

11-05-2007



103459067

Docket No. 1-28924

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original document or copy thereof.

9/24/07

1. Name of conveying party(ies):

IGC Recovery, LLC

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation - State:
- Limited Liability Company - State: New York

Additional name(s) attached? No

2. Name and address of receiving party(ies)

Craig A. Marshall
420 N. Warpole Street
Upper Sandusky, Ohio 43351

- Individual(s) citizenship: United States of America
- Association
- General Partnership
- Limited Partnership
- Corporation - State:
- Limited Liability Company - State:

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) and address(es) attached? No

3. Nature of Conveyance: Assignment Security Agreement Change of Name Merger
 Other (specify):

Execution Date: December 9, 2005

4. Application number(s) and/or registration number(s):

The document relates to Trademark Application No.(s):

The document relates to Registration No.(s):

0862249 ITHACAGUN (DESIGN)
2487628 DEERSLAYER

Additional numbers attached Yes No

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

Douglas V. Pavelko
MacMillan, Sobanski & Todd, LLC
One Maritime Plaza, Fifth Floor
720 Water Street
Toledo, Ohio 43604

6. Total number of applications and registrations involved: 2

7. Total Fee (37 CFR 3.14) \$65.00

Please charge the \$65.00 recordal fees to MacMILLAN, SOBANSKI & TODD, LLC, Deposit Account No. 13-0005.

Charge fee

8. 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.

Douglas V. Pavelko
Name of Person Signing

Signature

September 24, 2007
Date

ASSET PURCHASE AGREEMENT
(IGC RECOVERY, INC.)

PARTIES:

THIS ASSET PURCHASE AGREEMENT ("Agreement") is made and entered into as of December 4, 2005, by and among IGC RECOVERY, LLC, a New York limited liability company ("Seller"), and CRAIG A. MARSHALL, on behalf of an entity to be formed ("Purchaser"). Seller and Purchaser may sometimes hereinafter be collectively referred to as "Parties" or individually referred to as "Party".

RECITALS:

A. Seller owns various tangible and intangible assets, including, guns, gun plans and specifications, trademarks, insignias, brochures, flyers, tags, boxes, historical information, and trade names relating to guns, which were used by Ithaca Gun Company, LLC, a New York limited liability company (the "Gun Company") in its gun manufacturing business (the "Business"), having acquired title to such assets as a result of Purchaser's perfected security interest therein pursuant to Article 9 of the New York State Uniform Commercial Code.

B. Purchaser desires to acquire from Seller and Seller desires to sell to Purchaser certain of the remaining assets previously used in the Business, both tangible and intangible, upon the terms and conditions hereafter set forth.

CONSIDERATION AND AGREEMENT:

IN CONSIDERATION of the covenants and benefits set forth herein, the adequacy and sufficiency of which are hereby acknowledged and accepted, and with the intent to be legally bound hereby, the Parties agree as follows:

ARTICLE I
ASSETS AND LIABILITIES

1.1 Purchased Assets. Subject to the terms and conditions of this Agreement, Seller does hereby agree to sell to Purchaser, and Purchaser does hereby agree to purchase from Seller, the following assets and properties previously owned and used by the Gun Company in the Business ("Purchased Assets"):

A. Guns and Other Inventory and Related Property. All inventory, being goods formerly held for sale or lease by the Gun Company, including, without limitation, all guns, gun related products, components (partially machined and otherwise), parts, supplies and/or accessories, including all raw materials and work in process, which inventory has been delivered to Purchaser, excepting certain receivers and partially completed guns, which are currently located at Tarjac, Inc., 2241 NY State Route 414, Waterloo, New York 13065 (collectively, the "Inventory");

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B. Intangible Property. All existing intangible assets, intellectual property, and other intangible property rights previously used in the Business including, without limitation, all goodwill, trademarks, insignias, service marks, copyrights, logos, and all derivatives thereof and therefrom, patents, packaging designs and related items (collectively, the "Intangible Property");

