

PATENT ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT																												
NATURE OF CONVEYANCE:	Second Amendment to Security Agreement																												
EFFECTIVE DATE:	08/27/2004																												
CONVEYING PARTY DATA																													
<table><tr><th>Name</th><th>Execution Date</th></tr><tr><td>Michaels of Oregon Co.</td><td>08/27/2004</td></tr><tr><td>Mike's Holding Company</td><td>08/27/2004</td></tr></table>		Name	Execution Date	Michaels of Oregon Co.	08/27/2004	Mike's Holding Company	08/27/2004																						
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<table><tr><td>Name:</td><td>General Electric Capital Corporation</td></tr><tr><td>Street Address:</td><td>6130 Stoneridge Mall Road</td></tr><tr><td>City:</td><td>Pleasanton</td></tr><tr><td>State/Country:</td><td>CALIFORNIA</td></tr><tr><td>Postal Code:</td><td>94588</td></tr></table>		Name:	General Electric Capital Corporation	Street Address:	6130 Stoneridge Mall Road	City:	Pleasanton	State/Country:	CALIFORNIA	Postal Code:	94588																		
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CH \$560.00 6758004

PCT Number:

US0335874

CORRESPONDENCE DATA

Fax Number: (415)591-1400

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

Email: efranko@winston.com

Correspondent Name: Eva Franko

Address Line 1: 101 California Street

Address Line 2: Winston & Strawn LLP

Address Line 4: San Francisco, CALIFORNIA 94111

NAME OF SUBMITTER:

Eva Franko

Total Attachments: 9

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**SECOND AMENDMENT TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

This SECOND AMENDMENT TO PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT ("Amendment") dated as of August 27, 2004, is entered into by and between **MICHAELS OF OREGON CO.**, an Oregon corporation ("Borrower") and **MIKE'S HOLDING COMPANY**, an Oregon Corporation ("Holdings") (Borrower and Holdings, together with any other party who becomes a grantor hereunder, collectively as "Grantors" and each individually as a "Grantor"), in favor of **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, as collateral agent (in such capacity, "Collateral Agent" or "Agent") for the lenders ("Lenders") from time to time parties to the Credit Agreement (as defined below).

RECITALS

A. Grantors and Collateral Agent are parties to that certain Credit Agreement dated as of February 22, 2001, as amended (the "Credit Agreement"), pursuant to which Collateral Agent agreed to make certain financial accommodations to or for the benefit of Grantors upon the terms and conditions contained therein. Unless otherwise defined in this Amendment, capitalized terms used herein shall have the meanings given to them in the Credit Agreement, as amended.

B. Pursuant to the terms of the Credit Agreement and that certain Security Agreement dated as of February 22, 2001, between Grantors and Collateral Agent, Grantors executed and delivered to U.S. Bank National Association that certain Patent, Trademark and Copyright Security Agreement dated as of February 22, 2001, as amended by that certain First Amendment to Patent, Trademark and Copyright Security Agreement dated as of April 10, 2001 (the "Intellectual Property Security Agreement"). Pursuant to an Assignment of Patent, Trademark and Copyright Agreement dated March 25, 2004, U.S. Bank National Association assigned its interest in the Intellectual Property Security Agreement to Collateral Agent.

C. In connection with a Sixth Amendment to the Credit Agreement of even date herewith, Grantors are required to execute and deliver to Collateral Agent, for the benefit of Co-Agents and Lenders, this Second Amendment to the Intellectual Property Security Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors hereby agree as follows:

1. Amendments to Patent, Trademark and Copyright Security Agreement.

1.1 **Part A to Schedule I** to the Intellectual Property Security Agreement is supplemented to add the Patents and Patent Licenses identified on **Part A of Schedule I** hereto.

1.2 **Part B to Schedule I** to the Intellectual Property Security Agreement is supplemented to add the Trademarks and Trademark Licenses identified on **Part B of Schedule I** hereto.

1.3 **Part C to Schedule I** to the Intellectual Property Security Agreement is supplemented to add the Copyrights identified on **Part C of Schedule I** hereto.

2. **Conditions of Effectiveness.** This Amendment shall become effective upon Collateral Agent's receipt of an original of this Amendment that, when counterparts are taken together, bear the signatures of Grantors and Collateral Agent.

