PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT		
NATURE OF CONVEYANCE:		Supplement to Acknowledgement of Intellectual Property Collateral Lien		ו
CONVEYING PARTY DATA				
		Name	Execution Date	
Firearms Training Systems, Inc.			08/31/2005	
FATS, Inc.			08/31/2005	
RECEIVING PARTY DATA				
Name: Capital	Source Fina	ance LLC		
	4445 Willard Avenue			
Internal Address: 12th FI	12th Floor			
City: Chevy	Chevy Chase			
	MARYLAND			
Postal Code: 20815	20815			
Patent Number:	6854			
· · · · · · · · · · · · · · · · · · ·	58)450-849			
	<i>na US Mail</i> 58 450 8400	when the fax attempt is unsuccessful)		
Email: David.Hall@hellerehrman.com				
Correspondent Name: David A. Hall				
Address Line 1: 4350 La Jolla Village Drive		-		
Address Line 4: Sa	an Diego, C	ALIFORNIA 92071		
NAME OF SUBMITTER:		David A. Hall		
Total Attachments: 4				
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SUPPLEMENT TO ACKNOWLEDGEMENT OF INTELLECTUAL PROPERTY COLLATERAL LIEN

This Supplement to Acknowledgement of Intellectual Property Collateral Lien (this "Acknowledgement") is dated as of August <u>31</u>, 2005, by each of Firearms Training Systems, Inc., a Delaware corporation, and FATS, Inc., a Delaware corporation (each a "Grantor" and, collectively, the "Grantors"), in favor of CapitalSource Finance LLC, a Delaware limited liability company, as administrative agent and collateral agent for the Lenders under the Loan Agreement (in such capacities, "Secured Party").

WITNESSETH:

WHEREAS, pursuant to that certain Revolving Credit, Term Loan and Security Agreement dated as of September 30, 2004 among Grantors, Secured Party and the Lenders (as the same exists and may be amended, restated, supplemented, extended, renewed, replaced or otherwise modified from time to time, the "Loan Agreement"), the Lenders have provided and have agreed to provide Loans to the Grantors upon the terms and subject to the conditions set forth therein; and

WHEREAS, the Grantors granted to Secured Party, for itself and the benefit of the Lenders, certain liens on the Collateral to secure their Obligations under the Loan Agreement; and

WHEREAS, pursuant to the terms of the Loan Agreement the Grantors executed and delivered an Acknowledgment of Intellectual Property Collateral Lien dated September 30, 2004 (the "Existing Acknowledgement") in favor of Secured Party, for itself and the benefit of the Lenders; and

WHEREAS, subsequent to the date of the Existing Acknowledgement, the Grantors were granted patent number 6,854,480 for "Regulated Gas Supply" (the "**New Patent**") and, pursuant to the Loan Agreement, the Grantors are required to execute and deliver this Acknowledgement covering the New Patent;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Secured Party and lenders to continue to make Loans to the Grantors under the Loan Agreement, each Grantor hereby agrees with Secured Party as follows:

Section 1. <u>Defined Terms</u>. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement or, to the extent the same are used or defined therein, the meanings provided in Article 9 of the UCC in effect on the date hereof. Whenever the context so requires, each reference to

SUPPLEMENT TO ACKNOWLEDGMENT OF IP COLLATERAL LIEN

PATENT REEL: 016610 FRAME: 0196 gender includes the masculine and feminine, the singular number includes the plural and vice versa. This Acknowledgement shall mean such agreement as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, from time to time. Unless otherwise specified, all accounting terms not defined in the Loan Documents shall have the meanings given to such terms in and shall be interpreted in accordance with GAAP. References in this Acknowledgement to any Person shall include such Person and its successors and permitted assigns.

Section 2. <u>Reaffirmation of Grant of Security Interest</u>. Each Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations of such Grantor, hereby reaffirms its grant to Secured Party, for itself and the benefit of the Lenders, of a first priority security interest in the Collateral, and further collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to Secured Party, for itself and the benefit of the Lenders, and grants to Secured Party, for itself and the benefit of the Lenders, and grants to Secured Party, for itself and the benefit of the Lenders, a lien on and security interest in all of its right, title and interest in, to and under the following Collateral of such Grantor (herein referred to as "Supplemental Intellectual Property Collateral"):

United States patent number 6,854,480 for "Regulated Gas Supply" issued February 15, 2005; and

all renewals, reissues, continuations or extensions of the foregoing; and

all Proceeds of the foregoing, including any claim by any Grantor against third parties for past, present or future infringement or dilution of the foregoing.

Section 3. <u>Acknowledgement</u>. The security interests reaffirmed herein are granted in conjunction with the security interest granted to Secured Party, for itself and the benefit of the Lenders, pursuant to the Loan Agreement and each Grantor hereby acknowledges and affirms that the rights and remedies of Secured Party and Lenders with respect to the security interest in the Supplemental Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent that there is any conflict or inconsistency between this Acknowledgement and the Loan Agreement, the terms and conditions of the Loan Agreement shall govern. This Acknowledgement supplements the Existing Acknowledgement and the Existing Acknowledgement shall remain in full force and effect.

[signature page follows]

IN WITNESS WHEREOF, each Grantor has caused this Acknowledgment to be executed and delivered by its duly authorized offer as of the date first set forth above.

FIREARMS TRAINING SYSTEMS, INC. FATS, INC.

By:

Name: Title:

By: Name: <u>6</u> Title:

Accepted and Agreed:

CAPITALSOURCE FINANCE LLC, as Secured Party

By: Namø 92 Titl ance υÜ

ACKNOWLEDGEMENT OF GRANTORS

STATE OF GEORGIA) COUNTY OF Jondy th

On this <u>16</u> day of <u>Sugust</u>, 2005 before me personally appeared <u>Aleany A. Tori</u>, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Firearms Training Systems, Inc. and FATS, Inc., who being by me duly sworn did depose and say that he is an authorized officer of each said corporation, that the said instrument was signed on behalf of each said corporation as authorized by its respective Board of Directors and that he acknowledged said instrument to be the free act and deed of each said corporation.

Notary Public

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PATENT REEL: 016610 FRAME: 0199

RECORDED: 09/29/2005