

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
SIGARMS Inc.		08/30/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	TD Banknorth, N.A.
Street Address:	17 New England Executive Park
City:	Burlington
State/Country:	MASSACHUSETTS
Postal Code:	01803
Entity Type:	Bank: UNITED STATES

PROPERTY NUMBERS Total: 20

Property Type	Number	Word Mark
Serial Number:	77020433	SIG556
Serial Number:	77033429	SIGARMS
Serial Number:	77053325	TO HELL AND BACK RELIABILITY
Serial Number:	77086247	TO HELL AND BACK RELIABILITY
Serial Number:	77112626	TO HELL AND BACK RELIABILITY
Serial Number:	77112608	SIGTAC
Serial Number:	77112760	SIG OWNERS GROUP
Serial Number:	77148566	P220
Serial Number:	77148569	P225
Serial Number:	77151253	P226
Serial Number:	77151254	P229
Serial Number:	77151259	P239
Serial Number:	77151260	SP2022
Serial Number:	78323363	GRANITE SERIES COMPACT

OP \$515.00 77020433

Serial Number:	78323370	GRANITE SERIES TARGET
Registration Number:	1313360	SIG SAUER
Registration Number:	3012469	SIG SAUER
Registration Number:	2876086	SIG PRO
Registration Number:	2772906	SIG PRO
Registration Number:	3131875	P250

CORRESPONDENCE DATA

Fax Number: (603)625-5650

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 603-628-1311

Email: mark.wright@mclane.com

Correspondent Name: Mark A. Wright

Address Line 1: 900 Elm Street, PO Box 326

Address Line 4: Manchester, NEW HAMPSHIRE 03105-0326

NAME OF SUBMITTER:	Mark A. Wright
Signature:	/mark a wright/
Date:	04/30/2007

Total Attachments: 13
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is entered into as of August 3rd, 2006 by and between SIGARMS Inc., a Delaware corporation with a principal place of business at 18 Industrial Park Drive, Exeter, NH, as successor by merger of SIGARMS Inc. (the "Original Sigarms"), and MM Leasing Inc. ("MM Leasing") and Tell Finance Inc. into Industrial Real Estate Inc. ("IRE"), with IRE as the surviving corporation having changed its name to SIGARMS Inc. (the "Borrower"), and TD BANKNORTH, N.A., a national banking association, with an address of 17 New England Executive Park, Burlington, Massachusetts 01803 (the "Lender").

RECITALS

The Borrower and the Lender have entered into certain credit facilities, including without limitation (A) that certain loan arrangement among the Lender, the Borrower, the Original Sigarms, and MM Leasing dated as of May 12, 2003 in the original principal amount of \$1,200,00 (the "Cap X Loan Arrangement"), evidenced by a certain promissory dated as of May 12, 2003 in the original principal amount of \$1,200,000, as amended (the "Cap X Note") and a certain Loan Agreement of even date therewith as amended (the "Cap X Loan Agreement"), (B) that certain loan arrangement among the Lender, the Borrower, the Original Sigarms, MM Leasing and Lueke & Ortmeier Real Estate LLC ("L&O") dated June 30, 2005 in the maximum original principal amount of \$2,500,000 (as increased to \$5,500,000 as more fully described below, the "Equipment Acquisition Loan Arrangement"), evidenced by (i) a certain Term/Revolving Promissory Note dated as of June 30, 2005 in the maximum original principal amount of \$2,500,000 as amended and increased to \$5,500,000 (the "Equipment Acquisition Note") and (ii) a certain Loan Agreement (Equipment Acquisition) of even date therewith, as amended (the "Equipment Acquisition Loan Arrangement"), and (C) that certain loan arrangement between the Lender and the Original Sigarms dated April 22, 2005, in the maximum principal amount of \$7,500,000 (the "\$7.5MM Loan Arrangement"), guaranteed by the Borrower, MM Leasing and L&O, evidenced by (i) a certain First Amended and Restated Revolving Credit Promissory Note dated as of April 22, 2005 in the maximum principal amount of \$7,500,000, as amended and (ii) a certain First Amended and Restated Revolving Loan Agreement of even date therewith, as amended (the "\$7,500,000 Note"). The Cap X Loan Arrangement, the Equipment Acquisition Loan Arrangement and the \$7,500,000 Loan Arrangement shall be collectively referred to as the "Loan Arrangements." The Loan Arrangements are secured by, among other things, a first priority security interest in all of the tangible and intangible personal property of the Borrower.