3. **Representations and Warranties.** Grantors hereby represent and warrant to Collateral Agent as follows: (i) the representations and warranties contained in the Intellectual Property Security Agreement were true and correct in all material respects when made and, after giving effect to this Amendment, shall remain true and correct in all material respects as of the date hereof; and (ii) this Amendment, the Credit Agreement, the Security Agreement, the Intellectual Property Security Agreement as amended hereby, the Revolving Notes, the Term Notes, the Acquisition Loan Notes, the Swing Line Note, and the other Loan Documents constitute the legal, valid and binding obligations of Grantors, enforceable against Grantors in accordance with their respective terms.

4. **Ratification.** Except as specifically modified by this Amendment, the parties hereto acknowledge that the Credit Agreement and the Intellectual Property Security Agreement shall remain binding upon Grantors and Collateral Agent, and all provisions of the Credit Agreement and the Intellectual Property Security Agreement shall remain in full force and effect. Grantors expressly ratify and affirm their obligations to Collateral Agent under the Credit Agreement, the Intellectual Property Security Agreement and the other Loan Documents.

5. **Miscellaneous.**

5.1 **Complete Agreement.** The Intellectual Property Security Agreement, as modified and amended by this Amendment, together with the Credit Agreement, as amended, and the other Loan Documents, constitute the complete agreement between the parties, and supersede any prior written or oral agreements, writings, communications or understandings of the parties, with respect to the subject matter hereof or thereof.

5.2 **Recitals.** The recitals to this Amendment shall constitute a part of the agreement of the parties hereto.

5.3 **Headings.** Section headings used herein are for convenience of reference only, are not part of this Amendment, and are not to be taken into consideration in interpreting this Amendment.

5.4 **Counterparts.** This Amendment may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

5.5 Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF OREGON, WITHOUT REFERENCE TO THE CONFLICTS OR CHOICE OF LAW PRINCIPLES THEREOF.

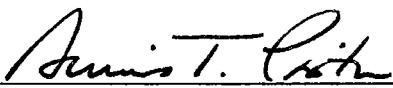
5.6 No Novation. Except as specifically set forth in this Amendment, the execution, delivery and effectiveness of this Amendment shall not (a) limit, impair, constitute a waiver by, or otherwise affect any right, power or remedy of Collateral Agent under the Credit Agreement, as amended, the Intellectual Property Security Agreement, as amended, or any other Loan Document, (b) constitute a waiver of any provision of the Credit Agreement, as amended, the Intellectual Property Security Agreement, as amended, or in any of the other Loan Documents, or (c) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or the Intellectual Property Security Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

5.7 Conflict of Terms. In the event of any inconsistency between the provisions of this Amendment and any provision of the Intellectual Property Security Agreement, the terms and provisions of this Amendment shall govern and control.

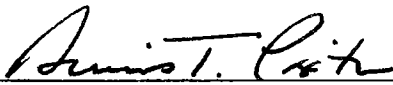
IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Patent, Trademark and Copyright Security Agreement to be duly executed and delivered as of the date and year first written above.

"Grantors"

MICHAELS OF OREGON CO.

By: 
Dennis T. Pixton
President

MIKE'S HOLDING COMPANY

By: 
Dennis T. Pixton
President

Agreed and Acknowledged by

"Collateral Agent"

General Electric Capital Corporation, as
Collateral Agent

By: _____

It's Duly Authorized Signatory

5.5 Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF OREGON, WITHOUT REFERENCE TO THE CONFLICTS OR CHOICE OF LAW PRINCIPLES THEREOF.

5.6 No Novation. Except as specifically set forth in this Amendment, the execution, delivery and effectiveness of this Amendment shall not (a) limit, impair, constitute a waiver by, or otherwise affect any right, power or remedy of Collateral Agent under the Credit Agreement, as amended, the Intellectual Property Security Agreement, as amended, or any other Loan Document, (b) constitute a waiver of any provision of the Credit Agreement, as amended, the Intellectual Property Security Agreement, as amended, or in any of the other Loan Documents, or (c) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or the Intellectual Property Security Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

5.7 Conflict of Terms. In the event of any inconsistency between the provisions of this Amendment and any provision of the Intellectual Property Security Agreement, the terms and provisions of this Amendment shall govern and control.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Patent, Trademark and Copyright Security Agreement to be duly executed and delivered as of the date and year first written above.