C. Books, Records and Other Written Materials. All records and files of whatever kind or nature, and in whatever form, attributable to the operation of the Business, including, without limitation, those relating to the design, manufacture, marketing and sale of inventory including, all existing brochures, flyers and other written promotional/sales information together with written plans, drawings, specifications and/or other manufacturing and/or design documentation/information, including historical information and product literature (excluding, however, Seller's business records, tax returns and such other records and files as are essential to Seller's or the Gun Company's tax returns and/or as are required by applicable laws to be maintained by Seller and/or the Gun Company), which materials have been delivered to Purchaser (collectively, the "Written Materials");

D. Test Fixtures. Any remaining test fixtures as may be selected by Purchaser (collectively, the "Test Fixtures"); and

E. Warranty Rights. All rights of Seller under any express or implied warranty from any supplier of goods and/or services with respect to any of the Purchased Assets.

1.2 Excluded Assets. Notwithstanding Section 1.1 hereof, Seller does not sell and Purchaser will not purchase or receive from Seller, any cash, accounts or notes receivable, marketable securities or other investments of Seller, metalworking or other equipment, furniture or fixtures or any other assets not otherwise referenced and/or delivered to Purchaser.

1.3 Liabilities Excluded. Except as may be expressly set forth in this Agreement, Purchaser does not assume or accept liability or responsibility for, and Seller shall remain liable for and shall timely discharge and pay in the ordinary course of business and consistent with past practices, and shall indemnify, defend (with legal counsel reasonably satisfactory to Purchaser) and hold Purchaser free and harmless of and from, all debts, expenses, liabilities, obligations, contracts, commitments and claims against Seller with respect to the Purchased Assets or the Business (collectively, the "Excluded Liabilities"). This transaction is for the purchase of the Purchased Assets only, and is not a sale of a business, and Purchaser shall not be deemed or construed a successor to Seller and/or the Gun Company.

1.4 Conveyance of Purchased Assets. At Closing, Seller shall convey and warrant title to the Purchased Assets to Purchaser free and clear of all claims, liens and encumbrances whatsoever. Exclusive possession of the Purchased Assets shall be delivered by Seller to Purchaser on the Closing Date.

ARTICLE II
PURCHASE PRICE

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2.1 Purchase Price. The purchase price ("Purchase Price") for the Purchased Assets shall be the sum of (a) Three Hundred Fifty Thousand (\$350,000.00) Dollars; (b) assignment of (i) Patent number 6099777 dated 8/8/00 and described as "Method for Cutting Openings in a Sheet of Containers"; and (ii) Patent number 6152008 dated 11/28/00 and described as "Rotary Cutting Mechanism", Craig A. Marshall being the inventor and current owner ("Patents"); and (c) an amount determined pursuant to Section 2.4 hereof.

2.2 Payment of Purchase Price. The Purchase Price referenced under Section 2.1(a) shall be paid in cash or otherwise available funds (receipt of a fifty thousand (\$50,000) dollar non-refundable deposit is acknowledged). The Patents shall be assigned pursuant to assignments delivered on the Closing Date. To the extent necessary, Purchaser agrees to execute and deliver such additional patent assignments within twenty (20) days of the Closing Date in such form and format so as to be recordable in the U.S. Patent and Trademark Office. The additional consideration referenced in Section 2.4 hereof shall be paid pursuant to the terms thereof.

2.3 Purchase Price Allocation. The Purchase Price payable by Purchaser to Seller for the Purchased Assets shall be paid to and allocated, for all purposes, including tax purposes, among the Purchased Assets in the manner set forth in Schedule 2.3.