The Borrower and the Lender have agreed to enter into this Agreement to further reflect the security interest of the Lender in the intellectual property of the Borrower.

Accordingly, Borrower and Lender, hereby agree as follows:

1. **DEFINITIONS:** As used herein, the following terms shall have the meanings set forth below, or if not defined herein shall have the meanings ascribed to them in the Loan Documents (as defined below).

"Copyrights" shall mean all copyrights and other rights to restrict the unauthorized reproduction of materials, and any derivatives thereof, registered or unregistered, published or unpublished, including without limitation, the copyrights listed on EXHIBIT C annexed hereto and made a part hereof, together with all registrations and recordings thereof, and any and all goodwill of business and all applications in connection therewith.

"Copyright Licenses" means all agreements, whether written or oral, published or unpublished,

providing for the grant by or to the Borrower of any right to use any Copyright, including, without limitation, the agreements listed on EXHIBIT C annexed hereto and made a part hereof.

“Copyright Office” means the United States Copyright Office or any other federal governmental agency which may hereafter perform its function.

“Intellectual Property” shall have the meaning assigned to such term in Section 3 hereof.

“IP Collateral” shall have the meaning assigned to such term in Section 2 hereof.

“Licenses” shall mean, collectively, the Copyright Licenses, the Patent Licenses and Trademark Licenses.

“Loan Documents” shall mean each and all of the documents executed and delivered in connection with each and all of the Loan Arrangements, including without limitation, (i) the Cap X Note, the Equipment Acquisition Note, and the \$7.5MM Note (collectively, the “Notes”), (ii) the Cap X Loan Agreement, the Equipment Acquisition Loan Agreement and the \$7.5MM Loan Agreement (collectively, the “Loan Agreements”), and (iii) and all amendments, modifications, extensions thereto and all other documents executed in connection therewith

“Material Adverse Effect” means, since any specified date or from the circumstances existing immediately prior to the happening of any specified event, a material adverse change in (a) the business, assets, financial condition or income of the Borrower and/or its Subsidiaries (on a consolidated basis), (b) the ability of the Borrower or the Guarantor to perform material obligations under this Agreement or the other Loan Documents, (c) the rights and remedies of the Lender under this Agreement or the other Loan Documents, or (d) the ability of the Borrower to operate or conduct business in all material respects in the manner in which it is currently operated.

“Patents” shall mean all letters patent and applications for letters patent of Borrower, and the inventions and improvements therein disclosed, and any and all divisions, reissues and continuations of said letters patent including, without limitation the patents listed on EXHIBIT A annexed hereto and made a part hereof.

“Patent Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to Borrower of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, the agreements listed on EXHIBIT A annexed hereto and made a part hereof.

“PTO” shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

“Trademarks” shall mean all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of Borrower, whether registered or unregistered, including, without limitation, the trademarks listed on EXHIBIT B annexed hereto and made a part hereof, together with all registrations and recordings thereof all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

“Trademark Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to Borrower of any right to use any Trademark, including, without limitation, the agreements listed on EXHIBIT B annexed hereto and made a part hereof.

