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Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)



102593388

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

S.COM, Inc.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State Delaware
☐ Other _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☐ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: 10/07/2003

2. Name and address of receiving party(ies)

Name: GMAC Commercial Finance LLC

Internal

Address: Suite 280

Street Address: 3000 Town Center

City: Southfield State: MI Zip: 48075

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☐ Corporation-State _____
☒ Other Delaware Limited Liability Company

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☒ No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) _____

2,527,589

Additional number(s) attached ☒ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Tammy S. Settle

Internal Address: Vedder Price Kaufman Kammholz

Street Address: 222 North LaSalle Street

City: Chicago State: IL Zip: 60601

6. Total number of applications and registrations involved: _____

1

7. Total fee (37 CFR 3.41).....\$ 40.00

- ☐ Enclosed
☒ Authorized to be charged to deposit account

8. Deposit account number:

22-0259

OFFICE OF PUBLICATION RECORDS
2003 NOV -3 PM 3:56
FINANCE SECTION

DO NOT USE THIS SPACE

9. Signature.

Tammy S. Settle

Name of Person Signing

Signature

October 30, 2003

Date

Total number of pages including cover sheet, attachments, and document: 14

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

11/04/2003 LMJELLER 00000031 220259 2527589

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40.00 DA

TRADEMARK
REEL: 002856 FRAME: 0637

SCHEDULE A

to Trademark and License Security Agreement

TRADEMARKS

Grantor has the following trademarks:

<u>Trademark</u>	<u>Application No.</u>	<u>Application Date</u>
S.COM	2,527,589	1/8/02

TRADEMARK AND LICENSE SECURITY AGREEMENT

TRADEMARK AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of October 7, 2003, made by S.COM, INC., a Delaware corporation ("Grantor"), in favor of GMAC COMMERCIAL FINANCE LLC, a Delaware limited liability company (the "Lender"), who are parties to that certain Loan and Security Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Loan Agreement") by and among Grantor, The Woolf Group Inc., a North Carolina corporation (collectively, the "Borrowers"), and Lender.

WITNESSETH:

WHEREAS, Lender and the Borrowers have entered into the Loan Agreement pursuant to which Lender has, subject to certain conditions precedent, agreed to make loans, advances and other financial accommodations (collectively, the "Loans") to the Borrowers; and

WHEREAS, Lender has required as a condition, among others, to the making of the Loans, in order to secure the prompt and complete payment, observance and performance of all of each Borrower's obligations and liabilities hereunder, under the Loan Agreement, and under all of the other instruments, documents and agreements executed and delivered by Grantor to Lender in connection with the Loan Agreement (all such obligations and liabilities being hereinafter referred to collectively as the "Obligations"), that Grantor execute and deliver this Agreement to Lender.

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

1. Defined Terms.

- (i) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Loan Agreement shall have the meanings specified in the Loan Agreement.
- (ii) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.
- (iii) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Grantor hereby grants to Lender a first priority security interest having priority

over all other security interests, with power of sale to the extent permitted by applicable law, in all of Grantor's now owned or existing and filed and hereafter acquired or arising and filed:

- (i) trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications including, without limitation, the registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule A attached hereto, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, and (d) all of Grantor's rights corresponding thereto throughout the world (all of the foregoing registered trademarks, trademark applications, registered service marks and service mark applications, together with the items described in clauses (a)-(d) in this Section 2(i), being sometimes hereinafter individually and/or collectively referred to as the "Trademarks");
- (ii) the goodwill of Grantor's business connected with and symbolized by the Trademarks; and
- (iii) license agreements with any other party in connection with any Trademarks or such other party's trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications, whether Grantor is licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B attached hereto, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Lender's rights under the Loan Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include (A) any license agreement which by its terms prohibits the grant of the security interest contemplated by this Agreement or (B) any intent-to-use trademark applications to the extent the granting of a security interest hereunder shall in any way adversely affect such application.

3. Restrictions on Future Agreements. After the date hereof, Grantor will not, without the prior written consent of Lender (such consent not to be unreasonably withheld), enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and

will use its commercially reasonable efforts not to permit any action to be taken by licensees or others subject to its control, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with those Trademarks which are necessary or desirable in the operation of Grantor's business.

