

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT4249574

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	LICENSE
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
MICHAEL HENRY BLANK	04/08/2015
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	SHARPS RIFLE COMPANY, INC
<b>Street Address:</b>	1195 US HIGHWAY 20-26-87
<b>City:</b>	GLENROCK
<b>State/Country:</b>	WYOMING
<b>Postal Code:</b>	82637
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
<b>Application Number:</b>	13564422
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(314)231-4342
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
<b>Phone:</b>	3143457000
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<b>Correspondent Name:</b>	SENNIGER POWERS LLP
<b>Address Line 1:</b>	100 NORTH BROADWAY, 17 FLOOR
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<b>ATTORNEY DOCKET NUMBER:</b>	SHPS 1320
<b>NAME OF SUBMITTER:</b>	KIMBERLY SANSONE
<b>SIGNATURE:</b>	/KIMBERLY SANSONE/
<b>DATE SIGNED:</b>	01/30/2017
<b>Total Attachments: 7</b>	
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**SETTLEMENT, PATENT ASSIGNMENT,  
AND PATENT LICENSE AGREEMENT**

This Settlement, Patent Assignment, and Patent License Agreement (“Agreement”) is entered into on April 8, 2015 (the “Effective Date”) by and between Michael Henry Blank, an individual residing at 731 Walnut Creek Lane, Chesterfield, Missouri 63017 (“Blank”); Broadsword Group LLC, a Wyoming limited liability company with its principal place of business at 1195 US Highway 20-26-87, Glenrock, Wyoming 82637 (“Broadsword”); and Sharps Rifle Company, Inc., a Wyoming corporation and subsidiary of Broadsword with its principal place of business at 1195 US Highway 20-26-87, Glenrock, Wyoming 82637 (“Sharps”). Blank, Broadsword, and Sharps are collectively referred to herein as the “Parties.”

WHEREAS, prior to March 7, 2014, Blank had been an employee of Broadsword, and during and prior to such employment Blank conceptualized certain inventions and potential inventions that have become or will potentially become the subject of certain patent applications, potential patent applications, and potential patents (the “Intellectual Property”);

WHEREAS a dispute has developed between Blank and Sharps over the ownership of the Intellectual Property, which such dispute is currently the subject, *inter alia*, of a lawsuit currently pending in the United States District Court for the Eastern District of Missouri, styled *Michael Henry Blank v. Broadsword Group LLC and Sharps Rifle Company, Inc.*, Case No. 4:14-cv-1550 DDN (the “Lawsuit”); and

WHEREAS the Parties have agreed to resolve the dispute between them regarding the ownership of the Intellectual Property, to remove such dispute from the Lawsuit, and to proceed with the Lawsuit regarding the other issues remaining in the Lawsuit;

NOW THEREFORE, in consideration of the mutual covenants and promises and other good and valuable consideration contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. As used herein:

1.1 The “Symmetric Firearm Bolt Patent Rights” means U.S. Patent Application No. 13/564,422, titled Breech Bolt For Firearm (symmetric), the invention disclosed in such application, all currently pending other potential foreign patent applications claiming priority to such U.S. application, and any and all current and future patent rights and U.S. and foreign patents that may issue from any of such applications.

1.2 The “Symmetric Firearm Bolt Products” means products of the kind disclosed and described in connection with Symmetric Firearm Bolt Patent Rights.

1.3 The “Asymmetric Firearm Bolt Patent Rights” means U.S. Patent Application No. 14/205,960, titled Breech Bolt Having Asymmetric Lugs, the invention disclosed in such application, all currently pending and other potential foreign patent applications claiming priority

to such U.S. application, and any current and future patent rights and U.S. and foreign patents that may issue from any of such applications.

1.4 The “Asymmetric Firearm Bolt Products” means products of the kind disclosed and described in connection with Asymmetric Firearm Bolt Patent Rights.

1.5 The “Asymmetric Barrel Extension Invention” means the invention and potential patent rights relating to such invention, conceptualized by Blank and disclosed to Sharps’ patent counsel during Blank’s employment by Broadsword.

1.6 The “Asymmetric Barrel Extension Products” means products of the kind disclosed and described in connection with the Asymmetric Barrel Extension Invention.

1.7 “Other Potential Patents” means all the inventions and potential inventions conceptualized by Blank during his employment by Broadsword, together with all patent rights and potential patent rights related thereto, including, but not necessarily limited to, the ideas heretofore disclosed by Blanks to Sharps and known as the bolt carrier, the gas key, the firing pin retainer, and the method for determining the shape of rifling.

1.8 “Sharps Bolt Carrier Products” means products heretofore or hereafter made, sold, offered for sale, or imported by Sharps that include a bolt carrier design used in products and commercially available from Sharps on or before the Effective Date.

