

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Intellectual Property Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
SOFT AIR USA, INC.		05/16/2012	CORPORATION: TEXAS
PALCO MARKETING, INC.		05/16/2012	CORPORATION: MINNESOTA
SPARTAN IMPORTS, INC.		05/16/2012	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	BRANCH BANKING AND TRUST COMPANY
Street Address:	8214 Westchester Drive
Internal Address:	Suite 400
City:	Dallas
State/Country:	TEXAS
Postal Code:	75225
Entity Type:	banking corporation: NORTH CAROLINA

PROPERTY NUMBERS Total: 19

Property Type	Number	Word Mark
Registration Number:	3239843	FIREPOWER
Registration Number:	3217812	FIREPOWER
Registration Number:	2338740	FLYING COLORS
Registration Number:	2345551	SPLATMATIC
Serial Number:	85438443	BUNKER BUSTER
Serial Number:	85411773	TERMINATOR
Registration Number:	4084866	SOFT AIR
Serial Number:	85352173	AMP TACTICAL
Registration Number:	4013836	BANDASTIC
Serial Number:	85374073	HYDRO DRENCHER
Registration Number:	3806421	SOFT MARK
Registration Number:	3765372	STRYKE ZONE

OP \$490.00 3239843

Registration Number:	3765368	SATURATOR
Registration Number:	3773301	ON DUTY KIT
Registration Number:	3772618	SECOND CHANCE BBS
Registration Number:	3719404	SUDAVIATION
Registration Number:	3715975	MAS P5
Registration Number:	4120996	JAVELIN AIRSOFT WORKS
Registration Number:	4105088	JAVELIN AIRSOFT WORKS

CORRESPONDENCE DATA

Fax Number: 2147581550
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.
Phone: 2147581500
Email: shernandez@pattonboggs.com
Correspondent Name: Nam H. Huynh
Address Line 1: 2000 McKinney Avenue, Suite 1700
Address Line 2: Patton Boggs LLP
Address Line 4: Dallas, TEXAS 75201

ATTORNEY DOCKET NUMBER:	0259505.0105
NAME OF SUBMITTER:	Nam H. Huynh
Signature:	/Nam H. Huynh/
Date:	05/30/2012

Total Attachments: 8
source=IP Security Agreement#page1.tif
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of May 16, 2012 by and among BRANCH BANKING AND TRUST COMPANY, a North Carolina banking corporation ("**Bank**"), SOFT AIR USA, INC., a Texas corporation ("**Soft Air**"), PALCO MARKETING, INC., a Minnesota corporation ("**Palco**"), SPARTAN IMPORTS, INC., a California corporation ("**Spartan**," together with Soft Air and Palco, each individually, a "**Borrower**" and collectively, "**Borrowers**").

RECITALS

Bank has agreed to make certain advances of money and to extend certain financial accommodations to Borrowers under that certain Loan Agreement by and among Bank, Borrowers and the Guarantors (as defined therein) dated of even date herewith (as amended, restated, or otherwise modified from time to time, the "**Loan Agreement**"). Capitalized terms used herein are used as defined in the Loan Agreement. Pursuant to the terms of the Loan Agreement, each Borrower has granted to Bank a security interest in its personal property.

NOW, THEREFORE, each Borrower agrees as follows:

AGREEMENT

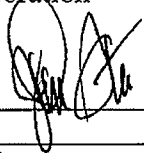
To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between each Borrower and Bank, each Borrower grants to Bank a security interest in all of such Borrower's right, title and interest in, its Intellectual Property (including without limitation those copyrights, patents and trademarks listed on Schedules A, B, and C hereto) and all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof. Each Borrower represents and warrants that Schedules A, B, and C attached hereto set forth any and all intellectual property rights in connection to which such Borrower has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office or any other agency of any state or country responsible for the registration of any patent, trademark, copyright, or similar protection, as applicable. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

[Signature pages follow]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

BORROWERS:

SOFT AIR USA, INC.,
a Texas corporation

By:  _____
Name: John Steele
Title: CFO

PALCO MARKETING, INC.,
a Minnesota corporation

By: _____
Name: _____
Title: _____

SPARTAN IMPORTS, INC.,
an California corporation

By: _____
Name: _____
Title: _____

[Signature Page to Intellectual Property Security Agreement]

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IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

BORROWERS:

