

4/7/04

04-12-2004

Form PTO-1594  
(Rev. 03/01)  
OMB No. 0651-0027 (exp. 5/31/2002)

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

OFFICE OF PUBLIC RECORDS  
2004 APR -7 AM 9:36  
FINANCE SECTION

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

1. Name of conveying party(ies):  
**Weatherby, Inc.**

Individual(s)       Association  
 General Partnership       Limited Partnership  
 Corporation-State - CA  
 Other \_\_\_\_\_

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

3. Nature of Conveyance:  
 Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

Execution Date: March 4, 2003

2. Name and address of receiving party(ies)  
Name: Textron Financial Corporation  
Internal Address: \_\_\_\_\_  
Address: \_\_\_\_\_  
Street Address: 11575 Great Oaks Way, Suite 210  
City: Alpharetta State GA Zip: 30022

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Delaware  
 Other \_\_\_\_\_

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

4. Application number(s) or registration numbers(s):  
A. Trademark Application No.(s) \_\_\_\_\_ B. Trademark Registration No.(s) See attached

Additional number(s) attached  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name Thomas Duignan, Esq.  
Internal Address: Greenberg Traurig, LLP

Street Address: 200 Campus Drive  
City: Florham Park State: NJ Zip: 07932

6. Total number of applications and registrations involved:..... 10

7. Total fee (37 CFR 3.41).....\$400.00  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_  
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.  
*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Thomas Duignan, Esq.      [Signature]      April 1, 2004  
Name of Person Signing      Signature      Date

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

04/09/2004 6TGM11 00000016 688539  
01 FE:8521 40.00 09  
02 FC:8522 225.00 09

Refund Ref: 04/09/2004 6TGM11 000013536

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

CHECK Refund Total: \$135.00

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TRADEMARK  
REEL: 002951 FRAME: 0962

# PATENT, COPYRIGHT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT, COPYRIGHT AND TRADEMARK SECURITY AGREEMENT (the "Agreement") is made as of the 4 day of March, 2004, between WEATHERBY, INC., a California corporation ("Grantor") and TEXTRON FINANCIAL CORPORATION, a Delaware corporation ("Secured Party"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement (as this term is defined below).

## RECITALS

A. Grantor and Secured Party have entered into that certain Loan and Security Agreement dated as of even date herewith, pursuant to which Secured Party has agreed to extend credit to Grantor in the maximum amount of \$12,000,000 (as amended, restated, modified and supplemented from time to time, the "Loan Agreement").

B. In order to induce Secured Party to enter into the Loan Agreement and the transactions contemplated thereby, and as a condition thereto, Grantor is required to execute and deliver to Secured Party this Agreement and pursuant hereto to grant to Secured Party a security interest in and to all of Grantor's right, title, and interest in and to the Proprietary Rights including without limitation (i) the copyrights and copyright registrations listed on Schedule A ("Copyrights"), (ii) the patents and patent applications listed on Schedule A ("Patents"), (iii) the trademarks and trademark applications listed on Schedule A, and the goodwill related thereto (the "Trademarks") and (iv) any other intellectual property of Grantor ("Other Assets"), including without limitation, formulations, manufacturing procedures, quality control procedures and product specifications relating to any products sold under any and all of the foregoing, and (v) proceeds and products thereof (all of the foregoing collectively and individually referred to as the "Intellectual Property Collateral"). Any such Intellectual Property Collateral is listed on Schedule A attached hereto and incorporated herein by reference, as the same may be amended and supplemented from time to time.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. As collateral security for the prompt and punctual payment and performance of the Obligations by Grantor and for the prompt performance by Grantor of its obligations and undertakings under this Agreement, Grantor hereby grants to Secured Party, its successors and assigns, a security interest in all of the Intellectual Property Collateral, whether now owned or hereafter acquired by Grantor.

2. Grantor covenants, warrants and represents that:

(a) Set forth on Schedule A attached hereto is a true and complete list of all of Grantor's Patents, Trademarks and Copyrights and none of such Proprietary Rights is subject to any licensing agreement or similar arrangement, except as set forth on Schedule 1 or as

entered into in the ordinary course of Grantor's business. To the best knowledge of Grantor none of such Proprietary Rights infringes on the valid trademark, trade name, copyright, or patent right of any other person or entity, and no other person's or entity's property infringes on the Proprietary Rights, in any material respect. The Proprietary Rights described on Schedule 1 constitute all of the property of such type necessary to the current and anticipated future conduct of the business of Grantor.

(b) Grantor is the sole and exclusive owner of all of the Intellectual Property Collateral, free and clear of all liens and encumbrances, except for the security interest created by this Agreement and the other Loan Documents. Grantor will defend the right, title and interest in and to the Intellectual Property Collateral against any and all claims of any third parties.

