

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM358412

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Peerless Limited		10/05/2015	CORPORATION: CANADA
RECEIVING PARTY DATA			
Name:	Wells Fargo Capital Finance Corporation Canada		
Street Address:	1 Place Ville Marie, Suite 2022		
City:	Montreal		
State/Country:	CANADA		
Postal Code:	H3B 2C4		
Entity Type:	Association: CANADA		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	3274587	SCONA	
Serial Number:	86724158	SCONA	
Registration Number:	3274588	SCONA ESTABLISHED 1951	
CORRESPONDENCE DATA			
Fax Number:			
<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>			
Email:	michael.barys@thomsonreuters.com		
Correspondent Name:	Susan O'Brien		
Address Line 1:	187 Wolf Road, Suite 101		
Address Line 2:	CT Lien Solutions		
Address Line 4:	Albany, NEW YORK 12205		
NAME OF SUBMITTER:	Susan O'Brien		
SIGNATURE:	/Michael Barys/		
DATE SIGNED:	10/13/2015		
Total Attachments: 15			
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TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** ("**Trademark Security Agreement**"), dated as of October 5, 2015, is made by PEERLESS LIMITED, an Alberta corporation (the "**Grantor**"), in favor of WELLS FARGO CAPITAL FINANCE CORPORATION CANADA (the "**Bank**").

WHEREAS, pursuant to the amended and restated credit agreement by and among the Grantor, Manac Inc. and Manac Trailers USA, Inc. (collectively, the "**Borrower**") and the Bank dated as of October 5, 2015, (as amended, supplemented, restated or replaced from time to time the "**Credit Agreement**"), the Bank has agreed to make loans and other financial accommodations to the Borrower; and

WHEREAS, in order to induce the Bank to enter into the Credit Agreement and all other documents or instruments related thereto or made in connection therewith (together with the Credit Agreement, collectively, the "**Loan Documents**") and to induce the Bank to make the loans and other financial accommodations provided for in the Credit Agreement and the other Loan Documents, the Grantor has agreed to grant a continuing lien on the Trademark Collateral (as hereinafter defined) to secure the Grantor's joint and several obligations as co-borrower under the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A. DEFINITIONS.

Except as specifically defined in this Trademark Security Agreement, capitalized terms used herein shall have the respective meanings given thereto in the Credit Agreement.

B. SECURITY INTEREST.

To secure the prompt payment and performance of all obligations of the Grantor under the Credit Agreement (collectively, the "**Obligations**"), the Grantor hereby grants to the Bank a continuing security interest in: (i) any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications of the Grantor, including (a) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications, including, without limitation, those listed on Schedule A hereof as owned by the Grantor (collectively, the "**Trademarks**"), (b) 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, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the goodwill of Grantor's business symbolized by the foregoing or connected therewith, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks, and (e) all of the Grantor's rights corresponding thereto throughout the world; (ii) all renewals of the foregoing; and (iii) all products and proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future (I) infringement or dilution of any Trademark or any Trademarks exclusively licensed under any license with respect thereto, including right to receive any damages, (II) injury to the goodwill associated with any Trademark, or (III) right to receive license fees, royalties, and other compensation under any license with respect thereto (all of the foregoing are collectively referred to herein as the "**Trademark Collateral**").

C. OBLIGATIONS SECURED.

The security interests granted to the Bank by Grantor in this Trademark Security Agreement shall secure the prompt and indefeasible payment and performance of Grantor's Obligations under the Credit Agreement and each of the other Loan Documents.

D. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Grantor hereby covenants, represents and warrants, and all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding, that:

1. Grantor will pay and perform all of its Obligations in accordance with the terms of the Credit Agreement and the other Loan Documents.

