

## 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
STRAND IMPORT AND DISTRIBUTORS, INC.		05/21/2013	CORPORATION: SOUTH CAROLINA
RECEIVING PARTY DATA			
Name:	INVESTORS BANK		
Street Address:	101 JOHN F. KENNEDY PARKWAY		
City:	SHORT HILLS		
State/Country:	NEW JERSEY		
Postal Code:	07078		
Entity Type:	Bank: NEW JERSEY		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	3319691	WAVE ACTION	
Registration Number:	2909089	REEF DIVER	
Registration Number:	2967537	PALM BEACH	
CORRESPONDENCE DATA			
Fax Number:	7327266603		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	(732) 855-6059		
Email:	sbordon@wilentz.com		
Correspondent Name:	Joseph J. Jankowski, Esq.		
Address Line 1:	90 Woodbridge Center Drive		
Address Line 2:	Wilentz, Goldman & Spitzer, P.A.		
Address Line 4:	Woodbridge, NEW JERSEY 07095		
NAME OF SUBMITTER:	Joseph J. Jankowski, Esq.		

OP \$90.00 3319691

Signature:	/JJJ/
Date:	05/28/2013
<p>Total Attachments: 12 source=6944768_1#page1.tif source=6944768_1#page2.tif source=6944768_1#page3.tif source=6944768_1#page4.tif source=6944768_1#page5.tif source=6944768_1#page6.tif source=6944768_1#page7.tif source=6944768_1#page8.tif source=6944768_1#page9.tif source=6944768_1#page10.tif source=6944768_1#page11.tif source=6944768_1#page12.tif</p>	

## TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is dated and made effective this 21st day of May, 2013, by **STRAND IMPORT AND DISTRIBUTORS, INC.**, a South Carolina corporation, having a mailing address at 550 George Bishop Parkway, Myrtle Beach, South Carolina 29579 ("Borrower") and delivered to **INVESTORS BANK**, a New Jersey state chartered savings bank, having an address at 101 John F. Kennedy Parkway, Short Hills, New Jersey 07078 ("Bank").

### BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith among Borrower, certain related parties thereto and Bank (as it may be supplemented, restated, superseded, amended or replaced from time to time, the "Loan Agreement"), under which Borrower is granting Bank a lien on and security interest in certain assets of Borrower associated with or relating to services or products sold under Borrower's trademarks and the goodwill associated therewith, and under which Bank is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Borrower has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule "A" attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks").

C. Pursuant to the Loan Agreement, Bank is acquiring a lien on, security interest in and a license to use the Trademarks and the registration thereof, together with all the goodwill of Borrower associated therewith and represented thereby, as security for all of Borrower's Obligations (as defined in the Loan Agreement), and Bank desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrower's Obligations, Borrower grants to Bank a lien on and security interest in all of Borrower's present and future right, title and interest in and to the Trademarks, together with all the goodwill of Borrower associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future.

infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Borrower hereby covenants and agrees to maintain the Trademarks in full force and effect until all of Borrower's Obligations are indefeasibly paid and satisfied in full.

3. Borrower represents, warrants and covenants to Bank that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) All of the Trademarks (other than application for the registration thereof which have been filed) are registered, valid and enforceable;

(c) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Borrower and Bank hereunder) and covenants by Borrower not to sue third persons;

(d) Borrower has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Borrower has complied with, and will continue for the duration of this Agreement to comply with the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks except where failure to comply would not have a material adverse effect on Borrower or its property;

(f) Borrower has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Trademarks; and

(g) Borrower has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Trademarks and hereby grants to Bank and its employees and agents, to the extent applicable, the right (with no obligation of any kind upon Bank to do so) to visit Borrower's affiliates, franchises or management locations and to inspect the use of the Trademarks and quality control records relating thereto at reasonable times during regular business hours to ensure Borrower's compliance with this paragraph 3(g).

4. Borrower further covenants that:

(a) Until all the Borrower's Obligations are indefeasibly paid and satisfied in full, Borrower will not enter, without the consent of the Bank, into any agreement, including, without limitation, license agreements or options, which are inconsistent with Borrower's obligations under this Agreement, Borrower's obligations under the Loan Agreement or which restrict or impair Bank's rights hereunder.

(b) If Borrower acquires rights to any new Trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Borrower shall give Bank prompt written notice thereof along with an amended Schedule "A."