(c) To Grantor's knowledge, any of the Intellectual Property Collateral set forth on Schedule A is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and Grantor has not received any claim by any third party that any such Intellectual Property Collateral is invalid or unenforceable.

(d) Execution, delivery and performance of this Agreement by Grantor does not (i) violate, conflict with, result in a breach of, constitute a default under, result in the termination of, or result in the creation of any encumbrances upon any of the Intellectual Property Collateral, under any agreement to which Grantor is a party or by which Grantor is bound, or (ii) violate any laws, rules, regulations or orders applicable to any of the Intellectual Property Collateral.

(e) Grantor has used, and will continue to use for the duration of this Agreement, reasonably consistent standards of quality in its manufacture of the products sold under the Trademarks or utilizing any Patents, Copyrights, or Other Assets.

(f) Grantor shall take any and all actions as are necessary or appropriate to properly maintain, protect, preserve, care for, and enforce any of the Intellectual Property Collateral, including, without limitation, payment when due of such fees, taxes, and other expenses which shall be incurred or which shall accrue with respect to any of the Intellectual Property Collateral.

(g) If Secured Party deems it necessary to perfect Secured Party's interest in the Intellectual Property Collateral conveyed hereunder, Grantor shall cause this Agreement to be properly recorded with the United States Patent and Trademark Office, the United States Copyright Office, and any other government or public office or agency of the United States of America, as applicable, and, except for these filings, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body of the United States of America is required either (i) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Grantor or (ii) for the perfection or the exercise by Secured Party of its rights and remedies hereunder.

(h) All information heretofore, herein or hereafter supplied to Secured Party by or on behalf of Grantor with respect to any of the Intellectual Property Collateral is accurate and complete in all material respects.

3. Grantor hereby grants to Secured Party and its employees, representatives and agents the right to visit during regular business hours any of Grantor's plants and facilities that manufacture, inspect or store products that are sold utilizing any of the Intellectual Property Collateral, and to inspect the products and quality control records relating thereto, provided that Secured Party shall not interfere with the daily operations of Grantor, provided further, that so long no Event of Default has occurred and is continuing, any such visit shall be upon at least 24 hours prior telephonic notice by Secured Party to Grantor and during business hours. Grantor shall do any and all acts required by Secured Party to ensure Grantor's compliance with Section 2(e).

4. Grantor agrees that, until all of the Obligations of Grantor under the Loan Documents shall have been satisfied in full, Grantor will not sell, assign, transfer, sub-license any of its rights or interests hereunder outside the ordinary course of Grantor's business in accordance with past practices, or enter into any other agreement which is inconsistent with Grantor's obligations hereunder, without the prior written consent of Secured Party.

5. If, before the Obligations of the Grantor shall have been satisfied in full, Grantor shall obtain rights to any new Copyrights, Patents, Trademarks or Other Assets not listed in Schedule A, the provisions of this Agreement shall automatically apply thereto and Grantor shall give Secured Party prompt written notice thereof.

6. Grantor authorizes Secured Party to modify this Agreement by amending Schedule A to include any new Copyrights, Patents, Trademarks or Other Assets without the necessity of Grantor's approval of or signature to such amendment, and Grantor shall do all such other acts (at its own expense) deemed reasonably necessary or appropriate by Secured Party to implement or preserve Secured Party's interests therein. All representations and warranties of Grantor set forth herein shall be deemed to be restated by Grantor as of the date of any such amendment of or supplement to Schedule A with full force and effect as though made on such date.

7. If any Event of Default shall have occurred and be continuing, Secured Party shall have, in addition to all other rights and remedies given by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Grantor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Providence, Rhode Island, or elsewhere, all or from time to time any part of the Intellectual Property Collateral, or any interest which Grantor may have therein, and after deducting from the proceeds of sale or other disposition of any part of the Intellectual Property Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds to the payment of the Obligations of Grantor. Any remainder of the proceeds after payment in full of the Obligations of Grantor shall be paid over

to Grantor. Notice of any sale or other disposition of any part of the Intellectual Property Collateral shall be given to Grantor at least ten (10) days before the time of any intended public or private sale or other disposition thereof is to be made, which Grantor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party may, to the extent permissible under applicable law, purchase the whole or any part of any of the Intellectual Property Collateral sold, free from any right of redemption on the part of Grantor, which right is hereby waived and released.