2. GRANT OF SECURITY INTEREST: In furtherance and as confirmation of the security interest granted by Borrower to Lender under the Loan Documents, and as further security for the payment or performance in full of the Obligations, Borrower hereby ratifies such security interest and grants to Lender a continuing security interest, with a power of sale (which power of sale shall be exercisable only during the continuance of an Event of Default), in all of the present and future right, title and interest of Borrower in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the “IP Collateral”):

- (a) All Patents and Patent Licenses.
- (b) All Trademarks and Trademark Licenses.
- (c) All Copyrights and Copyright Licenses.
- (d) All renewals of any of the foregoing.
- (e) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of Borrower and its business, products and services appurtenant to, associated with, or symbolized by, any or all of the Intellectual Property and the use thereof).
- (f) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof
- (g) The right to sue for past, present and future infringements and dilutions of any of the foregoing.
- (h) All of Borrower*s rights corresponding to any of the foregoing throughout the world.

3. PROTECTION OF INTELLECTUAL PROPERTY BY BORROWER: Except as set forth below in this Section 3, Borrower shall undertake the following with respect to each of the items respectively described in Sections 2(a) and (b) (collectively, the “Intellectual Property”):

- (a) Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing of the Intellectual Property and take all other reasonable and necessary steps to maintain each registration of the Intellectual Property.
- (b) Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.

(c) At Borrower*s sole cost, expense, and risk, pursue the prompt, diligent processing of each application for registration which is the subject of the security interest reflected herein and not abandon or delay any such efforts.

(d) At Borrower*s sole cost, expense, and risk, take any and all action which Borrower reasonably deems appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and no Material Adverse Effect would result therefrom, Borrower shall not have an obligation to use or to maintain any Intellectual Property (i) that relates solely to any product, that has been discontinued, abandoned or terminated or (ii) that has been replaced with Intellectual Property substantially similar to the Intellectual Property that maybe abandoned or otherwise become invalid, so long as the failure to use or maintain such Intellectual Property does not materially adversely affect the validity of such replacement Intellectual Property and so long as such replacement Intellectual Property is subject to the lien created by this Agreement.

4. BORROWER*S REPRESENTATIONS AND WARRANTIES: Borrower represents and warrants that:

(a) EXHIBIT A is a true, correct and complete list of all Patents and Patent Licenses owned by Borrower as of the date hereof.

(b) EXHIBIT B is a true, correct and complete list of all Trademarks and Trademark Licenses owned by Borrower as of the date hereof.

(c) EXHIBIT C is a true, correct and complete list of all Copyrights and Copyright Licenses owned by the Borrower as of the date hereof.

(d) Except as set forth in EXHIBITS A, B and C, none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which Borrower is the licensor or franchisor.

(e) All IP Collateral owned by Borrower is, and shall remain, free and clear of all liens, encumbrances, or security interests in favor of any Person, other than liens in favor of the Collateral Agent and such other liens, claims and encumbrances as maybe permitted by the Loan Agreement or by Lender in its sole and absolute discretion from time to time in writing.

(f) Borrower owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use by Borrower of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does Borrower know of any valid basis for any such claim. To the knowledge of Borrower, the use by Borrower of the Intellectual Property does not infringe the rights of any Person. No holding, decision or judgment has been rendered by any governmental

authority which would limit, cancel or question the validity of, or Borrower*s rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect on the business or the property of Borrower.

(g) Borrower shall give Lender written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following: (i) Borrower*s obtaining rights to, and filing applications for registration of, any new Intellectual Property, or otherwise acquiring ownership of any newly registered Intellectual Property (other than Borrower*s right to sell products containing the trademarks of others in the ordinary course of Borrower*s business), (ii) Borrower*s becoming entitled to the benefit of any registered Intellectual Property whether as licensee or licensor (other than Borrower*s right to sell products containing the trademarks of others in the ordinary course of Borrower*s business), (iii) Borrower's entering into any new Licenses, (iv) Borrower*s knowing or having reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the PTO, the Copyright Office or any court or tribunal) regarding Borrower*s ownership of, or the validity of, any material Intellectual Property or Borrower*s right to register the same or to own and maintain the same and Borrower appoints the Lender its attorney in fact to amend this Agreement to reflect the above and to file any such amendment or notification thereof with the PTO, Copyright Office or any court or tribunal at the Borrower's cost.