5. So long as this Agreement is in effect and so long as Borrower has not received notice from Bank that an Event of Default has occurred under the Loan Agreement and that Bank has not elected to exercise its rights hereunder: (i) Borrower shall continue to have the exclusive right to use the Trademarks; and (ii) Bank shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Borrower agrees not to sell, grant any option, assign or further encumber its rights and interest in the Trademarks to any entity or person other than Bank without the prior written consent of Bank.

7. Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Agreement, Borrower hereby covenants and agrees that Bank, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect from time to time, in the State of South Carolina, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Trademarks covered hereby. For such purposes, while an Event of Default exists, Borrower hereby authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, documents, papers and instruments necessary for Bank to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute a Trademark Assignment in the form attached hereto as Exhibit 1. Borrower hereby ratifies all that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or agent. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Borrower's Obligations are indefeasibly paid and satisfied in full.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Bank shall be in addition to any rights and remedies granted to Bank under the Loan Documents. In the event of an inconsistency between this Agreement and Loan Agreement, the language of this Agreement shall control.

10. Upon Borrower's performance of all of the obligations under the Loan Documents and after all Borrower's Obligations are indefeasibly paid and satisfied in full, Bank shall, at Borrower's expense, execute and deliver to Borrower all documents reasonably necessary to terminate Bank's security interest in the Trademarks.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Bank in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, in each case in accordance with the terms of this Agreement, shall be borne and paid by Borrower on demand by Bank and until so paid shall be added to the principal amount of Borrower's Obligations to Bank and shall bear interest at the otherwise applicable rate prescribed in the Loan Agreement.

12. Subject to the terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any application and/or registration with respect to the Trademarks pending as of the date of this Agreement or thereafter, except such Trademarks, having no or little value, and that are not material to Borrower's business, until Borrower's Obligations are indefeasibly paid and satisfied in full, to preserve and maintain all rights in such Trademarks, and upon reasonable request of Bank, Borrower shall make federal application on registerable but unregistered such Trademarks belonging to Borrower and licensed to Borrower. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Borrower. Borrower shall not abandon any Trademarks, except such Trademarks, having have no or little value, and that are not material to Borrower's business, without the prior written consent of Bank.

13. Borrower shall have the right to bring suit in its own name to enforce the Trademarks, in which event Bank may, if Borrower reasonably deems it necessary, be joined as a nominal party to such suit if Bank shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Bank for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Bank in the fulfillment of the provisions of this paragraph.

14. Upon the occurrence of an Event of Default under the Loan Agreement, Bank may, without any obligation to do so, complete any obligation of Borrower hereunder, in Borrower's name or in Bank's name, but at the expense of Borrower.

15. No course of dealing between Borrower and Bank, nor any failure to exercise, nor any delay in exercising, on the part of Bank, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Bank's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Documents, or by any other future agreements between Borrower and Bank or by law, shall be cumulative and may be exercised singularly or concurrently.

16. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. THIS AGREEMENT, AND ALL MATERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND ALL RELATED AGREEMENTS AND DOCUMENTS, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF SOUTH CAROLINA THE PROVISIONS OF THIS AGREEMENT AND ALL OTHER AGREEMENTS AND DOCUMENTS REFERRED TO HEREIN ARE TO BE DEEMED SEVERABLE, AND THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION SHALL NOT AFFECT OR IMPAIR THE REMAINING PROVISIONS WHICH SHALL CONTINUE IN FULL FORCE AND EFFECT.

19. Borrower hereby irrevocably consents to the non-exclusive jurisdiction of the Courts of the State of South Carolina or the United States District Court for the District of South Carolina in any and all actions and proceedings whether arising hereunder or under any other agreement or undertaking. Borrower waives any objection which Borrower may have based upon lack of personal jurisdiction, improper venue or forum non conveniens. Borrower irrevocably agrees to service of process by certified mail, return receipt requested to the address of the appropriate party set forth on the signature page hereto.

20. BORROWER (AND BANK BY ITS ACCEPTANCE HEREOF) HEREBY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION, PROCEEDING OR COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO OR UNDER THE LOAN DOCUMENTS OR WITH RESPECT TO ANY CLAIMS ARISING OUT OF ANY DISCUSSIONS, NEGOTIATIONS OR COMMUNICATIONS INVOLVING OR RELATED TO ANY PROPOSED RENEWAL, EXTENSION, AMENDMENT, MODIFICATION, RESTRUCTURE, FORBEARANCE, WORKOUT, OR ENFORCEMENT OF THE TRANSACTIONS CONTEMPLATED HEREUNDER OR UNDER THE LOAN DOCUMENTS.