2.4 Additional Consideration. As additional consideration for the Purchased Assets, beginning in calendar year 2009 and continuing through calendar year 2015, Purchaser, on a quarterly basis commencing the 15th day of April, 2009 and continuing on the 15th day of each subsequent July, October, January and April through the 15th day of January, 2016, shall pay to Seller a sum equal to the royalty per similar or substantially similar gun sold per Exhibit "1" attached hereto for the preceding quarter, which payment will be accompanied by a certified report from Purchaser identifying the type and number of guns sold in the preceding quarter and the resulting consideration payable. The "Price Point" referenced on Exhibit 1 shall mean the actual invoice selling price of the subject gun by Purchaser or its licensee, FOB seller's facility, as packed for shipment to customer reduced only by the following, if and to the extent that such amounts are reflected in such selling price: (i) normal cash discount actually allowed; (ii) sales, use, import, export, excise and added value taxes and customs and duties, which are separately stated on the invoice; (iii) refunds; and (iv) cost of freight and transit insurance. Seller may, upon reasonable notice, audit Purchaser's records with regard thereto, the cost of the audit being incurred by Seller, unless and in the event that such audit conclusively indicates that the additional consideration due hereunder has been understated by more than five (5%) percent, in which event Seller shall be reimbursed the cost incurred in such audit by Purchaser. Both parties acknowledge that Purchaser may elect not to engage in the sale of guns similar or substantially similar to those identified on Exhibit 1 and/or under any tradename acquire from Seller, in which event Purchaser will promptly notify Seller of such decision and agrees, upon written notice from Seller, to reassign Purchaser's rights in the Intellectual Property. Purchaser agrees not to assign any right, title or interest in, to or under the Intellectual Property without the prior written consent of Seller, which consent will not be unreasonably withheld or conditioned. Notwithstanding anything contained herein to the contrary, the maximum amount of additional consideration that Purchaser may be obligated to pay pursuant to this Section 2.4 is one million (\$1,000,000) dollars (such amount being reduced by the offset allowed pursuant to Section 2.5 hereof).

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2.5 Offset. Seller agrees to evaluate the Patents and, if commercially reasonable, market and license rights thereunder. Any net revenue received from the licensing of the Patents on or before December 31, 2015 will be credited (but not otherwise payable) on a dollar for dollar basis against the additional consideration that may be owing by Seller to Purchaser under Section 2.4 hereof. On an annual basis, commencing April 15, 2007 and continuing on the 1st day of April of each succeeding year through April 15, 2016, Seller shall provide Purchaser with a certification as to net earnings received through the licensing of the Patents during the prior calendar year. Purchaser may, upon reasonable notice, audit Seller's records with regard thereto, the cost of such audit being incurred by Purchaser unless and in the event that such audit conclusively indicates that the amount of the offset has been understated by more than five (5%) percent, in which event Purchaser shall be reimbursed the cost incurred in such audit by Seller.

ARTICLE III SELLER'S REPRESENTATIONS AND WARRANTIES

As a material inducement for Purchaser entering into this Agreement, and upon which Purchaser specifically relies, Seller represents and warrants to Purchaser as follows.

3.1 Power and Authority. Seller has the entity legal power and authority to enter into this Agreement and the other documents and transactions contemplated hereby. The execution, delivery, and performance of this Agreement and all of the documents in connection herewith by Seller has been duly and validly authorized, and all requisite entity action has been taken to make them valid and binding upon Seller in accordance with their respective terms.

3.2 No Conflict. Neither the execution, delivery or performance of this Agreement and all other documents in connection herewith for the consummation of the transaction contemplated hereby and thereby will (a) violate or conflict with or constitute a breach of or default under any contract, instrument, license, permit, lease, articles of organization, operating agreement, or other agreement to which Seller is a party or the Purchased Assets may be bound or affected, or (b) violate or conflict with any law, or any rule or regulation, or any order, writ, injunction or decree of any administrative agency, governmental body, or court.

3.3 Title. Subject to Section 3.10 hereof, Seller has and will convey to Purchaser at Closing good and marketable title to all of the Purchased Assets, free and clear of all liens, encumbrances and taxes.

3.4 Condition. Except as expressly set forth herein, the Purchased Assets are sold "as is", "where is", without representation or warranty as to the condition thereof, Purchaser having had the opportunity to fully review and inspect the condition and confirm the existence of all Inventory, Written Material and Test Fixtures prior to delivery thereto.

3.5 Organizational Standing. Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of New York. Seller has full power and lawful authority to carry on its business as presently being conducted and to own and operate its assets, properties, and business.