"Grantors"

MICHAELS OF OREGON CO.

By: _____
Dennis T. Pixton
President

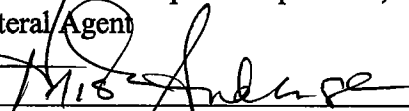
MIKE'S HOLDING COMPANY

By: _____
Dennis T. Pixton
President

Agreed and Acknowledged by

"Collateral Agent"

General Electric Capital Corporation, as
Collateral Agent

By:  _____

It's Duly Authorized Signatory

SCHEDULE I

A. PATENTS

Title	Country	Application No.	Filing Date	Patent No.	Issue Date
Firearm Barrel Manufacturing Methods and Barrel Assemblies	US	10/329,113	12-23-02	6,758,004	7-6-04
Holster Securement System ("Rotary Belt Loop")	US	10/160,731	5-30-02	6,685,067	2-3-04
Handgun Holster with Internal Retention Device ("Improved Pro-3")	US	09/919,975	7-31-01	6,547,111	4-15-03
Handgun Holster (Pro-4)	US	10/177,585	6-19-02	6,641,009	11-4-03
Lo-Pro Sling Swivel	US	09/949,114	9-7-01	6,536,154	3-25-03
Sling Swivel (Lo-Pro) (Design)	US	29/147,869	9-7-01	D460,799	7-23-02
Folding Stock	US	10/003,172	10-31-01	6,470,617	10-29-02

PATENT APPLICATIONS

Title	Country	Application No.	Filing Date
Holster Securement System (Rotary Belt Loop)	Israel	147061	5-5-00
Holster Securement System (Rotary Belt Loop)	EPC	00930573.1	12-11-01
Throat Height Adjustment in a Belt Loop or Belt Clip	US	10/704,202	11-6-03
	PCT	PCT/US03/35874	11-6-03
Composite Firearm Barrel Assemblies	US	10/797,751	3-9-04
Holster With Accessory Holder	US	60/552,958	3-11-04
Finger-Actuated Handgun Retention Device for Holster	US	60/552,927	3-11-04
Shock-Absorbing Carrying Strap	US	10/851,550	5-21-04
Carrying Strap (Design)	US	29/205,843	5-21-04
Security Hood Assembly for Handgun Holsters and the Like	US	(not yet assigned)	8-9-04
	PCT	(not yet assigned)	8-9-04

PATENT LICENSES

1. License Agreements between Craig Spegel and Michaels of Oregon Co. for the following:
 - a. Rubber boot grips for certain Smith & Wesson K&L Frame, Round Butt revolvers, dated July 1, 1997.
 - b. Rubber boot grips for certain Ruger SP101 revolvers, dated April 1, 1997.
 - c. Rubber boot grips for certain Taurus revolvers, dated January 1, 1995.
 - d. Rubber boot grips for certain Smith & Wesson K&L Frame Square Butt revolvers, dated April 11, 1994.
 - e. Rubber boot grips for certain Smith & Wesson J-Frame revolvers, dated May 22, 1994.

SCHEDULE I

B. TRADEMARKS

<u>MARK</u>	<u>COUNTRY</u>	<u>APPLICATION No.</u>	<u>FILING DATE</u>	<u>REG. No.</u>	<u>REG. DATE</u>
HOPPE'S 9 & Design	U.S.	76/526,445	6-19-03	2,829,753	4-6-04
PRO-1	U.S.	76/410,410	5/21/02	2,805,571	1-13-04
PRO-2	U.S.	76/410,376	5/21/02	2,854,535	6-15-04
TRI-LOCK	U.S.	76/304,988	8-24-01	2,784,736	11-18-03

