legal fees, incurred by the Lender as a result of such suit or joinder by such Pledgor.

13. No course of dealing between any Pledgor and the Lender, nor any failure to exercise nor any delay in exercising, on the part of the Lender, any right, remedy, power or privilege of the Lender hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No waiver of a single Event of Default shall be deemed a waiver of a subsequent Event of Default.

14. All of the Lender's rights and remedies with respect to the Patents, Trademarks and Copyrights, whether established hereby or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and not exclusive of any rights or remedies which it may otherwise have under the Credit Agreement and the Other Documents, under the Lender-Provided Interest Rate Hedges or by Law, and the Lender may enforce any one or more remedies hereunder successively or concurrently at its option.

15. (a) It is the intention of the parties that this Agreement be enforceable to the fullest extent permissible under Applicable Law, but that the unenforceability (or modification to conform to such Law) of any provision or provisions hereof shall not render unenforceable, or impair, the remainder hereof. If any provision in this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, this Agreement shall, as to such jurisdiction, be deemed amended to modify or delete, as necessary, the offending provision or provisions and to alter the bounds thereof in order to render it or them valid and enforceable to the maximum extent permitted by Applicable Law, without in any manner affecting the validity or enforceability of such provision or provisions in any other jurisdiction or the remaining provisions hereof in any jurisdiction without invalidating the remaining provisions hereof.

(b) Without limitation of the preceding Subsection (a), to the extent that Applicable Law (including Applicable Laws pertaining to fraudulent conveyance or fraudulent or preferential transfer) otherwise would render the full amount of any Pledgor's obligations hereunder invalid, voidable, or unenforceable on account of the amount of a Pledgor's aggregate liability under this Agreement, then, notwithstanding any other provision of this Agreement to the contrary, the aggregate amount of such liability shall, without any further action by the Lender or such Pledgor or any other Person, be automatically limited and reduced to the highest amount which is valid and enforceable as determined in such action or proceeding, which (without limiting the generality of the foregoing) may be an amount which is equal to the greater of:

(i) the fair consideration actually received by such Pledgor under the terms and as a result of the Credit Agreement, the Other Documents and the Lender-Provided Interest Rate Hedges and the value of the benefits described in Paragraph 25 hereof, including (and to the extent not inconsistent with applicable federal and state laws affecting the enforceability of guaranties) distributions, commitments, and advances made to or for the benefit of such Pledgor with the proceeds of any credit extended under the Credit Agreement, the Other Documents, or the Lender-Provided Interest Rate Hedges, or

(ii) the excess of (1) the amount of the fair value of the assets of such Pledgor as of the date of this Agreement as determined in accordance with applicable federal and state

laws governing determinations of the insolvency of debtors as in effect on the date hereof, over (2) the amount of all liabilities of such Pledgor as of the date of this Agreement, also as determined on the basis of applicable federal and state laws governing the insolvency of debtors as in effect on the date hereof.

(c) Notwithstanding anything to the contrary in this Section or elsewhere in this Agreement, this Agreement shall be presumptively valid and enforceable to its full extent in accordance with its terms (except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles or by principles of good faith and fair dealing (regardless of whether enforcement is sought in equity or at law)), as if this Section (and references elsewhere in this Agreement to enforceability to the fullest extent permitted by Law) were not a part of this Agreement, and in any related litigation, the burden of proof shall be on the party asserting the invalidity or unenforceability of any provision hereof or asserting any limitation on any Pledgor's obligations hereunder as to each element of such assertion.

16. Together with the Credit Agreement, this Agreement supersedes all prior understandings and agreements, whether written or oral, between the parties hereto relating to a grant of a security interest in the Patents, Trademarks and Copyrights by any Pledgor. This Agreement is subject to waiver, modification, supplement or amendment only by a writing signed by the parties, except as provided in Paragraph 6 and Paragraph 26 hereof with respect to additions and supplements to Schedule A hereto.

17. Each Pledgor hereby agrees to be bound by the provisions of Section 6.4 of the Credit Agreement and shall make all payments free and clear of Taxes to the extent required therein.

18. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties as permitted pursuant to the Credit Agreement, provided, however, that, except as otherwise permitted by the terms and conditions of the Credit Agreement, no Pledgor may assign or transfer any of its rights or obligations hereunder or any interest herein, and any such purported assignment or transfer shall be null and void.

19. This Agreement shall be governed by, construed, and enforced in accordance with the internal laws of the Commonwealth of Pennsylvania, without regard to its conflict of laws principles, except to the extent the validity or perfection of the security interests or the remedies hereunder in respect of any Patents, Trademarks or Copyrights are governed by the law of a jurisdiction other than the Commonwealth of Pennsylvania.