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3.6 Litigation and Contingent Liabilities. There is no claim, action, suit, decree, order, injunction, arbitration or administrative or judicial proceeding or investigation of any nature outstanding, pending or, to the best knowledge of Seller, threatened against Seller. Seller has no debts, liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, and whether due or to become due, including, but not limited to, liabilities or obligations on account of taxes, other governmental charges, duties, penalties, interest or fines, and there is no basis for any assertion against Seller of any debt, liability of obligation, except current liabilities incurred and obligations under agreements entered into in the ordinary course of business. There are and will be no claims based on breach of warranty, breach of contract, product liability, negligence and/or strict liability made against Seller with respect to the sale or lease of products by Seller prior to the Closing Date, and after the Closing Date, Purchaser will not be liable or under any obligation for the repair, replacement or adjustment of any product or for reimbursement to any third party on account of any such claims.

3.7 Compliance with Laws. Seller has all necessary authorizations, approvals, licenses, permits and orders of and from all governmental and regulatory offices and bodies to carry on its business as now being conducted, to own or hold under lease the properties and assets Seller owns or holds under lease, and to perform the obligations under the agreements to which it is a party with respect to such business. Seller is in compliance in all material respects with all applicable laws, contractual or legal restrictions, regulations and administrative and executive orders of every state, or municipality and of any subdivisions thereof to which their respective business and employment of labor or use or occupancy of properties or any part thereof are subject, and Seller has not received any notice of any violation thereof.

3.8 Consents or Approvals. No consent, approval, authorization or order of any court, governmental department, agency, commission or instrumentality, domestic or foreign, or of any other person is required for the consummation of the transactions contemplated by this Agreement.

3.9 Taxes and Tax Returns. All taxes imposed by the United States, the State of New York, any other state, or by any municipality or subdivision which are due or payable or which become due or payable by Seller with respect to any period or portion thereof up to and including the Closing Date have been, or will be paid in full. Seller has timely filed all required returns and reports with respect to income taxes and all other taxes of any kind, such returns or reports have been prepared accurately and in accordance with law, and all taxes, interest and penalties due thereon have been timely paid.

3.10 Intangible Property. Schedule 3.10 sets forth the primary trademarks, service marks, tradenames and brand names previously used by the Gun Company within the past five (5) years ("Owned Intellectual Property"). In addition, Schedule 3.10 sets forth all trademarks, service marks, tradenames and brand names previously owned and licensed by the Gun Company's predecessor-in-interest to Lamboy Corporation pursuant to a license agreement which has expired or terminated ("Licensed Intellectual Property"). No licenses, sublicenses, covenants or agreements have been granted or entered into by the Gun Company or Seller with respect to the Owned Intellectual Property or, except as set forth above, the Licensed Intellectual Property. To Seller's knowledge, the Gun Company's manufacture and sale of guns under the

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Owned Intellectual Property did not violate any intellectual property rights of any third parties. To Seller's knowledge, Seller's rights in the marks listed on Schedule 3.10 are valid and free and clear of all security interests, liens, encumbrances or other burdens and have not been and are not being now being challenged in any way or involved in any pending or threatened interference proceeding. To Seller's knowledge, the Gun Company's prior operations of the Business did not infringe upon the intellectual property rights of any third parties.

3.11 Environmental Matters. Seller has not used, generated, transported, stored, treated, manufactured, refined, handled, produced, processed or disposed of hazardous materials (as defined by law) in any manner which violates any Environmental Laws. Seller has not received any notice, claim, order or directive concerning any violations (and is not aware of any existing violations) of any Environmental Laws with regard to Seller's Business. For purposes hereof, the term "Environmental Laws" means, CERCLA, as amended (42 U.S.C. §9601, et. seq.), the RCRA, as amended (49 U.S.C. §6901, et. seq.), Part 201, as amended, and every other Federal, state, and local law, statute, regulation, rule decisional precedent, order or otherwise, the actual, effective or intended purpose or unintended effect of which is the protection or remediation of the environment.