2. All of the existing Trademarks are valid and subsisting in full force and effect and Grantor owns sole, full, and clear title thereto, and has the right and power to grant the security interests granted hereunder. Grantor will, at Grantor's expense, perform all acts and execute all documents necessary to maintain the existence of the Trademarks material to the conduct of the business of Grantor as then currently operated as valid, subsisting and registered trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Trademark Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever except the security interests granted hereunder and the licenses, if any, which are specifically described in Schedule B hereto.

3. Grantor will not (i) assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, or grant an exclusive license with respect to, the Trademark Collateral, except to the Bank, or (ii) otherwise dispose of any of the Trademark Collateral (except in the ordinary course of business consistent with past practices), in either case without the prior written consent of the Bank.

4. Grantor will, at Grantor's expense, perform all acts and execute all documents requested by the Bank to evidence, perfect, maintain, record, or enforce the security interest in the Trademark Collateral granted hereunder, or to otherwise further the provisions of this Trademark Security Agreement. Grantor hereby authorizes the Bank to execute and file one or more financing statements (or similar documents) with respect to the Trademark Collateral, signed (if applicable) only by the Bank. Grantor further authorizes the Bank to have this and any other similar security agreement filed with the United States Patent and Trademark Office or other appropriate federal, state or government office.

5. Grantor will, concurrently with the execution and delivery of this Trademark Security Agreement, execute and deliver to the Bank five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Trademark Collateral pursuant to the Bank's exercise of the rights and remedies granted to the Bank under the Loan Documents.

6. The Bank may, in its discretion, pay any amount or do any act which Grantor fails to pay or do as required under the Loan Documents or as requested by the Bank to maintain and preserve the Trademark Collateral, or defend, protect, record, amend or enforce the Obligations, the Trademark Collateral or the security interest granted hereunder, including but not limited to, all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Grantor will be liable to the Bank for any such payment, which payment shall be promptly reimbursed by Grantor upon request or, at Bank's option, shall be deemed a loan under the Credit Agreement, and shall be payable on demand together with interest at the rate set forth in the Credit Agreement and shall be part of the Obligations secured hereby.

7. As of the date hereof, Grantor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedule A annexed hereto.

8. Grantor shall notify the Bank in writing of the filing of any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein within a reasonable time of such filing. Upon request of the Bank, Grantor shall execute and deliver to the Bank any and all assignments, agreements, instruments, documents, and such other papers as may be requested by the Bank to evidence the security interest of the Bank in such Trademark.

9. Grantor has not abandoned any of the Trademarks and Grantor will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, canceled, invalidated, unenforceable, avoided or avoidable. Grantor shall notify the Bank immediately if it knows or has reason to know of any reason why any application or

registration relating to any of the Trademarks may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable.

10. Grantor will render any assistance, as the Bank may determine in its discretion is necessary, to the Bank in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Grantor's exclusive property and to protect the Bank's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

11. Grantor will notify the Bank within a reasonable time of Grantor's filing a Trademark infringement suit based upon any Trademark. Grantor, at its expense, shall take such actions as reasonably requested by the Bank to protect the Bank's security interest in and to the Trademarks.

12. Grantor assumes all responsibility and liability arising from the use of the Trademarks and Grantor hereby indemnifies and holds the Bank harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Grantor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Grantor (or any affiliate or subsidiary thereof).

13. In any action or proceeding instituted by the Bank in connection with any matters arising at any time out of or with respect to this Trademark Security Agreement, Grantor will not interpose any counterclaim of any nature, other than compulsory counterclaims.

14. Grantor will maintain the quality of the products associated with the Trademarks at a level consistent with the quality on the date of this Trademark Security Agreement and, other than in the ordinary course of business, will not change the quality of the products associated with the Trademarks without the Bank's prior written consent. Grantor hereby grants to the Bank the right to visit its plants and facilities which manufacture or store products sold under any of the Trademarks and to inspect the products and quality-control records relating thereto at any time during regular business hours, or at such other times as the Bank may reasonably request.

E. EVENTS OF DEFAULT.

The occurrence or existence of any Event of Default, as such term is defined in the Credit Agreement, is referred to herein individually as an "Event of Default" and, collectively, as "Events of Default".

