

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM326086

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
PreferredOne Administrative Services, Inc.		11/25/2014	CORPORATION: MINNESOTA
RECEIVING PARTY DATA			
Name:	Wells Fargo Bank, National Association		
Street Address:	430 North Wabasha St, Ste 302		
Internal Address:	MAC N9117-031		
City:	St. Paul		
State/Country:	MINNESOTA		
Postal Code:	55101		
Entity Type:	a national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 9			
Property Type	Number	Word Mark	
Registration Number:	4397858	PREFERRED123	
Registration Number:	1910382	PREFERREDONE	
Registration Number:	2638508	PREFERREDONE	
Registration Number:	2573283	PREFERREDONE ADMINISTRATIVE SERVICES	
Registration Number:	1998660	PREFERREDONE COMMUNITY HEALTH PLAN	
Registration Number:	2573284	PREFERREDONE COMMUNITY HEALTH PLAN	
Registration Number:	4159049	PREFERREDONE FOR EVERYONE	
Registration Number:	4039845	PREFERREDONE FOR ONE	
Registration Number:	4397753	PREFERREDONE PATHWAY	
CORRESPONDENCE DATA			
Fax Number:	6127661600		
<i>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.</i>			
Phone:	612-766-6911		
Email:	susan.carlson@faegrebd.com		
Correspondent Name:	Susan Carlson, Faegre Baker Daniels LLP		
Address Line 1:	90 S 7th St Ste 2200		
Address Line 4:	Minneapolis, MINNESOTA 55402		

OP \$240.00 4397858

NAME OF SUBMITTER:	Susan Carlson
SIGNATURE:	/e/ Susan Carlson
DATE SIGNED:	12/15/2014
Total Attachments: 8 source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page1.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page2.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page3.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page4.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page5.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page6.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page7.tif source=Trademark Security Agreement of PreferredOne Administrative Services Inc#page8.tif	

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement (this "Agreement"), dated as of November 25, 2014, is made by and among PREFERREDONE ADMINISTRATIVE SERVICES, INC., a Minnesota corporation (the "Debtor"), having a business location at the address set forth below next to its signature, and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, for itself and as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties, as defined in the Credit Agreement described below, and having a business location at the address set forth below next to its signature.

Recitals

Pursuant to a Credit Agreement (together with all amendments, modifications and restatements of such agreement, the "Credit Agreement") of even date herewith among PreferredOne Insurance Company, a Minnesota corporation (the "Borrower"), the Administrative Agent and the other Lenders, as defined therein, the Lenders have agreed to make advances to the Borrower on the terms and subject to the conditions set forth therein.

Pursuant to a Guaranty (together with all amendments, modifications and restatements of and joinders to such agreement, the "Guaranty") of even date herewith, the Debtor has guaranteed the payment and performance of all of the Borrower's obligations under and related to the Credit Agreement.

As a condition to extending credit to or for the account of Borrower, the Administrative Agent has required the execution and delivery of this Agreement by Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them in the Credit Agreement. In addition, the following terms have the meanings set forth below:

"Obligations" means (i) the Secured Obligations, as defined in the Credit Agreement, and (ii) all obligations of the Debtor under the Guaranty.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of the Debtor's right, title and interest in and to any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Exhibit A attached hereto, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and future infringements and dilutions thereof, (v) the goodwill of the Debtor's business symbolized by the foregoing or connected therewith, and (vi) all of the Debtor's rights corresponding thereto throughout the world.

2. **Security Interest.** Debtor hereby grants the Administrative Agent, on behalf of and for the benefit of the Secured Parties, a security interest (the "Security Interest") with power of sale to the

extent permitted by law, in the Trademarks to secure payment of the Obligations. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. **Representations, Warranties and Agreements.** The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a corporation duly organized, validly existing and in good standing under the laws of the state of Minnesota, and this Agreement has been duly and validly authorized by all necessary action on the part of the Debtor.

(b) **Trademarks.** Exhibit A accurately lists all registered Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof and all other Trademarks owned by the Debtor. If after the date hereof, the Debtor owns or controls any registered Trademarks, trademark applications, registered service marks, service mark applications and other unregistered marks materials to the Debtor's business not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall within 30 days provide written notice to the Administrative Agent with a replacement Exhibit A, which upon acceptance by the Administrative Agent shall become part of this Agreement.

(c) **Title.** The Debtor has absolute title to each Trademark listed on Exhibit A as owned by the Debtor, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Trademarks free and clear of all Liens except Permitted Liens.