3.12 Disclosure. No representation or warranty in this Article III, and no statement contained elsewhere in this Agreement or in any Schedule, Exhibit or other agreement or document furnished or to be furnished to Purchaser pursuant hereto or in connection with the transactions contemplated under this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained therein not misleading. Seller has cooperated fully with Purchaser in connection with its examination of the Purchased Assets, and has made available to Purchaser all working papers, data and information requested by Purchaser in connection therewith. There is no fact which materially adversely affects the condition of the Purchased Assets which has not been specifically described herein or in a Schedule to this Agreement.

Seller's representations and warranties shall be deemed to have been relied upon by Purchaser, shall survive the execution and delivery of this Agreement and the sale and purchase of the Purchased Assets and payment therefore, regardless of any investigation, at any time made by or on behalf of Purchaser, or any information Seller may have provided to Purchaser with respect thereto.

ARTICLE IV PURCHASER'S REPRESENTATIONS AND WARRANTIES

As a material inducement for Seller entering into this Agreement, and upon which Seller specifically relies, Purchaser represents and warrants to Seller as follows:

4.1 Power and Authority. Purchaser has the legal power and authority to enter into this Agreement and the other documents and transactions contemplated hereby. The execution, delivery and performance of this Agreement and all of the documents in connection herewith by Purchaser has been and will be validly authorized, and all requisite action has been taken to make them valid and binding upon Purchaser in accordance with their respective terms.

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4.2 No Conflict. Neither the execution, delivery or performance of the Agreement and all other documents in connection herewith nor the consummation of the transactions contemplated hereby and thereby will violate or conflict with or constitute a breach of or default under any contract, instrument, certificate of incorporation, by-law, agreement or any other document to which Purchaser is a party or by which Purchaser is bound or affected.

4.3 Patents.

- A. The Patents are valid and enforceable.
- B. The Patents do not infringe upon any third party intellectual property rights.
- C. No right, title or interest in, to or under the Patents has previously been assigned or transferred.
- D. To the knowledge of Seller, no third party has infringed upon any rights granted and/or protectable under the Patents.

4.4 Disclosure. No representation or warranty of this Article IV and no statement contained elsewhere in this Agreement or in any Schedule, Exhibit or other Agreement or document furnished or to be furnished to Seller pursuant hereto or in connection with the transactions contemplated under this Agreement contains or will contain any untrue statement of a material fact or omit or will omit to state a material fact necessary to make the statements contained therein not misleading.

Purchaser's representations and warranties shall be deemed to have been relied upon by Seller, shall survive the execution and delivery of this Agreement and the sale and purchase of the Purchased Assets and payment therefore, regardless of any investigation, at any time made by or on behalf of Seller, or any information Purchaser may have provided to Seller with respect thereto.

ARTICLE V
CONDITIONS PRECEDENT TO CLOSING

The obligation of Purchaser to acquire the Purchased Assets as contemplated hereby and to perform its obligations hereunder to be performed shall be subject to the fulfillment of the following conditions precedent, on or prior to the Closing Date, unless otherwise waived in writing by Purchaser:

5.1 Representations and Warranties True. The representations and warranties of Seller contained in Article III hereof shall be true and accurate on and as of the Closing Date with the same effect as if such representations and warranties had been remade on and as of the Closing Date and Seller shall deliver to Purchaser on the Closing Date a dated certificate to such effect.

5.2 Bill of Sale and Assignment. Seller shall have delivered to Purchaser a Bill of Sale in the form of Exhibit "A" attached hereto transferring to Purchaser the Purchased Assets, free and clear of all liens, claims or encumbrances whatsoever.

5.3 Change of Name. As soon as commercially reasonable after the Closing Date, Seller shall use its best efforts to cause the Gun Company to change its name to other than its existing name or any confusing similar name.

5.4 Non-Competition Agreement. On the Closing Date, Seller shall execute and deliver a Non-Competition Agreement with Purchaser, in a form satisfactory to the Parties providing that Seller and Andrew J. Sciarabba, Robert T. Dean and Anthony Eisenhut shall not engage in the manufacturing of guns for a period of three (3) years from the Closing Date.