F. RIGHTS AND REMEDIES.

Upon the occurrence and during the continuance of any Event of Default and at any time thereafter, in addition to all other rights and remedies of the Bank, whether provided under law, the Credit Agreement, the other Loan Documents or otherwise, the Bank shall have the following rights and remedies which may be exercised without notice to, or consent by, Grantor:

1. The Bank may require that neither Grantor nor any affiliate or subsidiary of Grantor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. The Bank may make use of any Trademarks for the sale of goods, completion of work-in-progress or rendering of services in connection with enforcing any other security interest granted to the Bank by the Grantor or any subsidiary or affiliate of the Grantor.

2. The Bank may grant such license or licenses relating to the Trademark Collateral for such term or terms, on such conditions, and in such manner, as the Bank shall in its sole discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and Canada.

3. The Bank may assign, sell, or otherwise dispose of the Trademark Collateral or any part thereof, either with or without special conditions or stipulations. The Bank shall have the power to buy the Trademark Collateral or any part thereof, and the Bank shall also have the power to execute assurances and perform all other acts which the Bank may, in the Bank's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, Grantor shall be liable for any deficiency.

4. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Trademark Collateral pursuant to subparagraph F.3 hereof, the Bank may at any time execute and deliver on behalf of Grantor, pursuant to the authority granted in the Powers of Attorney described in subparagraph D.5 hereof, one or more instruments of assignment of the Trademarks (or any application or registration relating thereto), in form suitable for filing, recording or registration. Grantor agrees to pay the Bank on demand all costs incurred in any such transfer of the Trademark Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees.

5. The Bank may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Trademark Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all reasonable legal, travel, and other expenses which may be incurred by the Bank. Thereafter, the Bank may apply any remaining proceeds to the Obligations in such order and manner as the Bank determines in its sole discretion. Grantor shall remain liable

to the Bank for any expenses or obligations remaining unpaid after the application of such proceeds, and Grantor will pay the Bank on demand any such unpaid amount, together with interest at the rate set forth in the Loan Agreement.

6. In the event that any such license, assignment, sale or disposition of the Trademark Collateral (or any part thereof) is made after the occurrence of an Event of Default, Grantor shall supply to the Bank or the Bank's designee Grantor's customer lists and other records relating to the Trademarks and the distribution thereof.

Nothing contained herein shall be construed as requiring the Bank to take any such action at any time. All of the Bank's rights and remedies, whether provided under law, the Loan Documents, this Trademark Security Agreement, or otherwise, shall be cumulative and none are exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

G. MISCELLANEOUS.

1. Any failure or delay by the Bank to require strict performance by Grantor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect the Bank's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of the Bank, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of the Bank and directed to Grantor, specifying such waiver.

2. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Trademark Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

3. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Trademark Security Agreement.

4. This Trademark Security Agreement shall be binding upon and for the benefit of the parties hereto and their respective legal representatives, successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Trademark Security Agreement signed by the party to be charged thereby.

5. The security interest granted to the Bank pursuant to this Trademark Security Agreement shall terminate and, at Grantor's sole expense, be released or assigned, as necessary or proper to re-vest in Grantor the full title to the Trademark Collateral, upon termination of the Credit Agreement and indefeasible payment in full to the Bank of all Obligations thereunder.

6. THIS TRADEMARK SECURITY AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES; PROVIDED, HOWEVER, THAT IF THE LAWS OF ANY JURISDICTION OTHER THAN NEW YORK SHALL GOVERN IN REGARD TO THE VALIDITY, PERFECTION OR EFFECT OF PERFECTION OF ANY LIEN OR IN REGARD TO PROCEDURAL MATTERS AFFECTING ENFORCEMENT OF ANY LIENS IN COLLATERAL, SUCH LAWS OF SUCH OTHER JURISDICTIONS SHALL CONTINUE TO APPLY TO THAT EXTENT.

