506319331 10/23/2020

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1 Stylesheet Version v1.2 EPAS ID: PAT6366082

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Execution Date
FAAC INCORPORATED	10/22/2020

RECEIVING PARTY DATA

Name:	CHURCHILL AGENCY SERVICES LLC, AS COLLATERAL AGENT		
Street Address:	430 PARK AVENUE, 14TH FLOOR		
City:	NEW YORK		
State/Country:	NEW YORK		
Postal Code:	10022		

PROPERTY NUMBERS Total: 4

Property Type	Number	
Application Number:	16000504	
Application Number:	16009862	
Application Number:	16376621	
Application Number:	16570717	

CORRESPONDENCE DATA

Fax Number: (214)981-3400

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.

Phone: 214-981-3483

Email: dclark@sidley.com

Correspondent Name: DUSAN CLARK, ESQ.

Address Line 1: SIDLEY AUSTIN LLP

Address Line 2: 2021 MCKINNEY AVE., SUITE 2000

Address Line 4: DALLAS, TEXAS 75201

ATTORNEY DOCKET NUMBER:	96939-30270
NAME OF SUBMITTER:	DUSAN CLARK
SIGNATURE:	/Dusan Clark/
DATE SIGNED:	10/23/2020

Total Attachments: 5

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PATENT 506319331 REEL: 054152 FRAME: 0713

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PATENT REEL: 054152 FRAME: 0714

PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of October 22, 2020 (this "<u>Patent Security Agreement</u>"), made by FAAC Incorporated, a Michigan corporation (the "<u>Grantor</u>"), in favor of Churchill Agency Services LLC, as Collateral Agent (as defined in the Credit Agreement referred to below).

Reference is made to (i) the Credit Agreement, dated as of October 22, 2020 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Arotech Corporation, a Delaware corporation (the "Borrower"), Arotech Intermediate, Inc., a Delaware corporation ("Holdings"), each Lender from time to time party thereto, Churchill Agency Services LLC, as Administrative Agent and Collateral Agent and the other parties thereto from time to time, (ii) each Guaranty, (iii) each Secured Hedge Agreement and (iv) each Secured Cash Management Agreement.

WHEREAS, the Grantor is party to a Security Agreement, dated as of October 22, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Security Agreement"), in favor of the Collateral Agent pursuant to which the Grantor is required to execute and deliver this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce the Lenders to extend and/or maintain credit under the Credit Agreement, the Grantor hereby agrees with the Collateral Agent as follows:

SECTION 1. <u>Defined Terms</u>. Unless otherwise defined herein, capitalized terms used herein and not defined have the meaning given to them in the Security Agreement, or if not defined therein, in the Credit Agreement.

SECTION 2. Grant of Security Interest in Patents. As security for the payment or performance, as the case may be, in full of the Secured Obligations, the Grantor hereby grants to the Collateral Agent, for the benefit of the Secured Parties, a continuing security interest (the "Security Interest") in, all of the Grantor's right, title or interest in or to any and all of the Owned Patents included in the Collateral (the "Patent Collateral"), including those listed on Schedule I hereto, and all proceeds of, and all causes of action arising prior to or after the date hereof for infringement of, any of the Patent Collateral, now owned or at any time hereafter acquired by the Grantor or in which the Grantor now has or at any time in the future may acquire any right, title or interest.

SECTION 3. Security Agreement. The Security Interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Collateral Agent pursuant to the Security Agreement, and the Collateral Agent and the Grantor hereby acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the Security Interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. <u>Counterparts</u>. This Patent Security Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Delivery by telecopier, .pdf or other electronic imaging means of an executed counterpart of a signature page to this Patent Security Agreement shall be effective as delivery of an original executed counterpart of this Patent Security Agreement. This Patent Security Agreement shall become

PATENT REEL: 054152 FRAME: 0715 effective as to the Grantor when a counterpart hereof executed on behalf of the Grantor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon the Grantor and its permitted successors and permitted assigns.

SECTION 5. <u>Recordation</u>. The Grantor authorizes and requests that the Commissioner of Patents and Trademarks and any other applicable government officer record this Patent Security Agreement.

SECTION 6. <u>Governing Law.</u> This Patent Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 7. <u>Termination</u>. Upon the termination of the Security Agreement in accordance with its terms and written request by the Grantor, the Collateral Agent shall execute, acknowledge, and deliver to the Grantor an instrument in writing in recordable form releasing the collateral pledge, grant, assignment, lien and security interest in the Patent Collateral under this Patent Security Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

FAAC INCORPORATED,

as Grantor

By: ______Name: Stephen Littauer

Title: Treasurer

Accepted and Agreed:

CHURCHILL AGENCY SERVICES LLC,

as Collateral Agent

By: Mathew Linett

Title: Senior Managing Director

SCHEDULE I

PATENT SECURITY AGREEMENT PATENT REGISTRATIONS AND PATENT APPLICATIONS

UNITED STATES PATENTS:

RECORDED: 10/23/2020

Title	Status	App./Patent Number	App/Patent Date	Owner/Assignee
Round Counting Simulation Magazine	Pending	16/000504	June 5, 2018	FAAC INCORPORATED
Driving Simulation Scoring System	Pending	16/009862	June 15, 2018	FAAC INCORPORATED
Driving Simulation Scoring System	Pending	16/376621	April 5, 2019	FAAC INCORPORATED
Pump Operation Panel Simulator	Pending	16/570717	September 13, 2019	FAAC INCORPORATED

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