ARTICLE VI CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER TO CLOSE

The obligation of Seller to sell the Purchased Assets as contemplated hereby, and to perform its obligations hereunder to be performed on or after the Closing Date, shall be subject to the fulfillment, which Purchaser agrees to fulfill, on or prior to the Closing Date, unless otherwise waived in writing by Seller, of the following conditions:

6.1 Performance of Covenants. Purchaser shall have performed in all material respects all of its obligations contained in this Agreement to be performed on or prior to the Closing Date.

6.2 Purchase Price. Purchaser shall deliver the \$350,000.00 payment to Seller in immediately available funds at the time of Closing.

6.3 Assignment of Patents. Purchaser shall cause Craig A. Marshall to execute and deliver an assignment of the Patents transferring such to Purchaser, free and clear of all liens, claims or encumbrances whatsoever.

ARTICLE VII CLOSING

7.1 Closing. Purchaser and Seller shall close this transaction ("Closing") on or before December 14, 2005 ("Closing Date"), time being of essence, but in no event shall Closing occur prior to the satisfaction of all conditions precedent unless a Party elects to waive any such condition precedent. The Closing shall take place at the offices of Hancock & Estabrook, LLP, 1500 MONY Tower I, Syracuse, New York, or at such other place as the Parties may agree.

7.2 Taxes. Purchaser shall pay all federal, state and local sales, use or other transfer taxes, if any, incident to the transfer and sale of the Purchased Assets to Purchaser under this Agreement.

ARTICLE VIII
INDEMNIFICATION

8.1 Indemnification of Purchaser. Seller ("Indemnifying Party"), agrees to defend, indemnify and hold Purchaser and its respective officers, directors, members, managers, affiliates, employees and agents (hereinafter referred to individually as an "Indemnified Party" and collectively referred to as the "Indemnified Parties") harmless from and against any claims, damages, liabilities, losses and expenses (including without limitation, actual attorneys' fees incurred in seeking indemnification hereunder or defending any claim by a third person) of any kind or nature whatsoever (such claims, damages, liabilities, losses and expenses are sometimes hereinafter collectively referred to as "Damages") which may be sustained or suffered by any Indemnified Party or Parties arising out of, based upon, or by reason of:

A. A breach or inaccuracy of any representation or warranty or a failure to perform any agreement or covenant made by any of Sellers in this Agreement;

B. Any claim, action or proceeding asserted or instituted growing out of any matter or thing covered by such breached representation, warranty, agreement or covenant; and

C. Any claim made by any person which relates to or arises out of any transaction, event, act or omission of or by Seller or its officers, directors, shareholders, employees or agents prior to the Closing Date.

8.2 Indemnification by Purchaser. Purchaser ("Indemnifying Party") agrees to defend, indemnify and hold Seller and its officers, directors, affiliates, employees, agents, heirs, executors, administrators, personal representatives, successors and assigns (hereafter referred to as "Indemnified Party" and collectively referred to as the "Indemnified Parties") harmless from and against any Damages which may be sustained or suffered by the Indemnified Party, arising out of, based upon, or by reason of:

A. A breach of any representation or warranty or a failure to perform any agreement or covenant made by Purchaser in this Agreement;

B. Any claim, action or proceeding asserted or instituted growing out of any matter of thing covered by such breached representation, warranty, agreement or covenant; and

C. Any claim made by any person which relates to or arises out of any transaction, event, act, or omission of or by Purchaser or its officers, directors, shareholders, employees or agents, successors and assigns, after the Closing Date.