4. New Trademarks. Grantor represents and warrants that the Trademarks and Licenses listed on Schedules A and B, respectively, include all of the trademarks, trademark registrations, trademark applications, trade names (used within the last three years), service marks, service mark registrations, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications now owned or held by Grantor. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new trademarks, trademark registrations, trademark applications (except intent-to-use applications), trade names, service marks, service mark registrations, service mark applications or license agreements in connection with trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks or service mark applications or (ii) become entitled to the benefit of any trademark, trademark registration, trademark application (except intent-to-use applications), trade name, service mark, service mark registration or service mark application, the provisions of Section 2 shall automatically apply thereto and Grantor shall give to Lender prompt written notice thereof. Grantor hereby authorizes Lender to modify this Agreement by (a) amending Schedules A or B, as the case may be, to include any future trademarks, trademark registrations, trademark applications, trade names, service marks, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, service marks, service mark registrations, service mark applications and trade names that are Trademarks or Licenses under Section 2, or under this Section 4, and (b) filing, in addition to and not in substitution for, this Agreement, a duplicate original of this Agreement containing on Schedules A or B thereto, as the case may be, such future trademarks, trademark applications, trade names, service marks, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and trade names which are Trademarks or Licenses under Section 2 or this Section 4.
5. Royalties. Grantor hereby agrees that the use by Lender of the Trademarks and Licenses as authorized pursuant to Section 11 shall be, to the extent permitted by applicable law, co-extensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Grantor.

6. Nature and Continuation of Lender's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall remain in full force and effect until the Obligations have been paid in full and the Loan Agreement terminated in accordance with its terms. At such time, the rights, liens and security interests granted to Lender hereunder shall also terminate and Lender shall promptly deliver to Grantor all such documents and instruments as may reasonably be necessary to terminate the Liens created pursuant to this Agreement and to evidence such termination, including, without limitation, the rights granted under Section 21.
7. Further Assignments and Security Interests. From and after the occurrence and during the continuance of an Event of Default, and subject to the terms of the Loan Agreement, Grantor agrees that Lender or a conservator appointed by Lender, shall have the right to establish such reasonable additional product quality controls as Lender or such conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks. Grantor agrees (i) except as provided in the Loan Agreement, not to sell or assign its respective interests in, or grant any license not in the ordinary course of business under, the Trademarks or the Licenses without the prior written consent of Lender, such consent not to be unreasonably withheld, (ii) use reasonable efforts to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof, and (iii) not to change the quality of such products in any material adverse respect without the prior written consent of Lender, such consent not to be unreasonably withheld.
8. Duties of Grantor. Grantor shall have the duty, to the extent desirable in the normal conduct of Grantor's business and consistent with Grantor's current business practices (i) to use reasonable efforts to prosecute diligently any trademark applications or service mark applications that are part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, (ii) to make applications for trademarks and service marks as Grantor deems appropriate, and (iii) to take reasonable steps to preserve and maintain all of Grantor's rights in the trademark applications, service mark applications and trademark and service mark registrations that are part of the Trademarks. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Grantor shall not abandon any material trademark or service mark which is the subject of a registered trademark, service mark or application therefor and which is or shall be necessary or economically desirable, in the Grantor's reasonable judgment, in the operation of the Grantor's business. Grantor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings. Lender shall not have any duty with respect to the Trademarks. Without

limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks and Licenses against any other parties, but may do so at its option during the continuance of an Event of Default, and all reasonable expenses incurred in connection therewith shall be for the sole account of Grantor and added to the Obligations secured hereby.

9. Lender's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, and subject to the terms of the Loan Agreement, Lender shall have the right, but shall not be obligated, to bring suit to enforce the Trademarks and the Licenses and, if Lender shall commence any such suit, Grantor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement. Grantor shall, upon demand, promptly reimburse and indemnify Lender for all reasonable costs and expenses incurred by Lender in the exercise of its rights under this Section 9 (including, without limitation, all reasonable attorneys' and paralegals' fees). If, for any reason whatsoever, Lender is not reimbursed with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Obligations secured hereby.
10. Waivers. No course of dealing between Grantor and Lender, and no failure to exercise or delay in exercising on the part of Lender any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver of any of Lender's rights, powers or privileges. No single or partial exercise of any right, power or privilege hereunder or under the Loan Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
11. Lender's Exercise of Rights and Remedies Upon Event of Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement, or any other agreement executed in connection therewith. Without limiting the generality of the foregoing, Grantor acknowledges and agrees that (i) the Trademarks and the Licenses comprise a portion of the Collateral and Lender shall have the right to exercise its rights under the Loan Agreement with respect to the Trademarks and the Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the occurrence and during the continuance of an Event of Default, Lender or its nominee may use the Trademarks and the Licenses to complete the manufacture of, assemble, package, distribute, prepare for sale and sell the Inventory, or otherwise in connection with the conduct of Grantor's business.

