

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Arc Machines, Inc.		01/16/2008	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	Praesidian II SPV 1, LP		
Street Address:	419 Park Avenue South		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10016		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	3214820	AMI ARC MACHINES, INC.	
Registration Number:	3212321	AMI	
Registration Number:	3166917	ARC MACHINES INC.	
CORRESPONDENCE DATA			
Fax Number:	(212)735-8708		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	212 735-8600		
Email:	khotte@morrisoncohen.com		
Correspondent Name:	Kiara L. Hotte, Esq., Morrison Cohen LLP		
Address Line 1:	909 Third Avenue		
Address Line 4:	New York, NEW YORK 10022		
ATTORNEY DOCKET NUMBER:	KIARA L. HOTTE, 19346-006		
NAME OF SUBMITTER:	Kiara L. Hotte		
Signature:	/kiara l. hotte/		

CH \$90.00 3214820

Date:

01/22/2008

Total Attachments: 5

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 16th day of January, 2008, by Arc Machines, Inc., a California corporation ("Grantor"), in favor of Praesidian II SPV 1, LP, in its capacity as Agent for the Purchasers party to the Purchase Agreement (defined below) ("Grantee"):

WITNESSETH

WHEREAS, Grantor, AMI Holding Corporation ("Holdings") and Grantee are parties to a certain Note Purchase Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Purchase Agreement") providing for the extensions of credit to be made to Grantor by Purchasers;

WHEREAS, pursuant to the terms of a certain Security Agreement of even date herewith between Grantor, Holdings and Grantee (as the same may be amended or otherwise modified from time to time, the "Security Agreement"), Grantor has granted to Grantee, for the benefit of Purchasers, a security interest in substantially all of the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Security Agreement), together with the goodwill of the business symbolized by Grantor's Trademarks, and all products and proceeds thereof, to secure the payment of all amounts owing by Grantor under the Purchase Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Incorporation of Purchase Agreement and Security Agreement. The Purchase Agreement and Security Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Security Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the payment and performance of the Obligations, Grantor hereby grants to Grantee, for its benefit and the benefit of Purchasers, and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter created, acquired or arising:

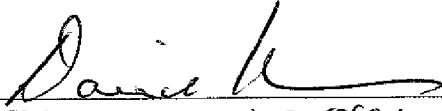
- (i) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and

(ii) all products and proceeds of the forgoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

[Signature page follows]

IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

ARC MACHINES, INC.

By 
Its Chief Financial Officer

Agreed and Accepted
As of the Date First Written Above

PRAESIDIAN II SPV 1, LP, as Agent

By _____
Its _____

[TRADEMARK SECURITY AGREEMENT]

TRADEMARK
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IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

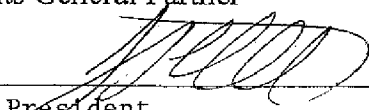
ARC MACHINES, INC.

By _____
Its _____

Agreed and Accepted
As of the Date First Written Above

PRAESIDIAN II SPV 1, LP,
as Agent

By: Praesidian II SPV 1 GP, Inc.,
its General Partner

By  _____
Its President

[TRADEMARK SECURITY AGREEMENT]

TRADEMARK
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**SCHEDULE 1
TO
TRADEMARK SECURITY AGREEMENT**

Trademarks

Trademarks:

Arc Machines, Inc.:

Title or Description	Registration Number	Filing, Registration, Issue or Application Date	Record Owner	Country
AMI Arc Machines, Inc. (stylized logo)	Trademark 3,214,820	3/6/2007	Arc Machines, Inc.	USA
AMI (standard characters)	Trademark 3,212,321	2/27/2007	Arc Machines, Inc.	USA
ARC MACHINES, INC. (standard characters)	Trademark 3,166,917	10/31/2006	Arc Machines, Inc.	USA