5. AGREEMENT APPLIES TO FUTURE INTELLECTUAL PROPERTY:

(a) The provisions of this Agreement shall automatically apply to any such additional property or rights described in subsections (i), (ii) and (iii) of Section 4(f), above, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement.

(b) Upon the reasonable request of Lender, Borrower shall execute and deliver and have recorded, any and all agreements, instruments, documents and papers as Lender may request to evidence Lender*s security interest in any Copyright, Patent or Trademark and the goodwill and General Intangibles of Borrower relating thereto or represented thereby (including, without limitation, filings with the Copyright Office, PTO or any similar office), and Borrower hereby constitutes Lender as its attorney-in-fact to execute and file all such writings for the foregoing purposes as well as those purposes set forth in Section 4(g) above, all acts of such attorney being hereby ratified and confirmed; provided, however, Lender*s taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

6. BORROWER*S RIGHTS TO ENFORCE INTELLECTUAL PROPERTY: Prior to Lender*s giving of notice to Borrower following the occurrence of an Event of Default, Borrower shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property including the right to seek injunctions and/or money damages, in an effort by Borrower to protect the Intellectual Property against encroachment by third parties, provided, however:

(a) Borrower first provides Lender with written notice of Borrower*s intention to so sue for enforcement of any Intellectual Property.

(b) Any money damages awarded or received by Borrower on account of such suit (or the threat of such suit) shall constitute IP Collateral.

(c) Following the occurrence of any Event of Default, Lender, by notice to Borrower, may terminate or limit Borrower*s rights under this Section 6.

7. LENDER*S ACTIONS TO PROTECT INTELLECTUAL PROPERTY: In the event of:

(a) Borrower*s failure, within five (5) days of written notice from Lender, to cure any failure by Borrower to observe or perform any of Borrower*s covenants, agreements or other obligations hereunder; and/or

(b) the occurrence and continuance of any other Event of Default,

Lender, acting in its own name or in that of Borrower, may (but shall not be required to) act in Borrower*s place and stead and/or in Lender*s own right in connection therewith.

8. RIGHTS UPON DEFAULT: Upon the occurrence of any Event of Default, in addition to all of the other rights and remedies provided to Lender in the Loan Agreement with respect to the Collateral, Lender may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in the Commonwealth of Massachusetts, with respect to the IP Collateral, in addition to which Lender may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. Any person may conclusively rely upon an affidavit of an officer of the Lender that an Event of Default has occurred and that Lender is authorized to exercise such rights and remedies.

9. LENDER AS ATTORNEY IN FACT:

(a) Borrower hereby irrevocably constitutes and designates Lender as and for Borrower*s attorney in fact, effective following the occurrence and during the continuance of any Event of Default: (i) to supplement and amend from time to time EXHIBITS A, B and C of this Agreement to include any new or additional Intellectual Property of Borrower and cause any such supplements and amendments to be filed in the appropriate governmental office at the Borrower*s expense, (ii) to exercise any of the rights and powers referenced herein, (iii) to execute all such instruments, documents, and papers as Lender reasonably determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property.

(b) The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of Lender.

(c) Lender shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9(a), but if Lender elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to Borrower for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial proceeding (in which proceeding Lender has had an

opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been grossly negligent or in actual bad faith.

10. LENDER'S RIGHTS:

(a) Any use by Lender of the Intellectual Property, as authorized hereunder in connection with the exercise of Lender's rights and remedies under this Agreement and under the Loan Agreement shall be coextensive with Lender's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

(b) None of this Agreement, the Loan Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to Lender any present right, title or interest in and to the Intellectual Property, which right, title and interest is effective only following the occurrence of any Event of Default.

11. **INTENT:** This Agreement is being executed and delivered by Borrower for the purpose of registering and confirming the grant of the security interest of Lender in the IP Collateral with the Copyright Office and PTO. It is intended that the security interest granted and confirmed pursuant to this Agreement is granted as a supplement to, and not in limitation of the security interest granted to Lender under the Loan Agreement. All provisions of the Loan Agreement shall apply to the IP Collateral. Lender shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Loan Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the Loan Agreement with respect to all other Collateral.

12. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of The Commonwealth of Massachusetts except for applicable provisions of Delaware law relating to the creation, perfection and enforcement of the security interests created hereby.

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EXHIBIT A

List of Patent Applications

**United States Patent Publication No.
2003/0229499**

Von Bosse, Eric ; et al.

Published

December 11, 2003

Voice-activated locking mechanism for securing firearms

Abstract

An improved locking mechanism for fire arms is activated through a comparison of a speech pattern with a voice print stored in memory to ensure only an authorized user can unlock the locking mechanism. The voice print and other parameters can be stored in memory or on a separate smart card.

Inventors: Von Bosse, Eric; (*Newburyport, MA*) ; Kiesel, Joseph N.; (*East Kingston, NH*)

Assignee Name and Address: **SigArms, Inc.**
Exeter
NH

Application Serial No.: **10/167217**
Filed: **June 11, 2002**

**United States Patent Publication No.
2005/0011099**

Kiesel, Joseph N. II ; et al.

Published January 20, 2005

Method and device for providing an integral firearms safety lock mechanism

Abstract

The present invention provides an integral firearms safety lock that safely provides locking capabilities in a firearm. The integral firearms safety lock ensures that a firearm is unable to fire by a simple manual manipulation of a locking mechanism. Moreover, an integral firearms safety lock is provided that contacts and locks a firing pin safety thereby preventing any unauthorized firing of the firearm.

Inventors: Kiesel, Joseph N. II; (East Kingston, NH) ; Strout, Richard L.; (Exeter, NH)

**Assignee Name and Address: SigArms, Inc.
Exeter
NH**

**Application Serial No.: 10/880570
Filed: July 1, 2004**

European Patent Application No.
EP 04809467.6

Kiesel, Joseph N. II ; et al.

Filed

January 7, 2006

Method and device for providing an integral firearms safety lock mechanism

Abstract

The present invention provides an integral firearms safety lock that safely provides locking capabilities in a firearm. The integral firearms safety lock ensures that a firearm is unable to fire by a simple manual manipulation of a locking mechanism. Moreover, an integral firearms safety lock is provided that contacts and locks a firing pin safety thereby preventing any unauthorized firing of the firearm.

Inventors: **Kiesel, Joseph N. II; (East Kingston, NH) ; Strout, Richard L.;**
(Exeter, NH)

Applicant Name and Address: **SigArms, Inc.**
Exeter
NH

Application No.: EP 04809467.6
Filed: January 7, 2006

EXHIBIT B

**List of Trademarks and Trademark Licenses
Trademark Registrations and Applications**

SIGARMS, INC. Registered Trademarks		
MARK	DATE REGISTERED	REG. NO.
SIGLITE	2/14/95	1,878,578
K-KOTE	1/3/95	1,871,248
SIGARMS	6/23/98	2,167,107
TRAILSIDE	7/31/01	2,474,235
NITRON	3/2/04	2,820,090
GSR	7/26/05	2,979,494
SIGTAC	7/19/05	2,973,984
GRANITE SERIES	4/4/06	3,076,565

SIGARMS, INC. Pending Trademarks		
MARK	DATE FILED	SERIAL NO.
C3	11/8/04	78-512,880
CONCEALED CARRY COMPACT	11/8/04	78-512,892
EQUINOX	11/5/05	78-754,156
GRANITE SERIES COMPACT	11/5/03	78-323,363
GRANITE SERIES RAIL	11/5/03	78-323,352
GRANITE SERIES TARGET	11/5/03	78-323,370
GRANITE TARGET EXTREME	11/5/03	78-323,380
GSC	11/5/03	78-323,329
GST	11/5/03	78-323,334
GTX	11/5/03	78-323,340
SIGSAFARI	11/9/04	78-513,644
VELOCITY	5/29/03	78-255,666

EXHIBIT C

List of Copyrights and Copyright Licenses
Copyright Registrations and Applications

Copyright

Registration No.

Registration Date

NONE