## 2. Assignments and Cooperation.

2.1 Blank hereby assigns to Sharps whatever rights Blank has or may have in and to the Asymmetric Firearm Bolt Patent Rights and the Asymmetric Barrel Extension Invention.

2.2 Blank agrees to cooperate with Sharps and Sharps’ counsel in connection with any and all necessary further patent prosecution efforts in connection with the Asymmetric Firearm Bolt Patent Rights and the Asymmetric Barrel Extension Invention, including, but not necessarily limited to, executing any all requested patent assignment documents. Blank further agrees to cooperate fully with Sharps in the future in connection with any patent infringement litigation that may involve the Asymmetric Firearm Bolt Patent Rights and the Asymmetric Barrel Extension Invention.

2.3 Sharps hereby assigns to Blank whatever rights Sharps has or may have in and to the Symmetric Firearm Bolt Patent Rights and the Other Potential Patents.

2.4 Sharps agrees to provide to Blank, on Blank’s request, any documents in the possession of Sharps or Sharps’ counsel relating to any patent application or prosecution work relating to Symmetric Firearm Bolt Patent Rights and the Other Potential Patents that has occurred prior to the Effective Date. Sharps shall have no further obligation to assist Blank in any way with any further patent application or prosecution efforts or litigation relating to Symmetric Firearm Bolt Patent Rights and the Other Potential Patents.

3. Blank License Grants and Covenants.

3.1 Blank hereby grants to Sharps a perpetual, royalty-free, worldwide, non-exclusive, irrevocable license under the Symmetric Firearm Bolt Patent Rights and the Other Potential Patents to make, use, sell, offer to sell, and import Asymmetric Firearm Bolt Products.

3.2 Blank hereby covenants not to sue Sharps for infringement of Blank's Symmetric Firearm Bolt Patent Rights or the Other Potential Patents in connection with any Asymmetric Firearm Bolt Products made, used, owned, sold, offered for sale, or imported by Sharps.

3.3 Blank hereby grants to Sharps a perpetual, royalty-free, worldwide, non-exclusive, irrevocable license under the Other Potential Patents to make, use, sell, offer to sell, and import Sharps Bolt Carrier Products.

3.4 Blank hereby covenants not to sue Sharps for infringement of Other Potential Patents in connection with any Sharps Bolt Carrier Products made, used, owned, sold, offered for sale, or imported by Sharps.

3.5 Blank hereby grants to Sharps a perpetual, royalty-free, worldwide, non-exclusive, irrevocable license under the Other Potential Patents to make, use, sell, offer to sell, and import Asymmetric Barrel Extension Products.

3.6 Blank hereby covenants not to sue Sharps for infringement of Other Potential Patents in connection with any aspects of the Asymmetric Barrel Extension Products made, used, owned, sold, offered for sale, or imported by Sharps.

3.7 Blank hereby agrees and covenants not to make, use, sell, offer to sell, or import, directly or indirectly through third-parties, any Symmetric Firearm Bolt Products, in the United States of America or its territories or possessions at any time prior to eighteen (18) months after the Effective Date. During such eighteen month period Blank may make, use, sell, offer to sell, or import Symmetric Firearm Bolt Products outside of the United States of America and its territories and possessions, and in connection therewith, Blank may make and use Symmetric Firearm Bolt Products inside the United States so long as such activities relate solely to and are necessary to Blank's activities outside the United States.

4. Representations and Warranties.

4.1 The Parties hereby represent, warrant, and covenant that: (a) each Party has the right, power, and authority to enter into this Agreement, (b) this Agreement has been duly executed and delivered, (c) this Agreement is valid, legal, and binding on the Parties, and (d) this Agreement does not contravene any other agreement to which Blank or Sharps is a party.

4.2 Blank represents, warrants, and covenants that: (a) Blank has the authority to grant to Sharps all of the rights and licenses granted herein; (b) Blank, to his knowledge, is unaware of any rights superior to those of Blank or Sharps in the Intellectual Property that would prevent Sharps from fully benefiting from the rights assigned and/or licensed to it under this Agreement; and (c) Blank is unaware of any prior art that could potentially be used to invalidate any potential patent resulting from the Asymmetric Firearm Bolt Patent Rights or the

Asymmetric Barrel Extension Invention or that could otherwise interfere with Sharps' right to pursue such patent rights.

4.3 Sharps represents, warrants, and covenants that: (a) Sharps has the authority to grant to Blank all of the rights assigned herein; and (b) Sharps, to its knowledge, is unaware of any rights superior to those of Blank or Sharps in the Intellectual Property that would prevent Blank from fully benefiting from the rights assigned to him under this Agreement.

5. Term and Termination.

5.1 The term of this Agreement shall be for the duration of the patents that may issue as a result of the Symmetric Firearm Bolt Patent Rights and/or the Asymmetric Barrel Extension Invention. This Agreement may be terminated earlier only by written agreement of the Parties.