(d) **No Sale.** Except as permitted under the terms of the Credit Agreement and the other Loan Documents, the Debtor will not assign, transfer, encumber or otherwise dispose of any Trademarks necessary in the conduct of the Debtor's business, or any interest therein, without the Administrative Agent's prior written consent.

(e) **Defense.** The Debtor will, at its own expense and using commercially reasonable efforts, protect and defend the Trademarks necessary in the conduct of the Debtor's business against all claims or demands of all Persons other than those holding Permitted Liens, except to the extent otherwise expressly permitted under the terms of the Credit Agreement and the other Loan Documents.

(f) **Maintenance.** The Debtor will at its own expense maintain the Trademarks necessary in the conduct of the Debtor's business to the extent reasonably advisable in its business, including, but not limited to, filing all applications to obtain trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to trademark registrations and applications therefor. Except as permitted under the Credit Agreement, the Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Trademark necessary in the conduct of the Debtor's business, nor fail to file any required affidavit or renewal in support thereof, without first providing the Administrative Agent: (i) sufficient written notice, of at least 30 days, to allow the Administrative Agent to timely pay (if the Administrative Agent elects to so pay in its sole

discretion) any such maintenance fees or annuities which may become due on any such Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) if requested by the Administrative Agent, a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(g) Administrative Agent's Right to Take Action. If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days (or, in the case of the agreements contained in subsection (f), immediately upon the occurrence of such failure, without notice or lapse of time if immediate action is necessary to maintain any Trademark necessary in the conduct of the Debtor's business as required by subsection (f), or if the Debtor notifies the Administrative Agent that it is reasonably advisable in its business and it intends to abandon a Trademark necessary in the conduct of the Debtor's business, the Administrative Agent may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Administrative Agent's option, in the Administrative Agent's own name) and may (but need not) take any and all other actions which the Administrative Agent may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(h) Costs and Expenses. Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Administrative Agent on written demand the amount of all moneys expended and all reasonable costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Administrative Agent in connection with or as a result of the Administrative Agent's taking action under subsection (g) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Administrative Agent at the default rate of interest applicable under the Credit Agreement.

(i) Power of Attorney. Solely for purposes of, and to facilitate the Administrative Agent's taking action under subsection (g) and exercising its rights under Section 6 (but without limiting any other appointment contained in any other Loan Document), the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Administrative Agent, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3 to the extent the Debtor has failed to take such action, or, necessary for the Administrative Agent, after an Event of Default and until such Event of Default may be cured or waived in accordance with the Credit Agreement, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

4. **Debtor's Use of the Trademarks.** Prior to the occurrence of an Event of Default, except as otherwise expressly provided in any other Loan Document, the Debtor may control and manage the Trademarks, and may receive and use the income, revenue, profits, and royalties that arise from the use of the Trademarks, in the same manner and to the same extent as if this Agreement had not been entered into. The Debtor shall give the Administrative Agent prompt notice of any material change in the status

of, or any known, suspected or claimed invalidity or unenforceability of, any Trademarks or the Debtor's rights thereunder.

5. [Reserved]

6. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter, Administrative Agent may, at its option, take any or all of the following actions: (a) Administrative Agent may exercise any or all remedies available under the Credit Agreement; (b) Administrative Agent may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks; and (c) Administrative Agent may enforce the Trademarks and any licenses thereunder, and if Administrative Agent shall commence any suit for such enforcement, the Debtor shall, at the request of Administrative Agent, do any and all lawful acts and execute any and all proper documents required by Administrative Agent in aid of such enforcement.

7. **Miscellaneous.** This Agreement can be waived, modified, amended, terminated or discharged only explicitly in a writing signed by the Administrative Agent and Debtor, and the Security Interest can be released, only explicitly in a writing signed by the Administrative Agent. A waiver signed by the Administrative Agent shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Administrative Agent's rights or remedies. All rights and remedies of the Administrative Agent shall be cumulative and may be exercised singularly or concurrently, at the Administrative Agent's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. The Administrative Agent shall not be obligated to preserve any rights Debtor may have against prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and the Administrative Agent and their respective participants, successors and assigns and shall take effect when signed by Debtor and delivered to the Administrative Agent, and Debtor waives notice of the Administrative Agent's acceptance hereof. The Administrative Agent may execute this Agreement if appropriate for the purpose of filing, but the failure of the Administrative Agent to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Minnesota without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

Signature page follows

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

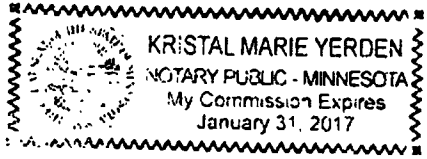
PreferredOne Administrative Services, Inc.
6105 Golden Hills Drive
Golden Valley, MN 55416
Attn: Chief Financial Officer
Fax: 763.847.4010
Email: mike.umland@preferredone.com

PREFERREDONE ADMINISTRATIVE SERVICES, INC.