**[SIGNATURES TO FOLLOW ON SEPARATE PAGE]**

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, under seal, the day and year set forth below.

Witness:

**Borrower:**  
**STRAND IMPORT AND DISTRIBUTORS,**  
**INC.,** a Corporation of the State of South Carolina



\_\_\_\_\_  
Name: Frank H. DuRant  
Title: Attorney at Law

By: 

\_\_\_\_\_  
Name: HAIM J. SHAMAH  
Title: President  
Date Signed: May 17, 2013

**Approved and Accepted:**

**INVESTORS BANK**

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

Name: Robert J. Spitzer  
Title: Vice President  
Date Signed: May \_\_, 2013



IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, under seal, the day and year set forth below.

Witness:

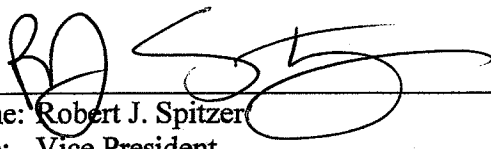
**Borrower:**  
**STRAND IMPORT AND DISTRIBUTORS,**  
**INC.,** a Corporation of the State of South Carolina

\_\_\_\_\_  
Name: Frank H. DuRant  
Title: Attorney at Law

By: \_\_\_\_\_  
Name: HAIM J. SHAMAH  
Title: President  
Date Signed: May \_\_, 2013

**Approved and Accepted:**

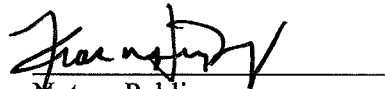
**INVESTORS BANK**

By:   
Name: Robert J. Spitzer  
Title: Vice President  
Date Signed: May 20, 2013

ACKNOWLEDGMENT

UNITED STATES OF AMERICA :  
STATE OF SOUTH CAROLINA :SS  
COUNTY OF HORRY :

On this 17 day of May, 2013, before me personally appeared Haim J. Shamah, to me known and being duly sworn, deposes and says that he is the President of **STRAND IMPORT AND DISTRIBUTORS, INC.** the corporation described in the foregoing Agreement; that he signed the agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.



Notary Public

My Commission Expires: 11-7-11

**Schedule A to Trademark Security Agreement**

<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>FILING DATE</u>
Wave Action	3319691	USA	12/7/2004
Reef Diver	2909089	USA	9/26/2002
Palm Beach	2967537	USA	12/21/2001

**EXHIBIT 1 TO TRADEMARK SECURITY AGREEMENT**

**TRADEMARK ASSIGNMENT**

WHEREAS, **STRAND IMPORT AND DISTRIBUTORS, INC.**, a South Carolina corporation ("Grantor"), is the registered owner of the United States trademarks, tradenames and registrations listed on Schedule "A" attached hereto and made a part hereof (the "Trademarks"), which are registered in the United States Patent and Trademark Office; and


WHEREAS, \_\_\_\_\_ ("Grantee") having a place of business at \_\_\_\_\_, is desirous of acquiring the Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the 17<sup>th</sup> day of May, 2013.

**STRAND IMPORT AND  
DISTRIBUTORS, INC.**

Witness: 

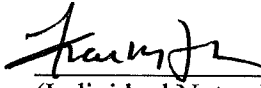
By: 

ACKNOWLEDGMENT

UNITED STATES OF AMERICA :  
STATE OF South Carolina : SS  
COUNTY OF Horry :

On this the 17 day of May, 2013 before me a Notary Public for the said County and State, personally appeared Haim J. Shanaq known to me or satisfactorily proven to me to be ~~attorney-in-fact~~ on behalf of **STRAND IMPORT AND DISTRIBUTORS, INC.** ("Grantor"), and he/she acknowledged to me that he/she executed the foregoing Trademark Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

  
(Individual Notary)

My Commission Expires:

11-7, 2016

**SCHEDULE A TO TRADEMARK ASSIGNMENT**

<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>FILING DATE</u>
Wave Action	3319691	USA	12/7/2004
Reef Diver	2909089	USA	9/26/2002
Palm Beach	2967537	USA	12/21/2001