6. Continuation of Lawsuit.

6.1 This Agreement settles only the issues in the Lawsuit that are specifically addressed herein. The remaining issues in the Lawsuit, i.e. those relating to Blank's claim to an ownership interest in Sharps, shall be resolved in the Lawsuit or otherwise. As soon as practicably possible after execution of this Agreement, the Parties shall jointly approach the Court in the Lawsuit to inform the Court of their partial settlement of the Lawsuit and will cooperate with each in amending the pleadings in the Lawsuit in accordance with any direction supplied by the Court.

6.2 Nothing in this Agreement shall be used by either Party in the Lawsuit as evidence for any purpose with respect to the remaining issues in the Lawsuit.

7. Miscellaneous.

7.1 This Agreement, and/or any of the rights hereunder, may be assigned by either Party, provided that such Party provides written notice of the assignment to the other Party and the assignee agrees in writing to assume all rights and obligations of the assigning Party under this Agreement. This Agreement will be binding on and inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and assigns.

7.2 Each Party will hold in strict confidence the terms and conditions of this Agreement. Notwithstanding the foregoing, a Party may disclose the terms and conditions of this Agreement (a) to any of its officers, directors, or employees, or its affiliates' officers, directors, or employees, who have a need to know any of the terms of this Agreement; (b) to legal, accounting, or other advisors; (c) to actual or potential buyers or investors who are bound by a written confidentiality obligation at least as protective as this paragraph; (d) if such disclosure is required by applicable law, regulatory authority or court order or reasonably necessary to enforce the terms of this Agreement; or (e) to the extent required by the operation of law. Notwithstanding the foregoing, the Parties are permitted to make general assurances regarding their respective ownership of the Intellectual Property; and, in response to inquiries or by press release, the Parties may state that the Dispute among them relating to ownership of the Intellectual Property has been settled amicably on terms that are confidential, which such press

releases may be released generally or directed specifically to particular persons or entities who have heretofore been made aware of the Parties' Dispute.

7.3 It is intended that each provision of this Agreement will be viewed as separate and divisible, and in the event that any provision will be held to be invalid, void, or unenforceable, the remaining terms of this Agreement will continue to be in full force and effect to the greatest extent possible provided by law.

7.4 The waiver by either Party of a breach or a default of any provision of this Agreement by any other Party will not be construed as a waiver of any other provision, or of the same provision at a later time. Nor will any delay or omission on the part of a Party to exercise or avail itself of any rights, power, or privilege that it has or may have hereunder operate as a waiver of any right, power, or privilege by such Party.

7.5 Nothing contained in this Agreement will be deemed to constitute or to place the Parties in the relationship of agent, employee, franchisee, officer, partners, or joint venturers for any purpose. Neither Party will have authority to speak for, represent, or obligate the other Party in any way without prior written authority from such other Party. No Party will be responsible for the acts or omissions of the other Party.

7.6 Each Party will perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions and purpose of this Agreement.

7.7 This Agreement will be governed by and construed in accordance with the laws of the State of Wyoming without giving effect to conflict of laws rules.

7.8 Each Party acknowledges that the other Party would be damaged irreparably in the event that this Agreement is not performed by such Party in accordance with its specific terms or is otherwise breached by such Party and that, in addition to any other remedy that the other Party may have under law or equity, the other Party shall be entitled to seek injunctive relief to prevent breaches of the terms of this Agreement and to seek to enforce specifically the terms and provisions hereof that are required to be performed by such Party, without posting a bond or other security.

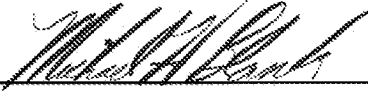
7.9 This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement may be executed by facsimile signatures or other electronic means, and such signatures shall be deemed to bind each Party as if they were original signatures.

7.10 Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision.

7.11 This Agreement constitutes the complete and exclusive statement by the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous agreements and discussions by and among the Parties with respect to the subject matter of this Agreement. The provisions of this Agreement may not be waived, altered, modified, amended, or repealed, in whole or in part, except with the unanimous written consent of the Parties.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as set forth below.

**Michael Henry Blank**

  
\_\_\_\_\_

Date: April 8, 2015

**Sharps Rifle Company, Inc.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Broadsword Group LLC**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as set forth below.

**Michael Henry Blank**

.....

Date: .....

**Sharps Rifle Company, Inc.**

By: Jay A. Lesser

Name: JAY A. LESSER

Title: PRESIDENT

Date: APRIL 8, 2015

**Broadsword Group LLC**

By: Jay A. Lesser

Name: JAY A. LESSER

Title: PRESIDENT

Date: APRIL 8, 2015