8.3 Notice, Defense of Claims. Each party to this Agreement shall give prompt written notice to the other party to this Agreement of each claim for indemnification hereunder, specifying the amount and nature of the claim, and of any matter which is likely to give rise to an indemnification claim. Failure to give timely notice of a matter which may give rise to an indemnification claim shall not affect the rights of the Indemnified Party to collect such claim

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from the Indemnifying Party except to the extent that failure to so notify materially adversely affects the Indemnifying Party's ability to defend such claim against a third party. In any case in which a claim for indemnification involves a claim brought by a third party, the Indemnifying Party shall have the right (but not the obligation) to assume and control the defense of any such matter or its settlement at the Indemnifying Party's reasonable expense, provided that the Indemnified Party may participate in the defense at its own expense and provided, further, that the Indemnifying Party will keep the Indemnified Party informed as to the status of the defense and will not take any significant action in the defense thereof or consent to entry of judgment or enter into any settlement that would require the payment of any amounts by the Indemnified Party, nor result in any form or obligation or restriction on or affecting the indemnified Party in the future. Where the Indemnifying Party does not exercise its right to assume and control the defense of such matter or its settlement, the Indemnified Party shall assume and control the defense of such matter or its settlement at its own expense, provided that the Indemnifying Party may participate in the defense at its own expense and provided, further, that the Indemnified Party will keep the Indemnifying Party informed as to the status of the defense and will not, except with the consent of the Indemnifying Party (which shall not be unreasonably withheld or delayed), consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnifying Party of a release from all liability in respect of such claim or litigation.

ARTICLE IX
RISK OF LOSS
CONDUCT OF SELLER'S BUSINESS PRIOR TO CLOSING

9.1 Risk of Loss. Until the Closing Date and actual exchange of legal title for the consideration to be paid hereunder, all risk of loss with respect to the Purchased Assets shall be borne by Seller. In the event of destruction or damage to any of the Purchased Assets prior to the Closing Date, Purchaser shall, at its option, have the right to (a) cause the Seller to repair same to the state existing prior to the damage, if such damage can be repaired prior to the Closing Date; (b) take the proceeds of the insurance, requiring Seller to pay the deductible amounts and proceed and go forward with the transaction; or (c) declare the transaction to be void and of no further force or effect and Purchaser shall be relieved of any and all liability hereunder.

ARTICLE X
MISCELLANEOUS

10.1 Expenses. Purchaser and Sellers shall pay the fees and expenses of their respective accountants, advisors and legal counsel incurred in connection with the transactions contemplated by this Agreement.

10.2 Notices. Any notice or other communication required or permitted to be given to any Party hereunder shall be in writing and shall be given to such party at such party's given address set forth below or such other address as such party may hereafter specify by notice in writing to the other party. Any such notice or other communication shall be addressed as

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aforesaid and given by certified mail, hand delivery, reputable overnight courier or facsimile transmission.

Purchaser: Craig A. Marshall
420 N. Warpole Street
P.O. Box 37
Upper Sandusky, Ohio 43351
(419) 294-4406

With a Copy To: Stewart C. W. Weiner, Esquire
Maddin, Hauser, Wartell
Roth & Heller, P.C.
28400 Northwestern Highway
Third Floor Essex Centre
Southfield, Michigan 48034-8004
Fax: (248) 359-6140

Sellers: IGC Recovery, LLC
c/o Anthony Eisenhut
15 Dandyview Heights
Lansing, NY 14882

With a Copy To: James Canfield, Esquire
Hancock & Estabrook, LLP
1500 MONY Tower I
Syracuse, NY 13202
Phone: 315/417-3151
Fax: 315/471-3167

In the event the last date for performance of any obligation, or for Closing, or for giving any notice hereunder falls on a Saturday, Sunday or legal holiday of Ohio, then the time of such event shall be extended to the next day which is not a Saturday, Sunday or legal holiday in Ohio.

10.3 Waiver. Except as specifically provided herein, the failure of any party hereto at any time or times hereafter to exercise any right, power, privilege or remedy hereunder or to require strict performance by the other or another party of any of the provisions, terms or conditions contained in this Agreement or in any other document, instrument or agreement contemplated hereby or delivered in connection herewith shall not waive, affect, or diminish any right, power, privilege or remedy of such party at any time or times thereafter to demand strict performance thereof, and no rights of any party hereto shall be deemed to have been waived by any act or knowledge of such party, or any of its agents, officers or employees, unless such waiver is contained in an instrument in writing, signed by such party. No waiver by any party hereto of any of its rights on any one occasion shall operate as a waiver of any other of its rights or any of its rights on a future occasion.