SOFT AIR USA, INC.,
a Texas corporation

By: _____
Name: _____
Title: _____

PALCO MARKETING, INC.,
a Minnesota corporation

By:  _____
Name: Mark Skrocki
Title: President

SPARTAN IMPORTS, INC.,
an California corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

BORROWERS:

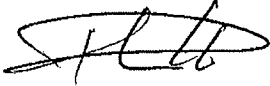
SOFT AIR USA, INC.,
a Texas corporation

By: _____
Name: _____
Title: _____

PALCO MARKETING, INC.,
a Minnesota corporation

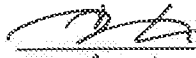
By: _____
Name: _____
Title: _____

SPARTAN IMPORTS, INC.,
an California corporation

By:  _____
Name: Peter Ho
Title: Vice President

BANK:

BRANCH BANKING AND TRUST COMPANY
a North Carolina banking corporation

By: 
Name: Nathan Hillman
Title: VP

[Signature Page to Intellectual Property Security Agreement]

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TRADEMARK
REEL: 004791 FRAME: 0323

SCHEDULE A
Copyrights

#	Name (NALL) <	Full Title	Copyright Number	Date
<input type="checkbox"/> [1]	Soft Air USA	<u>Blue Fun2Fly Toy Helicopter.</u>	VAu000956595	2007
<input type="checkbox"/> [2]	Soft Air USA	<u>Red Fun2Fly Toy Helicopter.</u>	VAu000956593	2007
<input type="checkbox"/> [3]	Soft Air USA	<u>Yellow Fun2Fly Toy Helicopter.</u>	VAu000956597	2007
<input type="checkbox"/> [4]	SOFT AIR USA, INC.	<u>MICROCOPTER: CYBERGUN.</u>	VAu001029874	2008

SCHEDULE B
Patents

None.

SCHEDULE C
Trademarks

Palco Marketing, Inc. (4 LIVE Trademarks)

	Serial Number	Reg. Number	Word Mark	Live/Dead
1	<u>78936957</u>	<u>3239843</u>	<u>FIREPOWER</u>	<u>LIVE</u>
2	<u>78885640</u>	<u>3217812</u>	<u>FIREPOWER</u>	<u>LIVE</u>
3	<u>75743849</u>	<u>2338740</u>	<u>FLYING COLORS</u>	<u>LIVE</u>
4	<u>75743431</u>	<u>2345551</u>	<u>SPLATMATIC</u>	<u>LIVE</u>

Soft Air USA, Inc. (13 LIVE Trademarks)

	Serial Number	Reg. Number	Word Mark	Status Live/Dead
1	<u>85438443</u>		<u>BUNKER BUSTER</u>	<u>LIVE</u>
2	<u>85411773</u>		<u>TERMINATOR</u>	<u>LIVE</u>
3	<u>85160618</u>	<u>4084866</u>	<u>SOFT AIR</u>	<u>LIVE</u>
4	<u>85352173</u>		<u>AMP TACTICAL</u>	<u>LIVE</u>
5	<u>85121769</u>	<u>4013836</u>	<u>BANDASTIC</u>	<u>LIVE</u>
6	<u>85374073</u>		<u>HYDRO DRENCHER</u>	<u>LIVE</u>
7	<u>77858183</u>	<u>3806421</u>	<u>SOFT MARK</u>	<u>LIVE</u>
8	<u>77745898</u>	<u>3765372</u>	<u>STRYKE ZONE</u>	<u>LIVE</u>
9	<u>77744757</u>	<u>3765368</u>	<u>SATURATOR</u>	<u>LIVE</u>
10	<u>77715637</u>	<u>3773301</u>	<u>ON DUTY KIT</u>	<u>LIVE</u>
11	<u>77556753</u>	<u>3772618</u>	<u>SECOND CHANCE BBS</u>	<u>LIVE</u>
12	<u>77467045</u>	<u>3719404</u>	<u>SUDAVIATION</u>	<u>LIVE</u>
13	<u>77380772</u>	<u>3715975</u>	<u>MAS P5</u>	<u>LIVE</u>

Spartan Imports, Inc. (2 LIVE Trademarks)

	Serial Number	Reg. Number	Word Mark	Live/Dead
1	<u>85355456</u>	<u>4120996</u>	<u>JAVELIN AIRSOFT WORKS</u>	<u>LIVE</u>
2	<u>85355338</u>	<u>4105088</u>	<u>JAVELIN AIRSOFT WORKS</u>	<u>LIVE</u>