8. Subject to the terms of the Loan Agreement, at such time as Grantor shall completely satisfy all of the Obligations, this Agreement shall terminate and Secured Party shall execute and deliver to Grantor all deeds, assignments, termination statements under the Uniform Commercial Code, and other instruments as may be necessary or proper to release Secured Party's security interest in and/or re-vest in Grantor full title to any part of the Intellectual Property Collateral, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

9. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving any part of the Intellectual Property Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any part of the Intellectual Property Collateral, shall be borne and paid by Grantor on demand by Secured Party and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

10. Grantor shall have the duty to prosecute diligently any applications related to any Intellectual Property Collateral pending as of the date of this Agreement or thereafter until the Obligations of the Grantor shall have been paid in full, and if it is determined in Grantor's reasonable business judgment that registration is beneficial, to make federal application on registrable but unregistered Trademarks, Copyrights or Patents. Any expenses incurred in connection therewith shall be borne by Grantor. Grantor shall not abandon or dedicate to the public any of the Intellectual Property Collateral, nor do any act nor omit to do any act if such act or omission is of a character that tends to cause or contribute to the abandonment or dedication to the public of any part of the Intellectual Property Collateral or loss of or adverse effect on any rights in any part of the Intellectual Property Collateral, without the consent of Secured Party, which consent shall not be unreasonably withheld.

11. Grantor shall have the right, with the prior written consent of Secured Party, which will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect any part of the Intellectual Property Collateral, in which event Secured Party may, if necessary, be joined as a nominal party to such suit if Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Grantor shall promptly, upon demand, reimburse and

indemnify Secured Party for all damages, costs and expenses, including reasonable attorneys' fees, incurred by Secured Party in the fulfillment of the provisions of this Section 11.

12. In the event of the occurrence and during the continuance of an Event of Default under the Loan Agreement, Grantor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party as Secured Party may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, documents, papers and instruments necessary for Secured Party to use any of the Intellectual Property Collateral, or to grant or issue any exclusive or non-exclusive license under any of the Intellectual Property Collateral to anyone else, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of any of the Intellectual Property Collateral to anyone else. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until this Agreement shall terminate pursuant to the terms herein.

13. If Grantor fails to comply with any of its obligations hereunder, Secured Party may do so in Grantor's name or in Secured Party's name, but at Grantor's expense, and Grantor hereby agrees to reimburse Secured Party in full for all expenses, including reasonable attorneys' fees, incurred by Secured Party in protecting, defending and maintaining any of the Intellectual Property Collateral.

14. This Agreement is supplemental to the Loan Agreement, and in no event shall this Agreement, or the recordation of this Agreement or any other documents in connection herewith with the United States Patent and Trademark Office, the United States Copyright Office, or any other government or public office or agency of the United States of America, adversely effect or impair, in any way or to any extent, the other Loan Documents, and the security interest of Secured Party in the Collateral (including the Intellectual Property Collateral) pursuant to the other Loan Documents. Any and all rights and interests of Secured Party in and to the Intellectual Property Collateral (and any and all obligations of Grantor with respect to the Intellectual Property Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of Secured Party (and the obligations of Grantor) in, to, or with respect to the Collateral (including Intellectual Property Collateral ) provided in or arising under or in connection with the other Loan Documents.

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

16. All of Secured Party's rights and remedies with respect to any of the Intellectual Property Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

17. Notices that are required to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the Loan Agreement, in the manner and within the time specified in the Loan Agreement.

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

19. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 6.

20. 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.

21. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Rhode Island, without reference to applicable conflict of law principles.

22. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties hereby acknowledge and agree that facsimile signatures of this Agreement shall have the same force and effect as original signatures.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date set forth above.

ATTEST

ASSIGNOR:

WEATHERBY, INC.

\_\_\_\_\_  
[CORPORATE SEAL]

By: B. W. Dixon  
Name: Bruce W Dixon  
Title: SA Vice President & CFO

Address: 3100 El Camino Real  
Atascadero, California 93422  
Attention: Bruce W. Dixon  
Facsimile: (805) 466-2527

with copies to:

Paul Shephard, Esq.  
9434 Deschutes Road, Suite 210 (for  
overnight)  
P. O. Box 797 (for U.S. Mail)  
Palo Cedro, CA 96073  
Facsimile (530) 547-3694

SECURED PARTY:

TEXTRON FINANCIAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 11575 Great Oaks Way, Suite 210  
Alpharetta, GA 30022  
Attention: SVP-ABLG Portfolio Mgmt  
Facsimile: (770) 360-1672

with a copy to:

11575 Great Oaks Way, Suite 210  
Alpharetta, GA 30022  
Attention: ABGL Group Counsel  
Facsimile: (770) 360-1458

Patent, Copyright and Trademark Collateral and Security Agreement

TRADEMARK  
REEL: 002951 FRAME: 0969



STATE OF CALIFORNIA)

) ss:

COUNTY OF SAN )

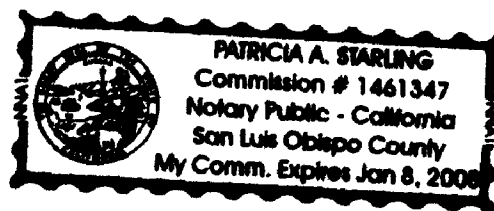
LUIS OBISPO

BEFORE ME, the undersigned, a Notary Public in and for the county aforesaid, on this 23<sup>rd</sup> day of ~~February~~ <sup>MARCH</sup>, 2004, personally appeared BRUCE W. DIXON to me known personally, and who, being by me duly sworn, deposes and says that he/~~she~~ is the Sr. Vice President of Weatherby, Inc. and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said BRUCE W. DIXON acknowledged said instrument to be the free act and deed of said corporation.