TRADEMARK APPLICATIONS

BLIZZARD	U.S.	78/457,690	7-27-04
BUTLER CREEK	U.S.	78/457,666	7-27-04
DESIGN OF MOUNTAINS AND A MAN ON A HORSE	U.S.	78/460,455	8-2-04
DESIGNED THROUGH EXPERIENCE, FOCUSED ON PERFORMANCE	U.S.	78/457,683	7-27-04
HOPPE'S	U.S.	78/457,671	7-27-04
HOPPE'S ELITE	U.S.	78/285,230	8-8-03
MICHAELS OF OREGON CO.	U.S.	78/457,676	7-27-04
PRO-4	U.S.	76/486,991	1-31-03
PRO-5	U.S.	76/486,992	1-31-03
STAR CLIP	U.S.	78/457,688	7-27-04
STEEL LIPS	U.S.	78/460,460	8-2-04
THE GUN CARE PEOPLE	U.S.	78/449,091	7-12-04
UNCLE MIKE'S	U.S.	78/457,679	7-27-04
UNCLE MIKE'S & SHINGLE DESIGN	U.S.	78/460,449	8-2-04
UNCLE MIKE'S LAW ENFORCEMENT & DESIGN	U.S.	76/527,446	6-19-03
PRO-3	Canada	1,225,200	7-28-04
PRO-3	European Union	003246303	6-30-03
DEDICATED TO DUTY	U.S.	-	To be filed

TRADEMARK LICENSES

- 1 Agreement dated effective May 21, 2004 between Michaels of Oregon Co. and Blackwater Training Centers, Inc., whereby Blackwater Training Centers, Inc. granted to Michaels of Oregon Co. the right to use the names "Blackwater" and "Blackwater Training" in connection with certain products

SCHEDULE I

C. COPYRIGHTS

<u>TITLE</u>	<u>TX REG. NO.</u>	<u>REG. DATE</u>
BUTLER CREEK 1998	5-770-872	6-19-03
BUTLER CREEK 1999	5-756-267	6-19-03
BUTLER CREEK 2000	5-775-841	6-19-03
BUTLER CREEK 2001	5-756-099	6-19-03
BUTLER CREEK 2002	5-775-840	6-19-03
BUTLER CREEK 2003	5-753-653	6-2-03
BUTLER CREEK 2004	5-964-646	4-1-04
HOPPE'S 1999	5-966-378	10-7-03
HOPPE'S 2000	5-966-380	10-7-03
HOPPE'S 2001	5-966-379	10-7-03
HOPPE'S 2002	5-830-975	10-7-03
HOPPE'S 1903-2003 100 YEAR ANNIVERSARY 2003	5-739-302	6-3-03
HOPPE'S 9 THE GUN CARE PEOPLE 2004	5-951-278	4-1-04
UNCLE MIKE'S 2003	5-753-654	6-2-03
UNCLE MIKE'S LAW ENFORCEMENT 2004	5-951-279	4-1-04
UNCLE MIKE'S MAKING GOOD GUNS BETTER 1992	5-770-104	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER 1993	5-770-105	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER 1994	5-770-109	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER 1995	5-770-108	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER 1996	5-770-107	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER FOR 50 YEARS 1997	5-770-110	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER FOR 50 YEARS 1998	5-770-106	6-24-03
UNCLE MIKE'S MAKING GOOD GUNS BETTER FOR 50 YEARS 1999	5-770-103	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 1994	5-808-125	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 1995	5-808-212	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 1996	5-808-126	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY OUR 50 TH YEAR 1997	5-808-127	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 1998	5-808-213	6-24-03
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UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 2000	5-808-214	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 2001	5-808-211	6-24-03
UNCLE MIKE'S SIDEKICK PROFESSIONAL DEDICATED TO DUTY 2002	5-808-124	6-24-03

TITLETX REG. NO.REG. DATE

UNCLE MIKE'S THE WHOLE SHOOTIN' MATCH 2000

Pending
6-13-03

UNCLE MIKE'S THE WHOLE SHOOTIN' MATCH 2001

Pending
6-13-03

UNCLE MIKE'S THE WHOLE SHOOTIN' MATCH 2002

5-808-066

6-23-03

UNCLE MIKE'S THE WHOLE SHOOTIN' MATCH 2004

5-952-946

4-1-04

TITLEVA REG. NO.REG. DATE

"WORLD'S FASTEST GUN BORE CLEANER"

863-450

4-28-97