20. Any judicial proceeding brought by or against any Pledgor with respect to any of the Secured Obligations, this Agreement or any related agreement may be brought in any court of competent jurisdiction in the Commonwealth of Pennsylvania, United States of America, and, by execution and delivery of this Agreement, each Pledgor accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Each Pledgor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified or registered mail (return receipt requested) directed to the Borrower at its address set forth in Section 14.6 of the Credit Agreement and service so made shall be deemed completed five (5) days after the same shall have been so deposited in the mails of the United States of America. Nothing herein shall affect the right to serve process in any manner permitted by law or shall limit the right of Lender to bring proceedings against any Pledgor in the courts of any other jurisdiction. Each Pledgor waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Each Pledgor waives the right to remove any judicial proceeding brought against such Pledgor in any state court to any federal

court. Any judicial proceeding by any Pledgor against Lender involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Agreement or any related agreement, shall be brought only in a federal or state court located in the County of Allegheny, Commonwealth of Pennsylvania.

21. This Agreement may be executed in any number of and by different parties hereto on separate counterparts, all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission (including email transmission of a PDF image) shall be deemed to be an original signature hereto.

22. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AGREEMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT, ANY OTHER DOCUMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

23. All notices, statements, requests, demands, directions and other communications (collectively, "notices") given to or made upon any party hereto under the provisions of this Agreement shall be given as set forth in Section 14.6 of the Credit Agreement. The Lender may rely on any notice (whether or not made in the manner contemplated by this Agreement) purportedly made by or on behalf of any Pledgor, and the Lender shall have no duty to verify the identity or authority of the Person giving such notice.

24. Each Pledgor acknowledges and agrees that, in addition to the other rights of the Lender hereunder and under the other Credit Agreement and the Other Documents, because the Lender's remedies at law for failure of such Pledgor to comply with the provisions hereof relating to the Lender's rights (i) to inspect, subject to any limitations in the Credit Agreement, the books and records related to the Patents, Trademarks and Copyrights, (ii) to receive the various notifications such Pledgor is required to deliver hereunder, (iii) to obtain copies of agreements and documents as provided herein with respect to the Patents, Trademarks and Copyrights, (iv) to enforce the provisions hereof pursuant to which such Pledgor has appointed the Lender its attorney-in-fact, and (v) to enforce the Lender's remedies hereunder, would be inadequate and that any such failure would not be adequately compensable in damages, such Pledgor agrees that each such provision hereof may be specifically enforced.

25. Each Pledgor hereby acknowledges, represents, and warrants that it receives synergistic benefits by virtue of its affiliation with the Borrower and/or the other Pledgors and that it will receive direct and indirect benefits from the financing arrangements contemplated by the Credit Agreement and

that such benefits, together with the rights of contribution and subrogation that may arise in connection herewith are a reasonably equivalent exchange of value in return for providing this Agreement.

26. At any time after the initial execution and delivery of this Agreement to the Lender, additional Persons may become parties to this Agreement and thereby acquire the duties and rights of being Pledgors hereunder by executing and delivering to the Lender a joinder or similar agreement pursuant to the Credit Agreement and, in addition, a new Schedule A hereto shall be provided to the Lender with respect to such new Pledgor. No notice of the addition of any Pledgor shall be required to be given to any pre-existing Pledgor and each Pledgor hereby consents thereto.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

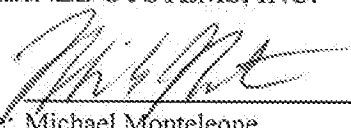
[SIGNATURE PAGE TO PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]

Each Pledgor acknowledges that it has read and understands all the provisions of this Agreement, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

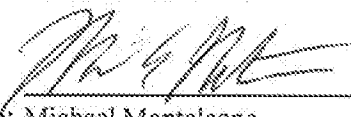
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers or agents thereunto duly authorized, as of the date first above written, as a document under seal.

PLEDGORS:

COMBINED SYSTEMS, INC.

By:  (SEAL)
Name: Michael Monteleone
Title: Vice President, Treasurer and Secretary

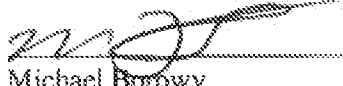
CTS-CSI HOLDINGS, INC.

By:  (SEAL)
Name: Michael Monteleone
Title: Vice President, Treasurer and Secretary

[SIGNATURE PAGE TO PATENT, TRADEMARK AND COPYRIGHT SECURITY
AGREEMENT]

LENDER:

FIRST NATIONAL BANK OF PENNSYLVANIA,
as Lender

By: 
Name Michael Borowy
Title: Senior Vice President

**SCHEDULE A
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF REGISTERED PATENTS, TRADEMARKS,
TRADE NAMES AND COPYRIGHTS**