*Patricia A. Starling*

Notary Public  
Patricia A. Starling

My Commission Expires: 01/08/2008



IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date set forth above.

ATTEST

ASSIGNOR:

WEATHERBY, INC.

\_\_\_\_\_  
[CORPORATE SEAL]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 3100 El Camino Real  
Atascadero, California 93422

Attention: Bruce W. Dixon

Facsimile: (805) 466-2527

Paul Shephard  
9434 Deschutes Road  
Suite 210

P. O. Box 797

Palo Cedro, CA 96073

Facsimile: (530) 547-3694

with copies to:

SECURED PARTY:

TEXTRON FINANCIAL CORPORATION

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

Name: Norbert Schmidt

Title: Assistant Vice President

Address: 11575 Great Oaks Way, Suite 210  
Alpharetta, GA 30022

Attention: SVP-ABLG Portfolio Mgmt

Facsimile: (770) 360-1672

ABLG Group Counsel  
Suite 210

11575 Great Oaks Way

Alpharetta, GA 30022

Facsimile: (770) 360-1548

with a copy to:



SCHEDULE A  
Intellectual Property Collateral

**TRADEMARKS**

<u>Trademark/Service Mark</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration/Filing Date</u>	<u>Expiration Date</u>
WEATHERBY	USA	688,539	November 24, 1959	November 24, 2009
WEATHERBY	New Zealand	96,849	May 11, 1971	May 11, 2006
WEATHERBY	Japan	682,849	August 3, 1965	August 3, 2005
VANGUARD	USA	922,158	October 19, 1971	October 19, 2011
MARK V	USA	710,119	January 24, 1961	January 24, 2011
LAZERMARK	USA	1,207,143	September 7, 1982	September 7, 2012
ORION	USA	1,269,145	March 6, 1984	March 6, 2014
ATHENA	USA	1,269,146	March 6, 1984	March 6, 2014
FIBERMARK	USA	1,280,670	June 5, 1984	June 5, 2004
VARMINTMASTER	USA	794,650	August 24, 1965	August 24, 2005
MARK XXII	USA	810,346	June 28, 1966	June 28, 2006
ACCUMARK	USA	2,015,579	November 12, 1996	November 12, 2006

**PATENTS**

<u>Patent</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration/Filing Date</u>	<u>Expiration Date</u>
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**TRADENAMES**

WEATHERBY, INC.  
WEATHERBY

**LICENSES GRANTED**

1. Grantor's contracts with manufacturers of firearm products contain provisions granting to manufacturers, among other remedies for default by Grantor, a limited license to complete the manufacture of work in process and to sell, through normal firearms distribution channels firearms under Grantor's name and any applicable patents and trademarks owned by Grantor, completed products not purchased by Grantor in accordance with default and termination provisions.
2. Sierra On-Line, Inc. ("Sierra") Grantor has, by agreement dated August 19, 1999, and amended June 1, 2000, granted to Sierra and its subsidiaries a non-exclusive,

SCHEDULE A

(to Patent, Copyright and Trademark Collateral Assignment and Security Agreement)

**TRADEMARK**  
**REEL: 002951 FRAME: 0973**

non-transferable, limited license to utilize Grantor's logo, trademarks and graphic or photographic depictions of firearms products in certain computer hunting simulations, including packaging and promotional materials for same. Initial term through December 31, 2000, with automatic successive one year renewal terms absent written notice of termination ninety (90) days prior to end of initial or renewal term.

3. Electronic Arts, Inc. ("EA") Grantor has, by agreement dated January 25, 2000, granted to EA a non-exclusive, non-transferable, limited license to utilize Grantor's logo, trademarks and graphic or photographic depictions of firearms products in certain computer hunting simulations. Initial term through December 31, 2002, with automatic successive two year renewal terms absent written notice of termination ninety (90) days prior to end of initial or renewal term.
4. Other In the ordinary course of business, Grantor periodically licenses manufacturers/sellers of small ancillary and promotional products to use or affix Grantor's logotype and certain trademarks and insignias of Grantor on such products. Past examples have included headwear, rifle slings, belt buckles and shirts. Currently, by agreement dated January 1, 2001, Grantor has granted to Outdoor Cap Company an exclusive, non-transferable, limited license to affix Grantor's logo, and certain trademarks and insignias, on specified styles of headwear.

SCHEDULE A -2

(to Patent, Copyright and Trademark Collateral Assignment and Security Agreement)