

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM337824

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
SEQUENCE:	2		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
VIOLET SANFORD HOLDINGS, LLC		03/30/2015	LIMITED LIABILITY COMPANY: NORTH CAROLINA
RECEIVING PARTY DATA			
Name:	Capital Bank, N.A.		
Street Address:	333 Fayetteville Street Suite 1490		
City:	Raleigh		
State/Country:	NORTH CAROLINA		
Postal Code:	27601		
Entity Type:	INC. ASSOCIATION: UNITED STATES		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3271406	HARRIS	
Registration Number:	1329866	HILTON'S	
Registration Number:	0592601	HILTON'S	
Registration Number:	1002340	MRS. FEARNOW'S	
Registration Number:	0649415	PRUDENCE	
CORRESPONDENCE DATA			
Fax Number:	9198657010		
<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:	9198657025		
Email:	kurt.dumaw@elliswinters.com		
Correspondent Name:	Kurtis R Dumaw		
Address Line 1:	4131 Parklake Ave Suite 400		
Address Line 4:	Raleigh, NORTH CAROLINA 27612		
NAME OF SUBMITTER:	Kurtis R. Dumaw		
SIGNATURE:	/Kurtis R Dumaw/		
DATE SIGNED:	04/09/2015		

OP \$140.00 3271406

Total Attachments: 7

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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

VIOLET SANFORD HOLDINGS, LLC

- Individual(s)
- Partnership
- Corporation- State: _____
- Other LLC
- Association
- Limited Partnership

Citizenship (see guidelines) North Carolina

Additional names of conveying parties attached? Yes No

3. Nature of conveyance/Execution Date(s) :

Execution Date(s) March 30, 2015

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: CAPITAL BANK, N.A.

Street Address: 333 Fayetteville Street, Suite 1490

City: Raleigh

State: North Carolina

Country: USA Zip: 27601

- Individual(s) Citizenship _____
- Association Citizenship National Banking Association
- Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other _____ Citizenship _____

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s) _____ Text _____

B. Trademark Registration No.(s) _____

3271406, 1329866, 0592601, 1002340, 0649415

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

HARRIS, HILTON'S, MRS. FEARNOW'S, PRUDENCE

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

Name: Kurtis R. Dumaw

Internal Address: 4131 Parklake Avenue, Suite 400
Raleigh, North Carolina 27612

Street Address: 4131 Parklake Avenue, Suite 400

City: Raleigh

State: North Carolina Zip: 27612

Phone Number: 919-865-7025

Docket Number: _____

Email Address: kurt.dumaw@elliswinters.com

6. Total number of applications and registrations involved:

5

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 140.00

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number _____

Authorized User Name _____

9. Signature: 

Signature

April 9, 2015

Date

Kurtis R. Dumaw

Name of Person Signing

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

6

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Branch, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

Security Agreement

This Security Agreement ("**Security Agreement**"), dated as of March 30, 2015 ("**Effective Date**"), is made and entered into by and between CAPITAL BANK, N.A., a national banking association (the "**Secured Party**"), and VIOLET SANFORD HOLDINGS, LLC, a North Carolina limited liability company (the "**Grantor**").

Background

A. Violet Portfolio, LLC, a Delaware limited liability company (the "**Loan Purchaser**") and Secured Party entered into a Loan Sale Agreement dated as October 21, 2014 (the "**Loan Sale Agreement**").

B. In order to induce Secured Party to execute and deliver the Loan Sale Agreement, Loan Purchaser agreed that, in the event it took title to the Trademark Collateral (as hereinafter defined), it would execute and deliver to Secured Party such further documents as may be necessary to perfect Secured Party's security interest in the Trademark Collateral pursuant to the Loan Sale Agreement.

C. Grantor is an affiliate of the Loan Purchaser, and has taken title to the Trademark Collateral.

D. Because of the direct benefit to the Grantor from the Loan Sale Agreement, the Grantor agrees to execute and deliver this Security Agreement in order to secure the obligations of the Loan Purchaser to the Security Party arising under the Loan Sale Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees with the Secured Party as follows:

1. **Grant of Security.** Grantor hereby hypothecates, pledges and grants to Secured Party a security interest in and to all of Grantor's right, title, and interest in, to, and under the following, wherever located, and whether now existing or hereafter arising or acquired from time to time (the "**Trademark Collateral**"), to secure the obligations of the Loan Purchaser to the Secured Party arising under the terms of the Loan Sale Agreement:

1.1 the trademark registrations and applications set forth in **Schedule 1** hereto, together with the goodwill connected with the use of and symbolized thereby and all extensions and renewals thereof (the "**Trademarks**"), excluding only United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant, attachment or enforcement of a security interest therein would, under applicable federal law, impair the registrability of such applications or the validity or enforceability of registrations issuing from such applications;

1.2 all rights of any kind whatsoever of Grantor accruing under any of the foregoing provided by applicable law of any jurisdiction, by international treaties and conventions and otherwise throughout the world;

1.3 any and all royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any and all of the foregoing; and

1.4 any and all claims and causes of action, with respect to any of the foregoing, whether occurring before, on or after the date hereof, including all rights to and claims for damages, restitution and injunctive and other legal and equitable relief for past, present and future infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but no obligation to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages.

2. **Recordation.** Grantor authorizes the Commissioner for Trademarks and any other government officials to record and register this Security Agreement upon request by either party. Grantor further authorizes Secured Party to file such financing statements or other similar documents in order to perfect the security interest granted herein.