1. Registered Patents:

Patents Reference Number	Application Number	Patent Number	Title	PTO Status	PTO Status Date
CSI-01	12/319,236	7963227	MULTIPLE REPORT STUN GRENADE	Patented Case	06/01/2011
CSI-02	10/960,661	7293492	MULTIPLE PROJECTILE LAUNCHER	Patented Case	10/24/2007
CSI-03	10/843,547	7296375	SHOTGUN LAUNCHING CUP	Patented Case	10/31/2007
CSI-05	11/827,619	7908972	FLARE-BANG PROJECTILE	Patented Case	03/02/2011
CSI-07	11/981,119	7967035	METHOD AND SYSTEM FOR THE QUICK REFILL OF AN IRRITANT DISPENSER	Patented Case	06/08/2011
CSI-09	10/691,404	7025001	SUPER LONG RANGE CRASH-BANG ROUND	Patented Case	03/22/2006
CSI-10	10/841,270	7354271	TRAINING GRENADE	Patented Case	03/19/2008
CSI-11	12/315,764	7712418	WATERPROOF CARTRIDGE SEAL	Patented Case	04/21/2010
CSI-13	10/931,555	7387140	METHOD AND SYSTEM FOR THE QUICK REFILL OF AN IRRITANT DISPENSER	Patented Case	05/28/2008
CSI-14	11/117,128	7461597	WATERPROOF CARTRIDGE SEAL	Patented Case	11/19/2008
CSI-15	11/770,914	7866265	FLARE APPARATUS	Patented Case	12/22/2010
CSI-17	11/324,566	7287475	RELOADABLE NON- LETHAL TRAINING CARTRIDGE	Patented Case	10/10/2007
CSI-18	11/110,232	7207273	BUCKSHOT ROUND	Patented Case	04/04/2007
CSI-20	10/114,726	6755133	LOW LETHALITY PROJECTILE FLIGHT SHAPE	Patented Case	06/10/2004
CSI-23	09/649,778	6349650	LAUNCHABLE FLAMELESS EXPULSION	Patented Case	02/12/2002

CSI-32	09/824,398	6481137	GRENADE	Patented Case	09/19/2012
CSI-39	13/897,750	9228803	REVOLVING FIREARM	Patented Case	12/16/2015
			UNIVERSAL TUBE		
			LAUNCHED MUNITIONS		
			SYSTEM		
CSI-45	14/664,647	9470495	RUBBER	Patented Case	09/28/2016
			FRAGMENTATION		
			GRENADE		
CSI-47	14/979,659	9574857	TRIP FLARE WITH FLASH	Patented Case	02/01/2017
			BANG		
CSI-49	13/423,509	8726810	GRENADE HAVING	Patented Case	5/20/2014
			SAFETY LEVER WITH		
			INTEGRATED FIRING PIN		
			RETAINING GRIP		
CSI-50P	15/257,205	9989340	LOW-WEIGHT SMALL-	Patented Case	6/5/2018
			FORM-FACTOR STUN		
			GRENADE		
			PRIMER ADAPTER		
CSI-51	15/725,636	10989509	ASSEMBLY	Pending	1/22/2018
			LOW LETHALITY		
CSI-16	11/464,477	7,444,941	PROJECTILE	Patented Case	10/15/2008

2. Trademarks:

Trademarks				
Reference		Registration		
Number	Serial #	Number	Mark	PTO Status
CSI-T01	77/827,623	3,780,973	CTS	Section 8 & 15 - Accepted and Acknowledged
CSI-T02	77/826,206	3,780,874	CTS	Section 8 & 15 - Accepted and Acknowledged
CSI-T03	77/827,658	3,869,260	PENN ARMS	Section 8 & 15 - Accepted and Acknowledged
CSI-T04B	86/862,638	5,117,466	PENN ARMS	Registered
CSI-T05	77/828,002	3,833,982	COMBINED	Section 8 & 15 - Accepted and Acknowledged
			TACTICAL SYSTEMS	
CSI-T07	77/828,042	3,780,992	DEDICATED TO	Section 8 & 15 - Accepted and Acknowledged
			YOUR MISSION	
CSI-T08	77/828,055	3,780,994	A FORCE FOR ORDER	Section 8 & 15 - Accepted and Acknowledged
CSI-T10	77/936,011	3,929,948	CSI	Section 8 & 15 - Accepted and Acknowledged
CSI-T11	78/203,999	2,960,810	MINI BANG	Registered And Renewed
CSI-T12	78/914,994	3,654,793	COMBINED	Section 8 & 15 - Accepted and Acknowledged
			TACTICAL SYSTEMS	

CSI-T13	78/854,382	3,206,004	SUPER-SOCK	Registered And Renewed
CSI-T14	78/185,027	2,978,387	VENOM	Registered And Renewed
CSI-T16	75/157,441	2,119,308	TRIPLE-PHASER	Registered And Renewed
CSI-T17	85/660,020	4,286,012	CTS THOMPSON	Registered
CSI-T26	86/093,465	4,551,036	COMBINED SYSTEMS	Registered
CSI-T13	78/854,382	3,206,004	SUPER-SOCK	Registered and Renewed
CSI-T16	75/157,441	2,119,308	TRIPLE-PHASER	Registered and Renewed

3. Trade Names:

Loan Party	Trade Names
Combined Systems, Inc.	CTS-CSI Holdings, Inc. CSI CSI-Penn Arms Combined Tactical Systems CTS Penn Arms
CTS-CSI Holdings, Inc.	None.

4. Copyrights:

None.