12. Authority of Lender. Grantor acknowledges that the rights and responsibilities of Lender under this Agreement with respect to any action taken by Lender or the exercise or non-exercise by Lender of any right or remedy provided for herein or resulting or arising out of this Agreement shall, be governed by the Loan Agreement.
13. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.
14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 4 hereof or by a writing signed by all the parties hereto.
15. Cumulative Remedies; Power of Attorney. All of Lender's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise to carry out the acts described below. Subject to the terms of the Loan Agreement, upon the occurrence and during the continuance of an Event of Default and the giving by Lender of written notice to Grantor of Lender's intention to enforce its rights and claims against Grantor, Grantor hereby authorizes Lender to, in its sole discretion (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks and the Licenses, (ii) take any other actions with respect to the Trademarks and the Licenses as Lender deems is in the best interest of Lender, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone on commercially reasonable terms, and (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone on commercially reasonable terms. Lender shall take no action pursuant to subsection (i), (ii), (iii) or (iv) of this Section 15 without taking like action with respect to the entire goodwill of Grantor's business connected with the use of, and symbolized by, such Trademarks. Grantor hereby ratifies all actions that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to all other rights and remedies given it by the terms of this

Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located or deemed located.


16. Binding Effect; Benefits. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns as permitted by the Loan Agreement. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Grantor; provided, however that Grantor shall not voluntarily assign its obligations hereunder without the prior written consent of Lender.
17. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws (as distinguished from the conflicts of law provisions) and decisions of the State of Michigan.
18. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.
19. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.
20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
21. Right to Record Security Interest. Lender shall have the right, but not the obligation, at the expense of Grantor, to record this Agreement in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by Lender, and Lender shall advise Grantor of such recordings. Upon satisfaction in full of the Obligations and termination of the Loan Agreement in accordance with its terms, Grantor shall have the right to effect the recording of such satisfaction or termination at the expense of Grantor in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by Grantor. Lender and Grantor shall promptly cooperate to effect all such recordings hereunder.

[SIGNATURE PAGE FOLLOWS]

Signature Page to Trademark and License Security Agreement

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

**S.COM. INC., a Delaware corporation, as
Grantor**

By: 
Name: Ben Blacksten
Title: Director

**GMAC COMMERCIAL FINANCE LLC, a
Delaware limited liability company, as
Lender**

By: _____
Name: _____
Title: _____

Signature Page to Trademark and License Security Agreement

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement
on the day and year first above written.

S.COM, INC., a Delaware corporation, as
Grantor

By: _____
Name: _____
Title: _____

GMAC COMMERCIAL FINANCE LLC, a
Delaware limited liability company, as
Lender

By: Charles D. Stephenson
Name: _____
Title: Charles D. Stephenson
Deputy Chief Credit Officer - ABL

STATE OF UNITED KINGDOM
TOWN OF ST. GEORGE'S CROSS) SS
COUNTY OF BIRMINGHAM)

The foregoing TRADEMARK AND LICENSE SECURITY AGREEMENT was executed and acknowledged before me this 13 day of October, 2003, by BENJAMIN BLACUDEN, personally known to me to be the Director of S.COM, INC., a Delaware corporation, on behalf of such entity.



P.D. Wilkinson
Notary Public P.D. WILKINSON
My commission expires: on death

STATE OF _____)
COUNTY OF _____) SS

The foregoing TRADEMARK AND LICENSE SECURITY AGREEMENT was executed and acknowledged before me this ____ day of October, 2003, by _____, personally known to me to be the _____ of GMAC COMMERCIAL FINANCE LLC, a Delaware limited liability company, on behalf of such entity.

Notary Public
My commission expires: _____

STATE OF _____)
) SS
COUNTY OF _____)

The foregoing TRADEMARK AND LICENSE SECURITY AGREEMENT was executed and acknowledged before me this ____ day of October, 2003, by _____, personally known to me to be the _____ of S.COM, INC., a Delaware corporation, on behalf of such entity.

Notary Public

My commission expires: _____

STATE OF Michigan)
) SS
COUNTY OF Wayne)

Acting in Oakland County
The foregoing TRADEMARK AND LICENSE SECURITY AGREEMENT was executed and acknowledged before me this 6th day of October, 2003, by _____, personally known to me to be the Charles D. Stephenson of GMAC COMMERCIAL FINANCE LLC, a Delaware limited liability company, on behalf of such entity.
Deputy Chief Credit Officer - ABL



Notary Public

My commission expires: 10-6-03

P. H. BINGAMAN
Notary Public, Wayne County, MI
My Commission Expires Feb 6, 2006

SCHEDULE B

to Trademark and License Security Agreement

LICENSES

Grantor has the following licenses:

NONE