3. **Representations and Warranties.** Grantor covenants and warrants that: (a) since the Trademark Collateral has come into Grantor's possession, custody or control, Grantor has not placed, permitted, or otherwise subjected the Trademark Collateral (including any registrations and applications appurtenant thereto) to any liens, charges or encumbrances (including without limitation pledges, assignments, licenses, registered user agreements and covenants by Grantor not to sue third persons); (b) Grantor is the legal and beneficial owner of the Trademark Collateral; (c) Grantor has the right to enter into this Security Agreement and perform its terms; and (d) Grantor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license, or otherwise dispose of any of the Trademark Collateral (including any registration or application appurtenant thereto), without the prior written consent of Secured Party.

4. **Maintenance of Trademark Collateral.** Grantor will not do any act, or omit to do any act, reasonably expected to cause the Trademarks or any registration or application appurtenant thereto to become abandoned, invalidated, unenforceable, avoided, avoidable, or otherwise diminished in value, and shall notify Secured Party immediately if it knows of any reason or has reason to know of any ground under which this result may occur. Grantor shall take appropriate action at its expense to halt the infringement of the Trademarks and shall properly exercise its duty to control the nature and quality of the goods offered under the Trademarks.

5. **Loan Sale Documents.** This Security Agreement has been entered into pursuant to and in conjunction with the Loan Sale Agreement, which is hereby incorporated by reference.

6. **Secured Party's Appointment as Attorney-in-Fact.**

6.1 Grantor hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Grantor and in the name of Grantor or in its own name, from time to time in Secured Party's discretion, for the purposes of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement. This power of attorney is a power coupled with an interest and shall be

irrevocable. Notwithstanding the foregoing, Grantor further agrees to execute any additional documents which Secured Party may require in order to confirm this power of attorney, or which Secured Party may deem necessary to enforce any of its rights contained in this Security Agreement.

6.2 The powers conferred on Secured Party hereunder are solely to protect its interests in the Trademark Collateral and shall not impose any duty upon it to exercise any such powers.

6.3 If Grantor fails to perform or comply with any of the terms and conditions contained herein and Secured Party, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such terms or conditions, the expenses of Secured Party incurred in connection with such performance or compliance shall be payable by Grantor to Secured Party on demand.

7. **Remedies, Rights Upon Event of Default.** In the event the Loan Purchaser defaults and fails to make any payment to Secured Party as provided for in the Loan Sale Agreement, Secured Party shall be entitled to all rights and remedies of a secured party under the Uniform Commercial Code and any other applicable laws, along with all other rights and remedies granted to it in the Loan Sale Agreement. Grantor acknowledges that Secured Party's rights will include, without limitation, the rights to (a) foreclose or otherwise enforce Secured Party's security interests in the Trademark Collateral, and (b) sell or otherwise dispose of the Trademark Collateral. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Trademark Collateral are insufficient to pay all amounts to which Secured Party is entitled. Grantor shall also be liable for the reasonable fees of any attorneys employed by Secured Party to collect any such deficiency and to enforce any of Secured Party's respective rights hereunder.

8. **Termination.** At such time as Loan Purchaser shall completely pay in full all of amounts owed under the Loan Sale Agreement, this Security Agreement shall terminate and Secured Party shall execute and deliver to Grantor all such releases, deeds, assignments, and other instruments as may be necessary or proper under the circumstances.

9. **Execution in Counterparts.** This Security Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Security Agreement by facsimile or in electronic (i.e., "pdf" or "tif" format) shall be effective as delivery of a manually executed counterpart of this Security Agreement.

10. **Successors and Assigns.** This Security Agreement will be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns.

11. **Cumulative Remedies.** All of Secured Party's rights and remedies with respect to the Trademark Collateral, whether established hereby or by the Loan Sale Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

12. **No Waiver.** No course of dealing between Grantor and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Loan Sale Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. **Severability.** The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and 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 Security Agreement in any jurisdiction.

14. **No Modification Except in Writing.** Except as otherwise provided herein, this Security Agreement is subject to modification only by a writing signed by the parties.

15. **Governing Law.** This Security Agreement shall be governed by North Carolina law (without regard to any conflict of law provisions), and state or federal courts in the State of North Carolina will have exclusive jurisdiction over any litigation concerning it. Venue shall be in Wake County, North Carolina.

The parties enter into this Security Agreement as of the Effective Date.

GRANTOR:

VIOLET SANFORD HOLDINGS, LLC

Signature: 

Name: Mark E. Foster

Title: Authorized Signatory

SECURED PARTY:

CAPITAL BANK, N.A.

Signature: _____

Name: _____

Title: _____

14. **No Modification Except in Writing.** Except as otherwise provided herein, this Security Agreement is subject to modification only by a writing signed by the parties.

15. **Governing Law.** This Security Agreement shall be governed by North Carolina law (without regard to any conflict of law provisions), and state or federal courts in the State of North Carolina will have exclusive jurisdiction over any litigation concerning it. Venue shall be in Wake County, North Carolina.

The parties enter into this Security Agreement as of the Effective Date.

GRANTOR:

VIOLET SANFORD HOLDINGS, LLC

Signature: _____

Name: _____

Title: _____

SECURED PARTY:

CAPITAL BANK, N.A.

Signature: Greg Farmer

Name: GREG FARMER

Title: Vice - President

SCHEDULE 1
Trademark Registrations and Applications

Trademark	Serial No.	Registration No.
Prudence	72010802	0649415
Mrs. Fearnow's	72460738	1002340
Hilton's	71654321	0592601
Hilton's	73445793	1329866
Harris	77045078	3271406