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10.4 Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be deemed to be a part of this Agreement or to alter or affect any provisions, terms or conditions contained herein.

10.5 Exhibits and Schedules. Any Exhibits and Schedules referenced herein shall be deemed to be attached hereto and made a part hereof. All references herein to this Agreement shall include all such Exhibits and Schedules.

10.6 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any portion of this Agreement is declared invalid for any reason in any jurisdiction, such declaration shall have no effect upon the remaining portions of the Agreement which shall continue in full force and effect as if this Agreement had been executed with the invalid portions thereof deleted. Furthermore, the entirety of this Agreement shall continue in full force and effect in all other jurisdictions.

10.7 Entire Understanding. This Agreement sets forth the entire and integrated agreement and understanding between the Parties with respect to the subject matter hereof and merges any and all discussions, negotiations, and letters of intent.

10.8 Binding Effect. This Agreement shall be binding upon and shall inure to the exclusive benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns. Except as otherwise expressly provided in this Agreement, this Agreement is not intended to, nor shall it, create any rights in any persons other than the Parties hereto.

10.9 Governing Law. This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Ohio and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said State, without reference to its conflict of laws principles.

10.10 Assignability. Neither this Agreement, nor any rights or obligations hereunder are assignable by Seller or Purchaser without the prior written consent of the other party, which consent will not be unreasonably withheld. Notwithstanding anything contained herein to the contrary, Purchaser may assign all right, title and interest hereunder to an entity to be formed by Purchaser in which Purchaser holds and intends to continue to hold a majority equity interest.

10.11 Counterparts. This Agreement may be executed in counterparts and by each party hereto on a separate counterpart, all of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

10.12 Pronouns and Plurals. All pronouns used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require in the context, and the singular form of nouns, pronouns and verbs will include the plural, and vice versa, whichever the context may require.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date last written below.

WITNESS:

SELLER:

IGC RECOVERY, LLC, a New York limited liability company

By: _____

PURCHASER:

Ernest J. Donald

Craig A. Marshall
Craig A. Marshall, on behalf of an entity
To be formed

THE UNDERSIGNED, severally confirm, to the best of their actual knowledge, the accurateness of Seller's representations and warranties contained in Article III hereof.

Andrew J. Sciarabba

Anthony Eisenhut

Robert T. Dean

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Page 14

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date last written below,

WITNESS:

SELLER:

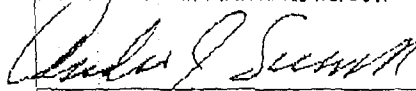
IGC RECOVERY, LLC, a New York limited liability company

By:

PURCHASER:

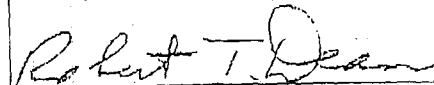
Craig A. Marshall

THE UNDERSIGNED, severally confirm, to the best of their actual knowledge, the accurateness of Seller's representations and warranties contained in Article III hereof.



Andrew J. Sciarabba

Anthony Eisenhut



Robert T. Dean

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(525491 (d1) 7786.8)

LIST OF SCHEDULES AND EXHIBITS

PURCHASE PRICE ALLOCATION

SCHEDULE 2.2

INTELLECTUAL PROPERTY

SCHEDULE 3.10

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PURCHASE PRICE ALLOCATION
SCHEDULE 2.

Inventory	\$ _____
Goodwill and Non-Compete and other Intangibles	\$ _____
Manufacturing Equipment	\$ _____
Other Tangible Property	\$ _____
Total	\$ <u> </u>

OWNED INTELLECTUAL PROPERTY
LICENSED INTELLECTUAL PROPERTY
SCHEDULE 3.10

Owned Intellectual Property:

Ithaca Gun
Model 37
Deerslayer
Featherlight
Turkey Slayer

Licensed Intellectual Property:

Crass Doubles
Flues Doubles
New Ithaca Doubles
Knickerbocker a/k/a/ The Knick
N.I.D.
LeFevre Double Guns
Baker Doubles
Western Arms

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