By: *Michael S. Umland*
Name: Michael S. Umland
Title: Chief Financial Officer & Treasurer

STATE OF Minnesota)
)
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me this 21st day of November, 2014, by Michael S. Umland, the Chief Financial Officer and Treasurer of PreferredOne Administrative Services, Inc., a Minnesota corporation, on behalf of said corporation.



Kristal Yerden
Notary Public

Signature page to Trademark Security Agreement

Wells Fargo Bank, National Association
MAC N9117-031
430 North Wabasha Street, Suite 302
St Paul, MN 55101
St Paul, MN 55101
Attention: Sean Nolan
Telephone No.: 651-205-8528
Facsimile No.: 651-205-8538
E-mail: Sean.nolan@wellsfargo.com

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

By: *S. Nolan*
Name: Sean Nolan
Title: Assistant Vice President

STATE OF MINNESOTA)
)
COUNTY OF *Lance*)

The foregoing instrument was acknowledged before me this *24th* day of November, 2014, by Sean Nolan, an Assistant Vice President of Wells Fargo Bank, National Association, a national banking association, on behalf of the association.



Holly Michelle Green
Notary Public

Signature Page to Trademark Security Agreement

EXHIBIT A

**UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKS
REGISTRATIONS**

Trademarks Owned by Debtor						
Active Trademarks	Registration Number	Registration Date	Application/ Serial Number	Application Date	Trademark Owner	
PreferredOne 123	4,397,858	September 3, 2013	85/823,256	January 15, 2013	PreferredOne Administrative Services, Inc.	
PreferredOne	1,910,382	August 8, 1995	74/557,243	August 4, 1994	PreferredOne Administrative Services, Inc.	
PreferredOne	2,638,508	October 22, 2002	76/189,396	January 3, 2001	PreferredOne Administrative Services, Inc.	
PreferredOne Administrative Services	2,573,283	May 28, 2002	76/189,330	January 3, 2001	PreferredOne Administrative Services, Inc.	
PreferredOne Community Health Plan	1,998,660	September 3, 1996	74/559,546	August 9, 1994	PreferredOne Administrative Services, Inc.	
PreferredOne Community Health Plan	2,573,284	May 28, 2002	76/189,331	January 3, 2001	PreferredOne Administrative Services, Inc.	
PreferredOne For Everyone	4,159,049	June 12, 2012	85/344,452	June 13, 2011	PreferredOne Administrative Services, Inc.	
PreferredOne For One	4,039,845	October 11, 2011	85/218,906	January 17, 2011	PreferredOne Administrative Services, Inc.	
PreferredOne Pathway	4,397,753	September 3, 2013	85/748,849	October 9, 2012	PreferredOne Administrative Services, Inc.	

Exhibit A

US 55240506.03

Trademarks Licensed by Debtor to Other Person(s)

Active Trademarks	Registration Number	Registration Date	Expiration Date	Licensor	Application/Serial Number	Trademark Owner
PreferredOne	1,910,382	August 8, 1995	August 8, 2025	PreferredOne Administrative Services, Inc.	74/557,243	PreferredOne Administrative Services, Inc.
PreferredOne	2,638,508	October 22, 2002	October 22, 2022	PreferredOne Administrative Services, Inc.	76/189,396	PreferredOne Administrative Services, Inc.
PreferredOne Community Health Plan	1,998,660	September 3, 1996	September 3, 2016	PreferredOne Administrative Services, Inc.	74/559,546	PreferredOne Administrative Services, Inc.
PreferredOne Community Health Plan	2,573,284	May 28, 2002	May 28, 2022	PreferredOne Administrative Services, Inc.	76/189,331	PreferredOne Administrative Services, Inc.

APPLICATIONS: SUPPLEMENTAL REGISTERED MARKS: UNREGISTERED MARKS MATERIAL TO BUSINESS

None.

Exhibit A

US 55240506.03