7. GRANTOR HEREBY CONSENTS TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER THE STATE OF NEW YORK, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. GRANTOR IRREVOCABLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. Nothing herein shall limit the right of the Bank to bring proceedings against Grantor in any other court. Nothing in this Trademark Security Agreement shall be deemed to preclude enforcement by the Bank of any judgment or order obtained in any forum or jurisdiction.

8. To the fullest extent permitted by applicable law, Grantor waives (a) the right to trial by jury (which the Bank hereby also waives) in any proceeding or dispute of any kind relating in any way to this Trademark Security Agreement or any documents or agreements at any time made in connection therewith or transactions relating thereto; (b) notice prior to taking possession or control of any Trademark Collateral; (c) any bond or security that might be required by a court prior to allowing the Bank to exercise any rights or remedies; (d) the benefit of all valuation, appraisal and exemption laws; (e) any claim against the Bank on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) in any way relating to any enforcement action, Obligations, Loan Documents (including this Trademark Security Agreement) or transactions relating thereto; and (g) notice of acceptance hereof. Grantor acknowledges that the foregoing waivers are a material inducement to the Bank entering into this Trademark Security Agreement and that the Bank is relying upon the foregoing in their dealings with Grantor. Grantor has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of

litigation, this Trademark Security Agreement may be filed as a written consent to a trial by the court.

[Signature page follows]

IN WITNESS WHEREOF, the Grantor has caused this Trademark Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

PEERLESS LIMITED

By:

Name: Charles Dutil

Title: President

Address for Notices:

575 Page Ave.

Penticton, British Columbia

V2A 6P3

Agreed to and accepted:

**WELLS FARGO CAPITAL FINANCE
CORPORATION CANADA**

By: 

Name: Frederic Philippe

Title: Vice-President, Asset Based Lending

Address for Notices:

1 Place Ville Marie, Suite 2022

Montreal, Quebec,

H3B 2C4

EXHIBIT 1

SPECIAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that **PEERLESS LIMITED**, an Alberta corporation ("Grantor"), hereby appoints and constitutes **WELLS FARGO CAPITAL FINANCE CORPORATION CANADA** ("Bank"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on its behalf:

1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Bank, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of such undersigned party in and to any trademarks, trade names, registered trademark, trademark applications, service marks, registered service marks and service mark applications and all registrations and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Bank, in its sole discretion, deems necessary or advisable to further the purposes described in paragraph 1 hereof.



This Power of Attorney, being a power coupled with an interest, is made pursuant to a Trademark Security Agreement between the undersigned Grantor and Bank, dated of even date herewith (the "Trademark Security Agreement") and may not be revoked until indefeasible payment in full of all Obligations, as such term is defined in the Trademark Security Agreement.

Dated as of October 5, 2015

[Signature Page Follows]

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT

Trademarks and Applications

UNITED STATES OF AMERICA	SCONA	78-814,124 2006-02-14	3,274,587 2007-08-07
UNITED STATES OF AMERICA		86-724,158 2015-08-13	--
UNITED STATES OF AMERICA		78-814,214 2006-02-14	3,274,588 2007-08-07

SCHEDULE B
to
TRADEMARK SECURITY AGREEMENT

Permitted Licenses

Manufacturing agreement between the Grantor and KNL Holdings, LLC (the "Manufacturer") dated as of August 19, 2010 pursuant to which the Grantor grants a non-exclusive licence to the Manufacturer to use the intellectual property of the Grantor for no other purpose but for the manufacture of trailers.

Manufacturing agreement between the Grantor and C&F Steel Company, Inc. (the "Manufacturer") dated as of February 1, 2012 pursuant to which the Grantor grants a non-exclusive licence to the Manufacturer to use the intellectual property of the Grantor for no other purpose but for the manufacture of trailers.

Manufacturing agreement between the Grantor and West Manufacturing Ltd. (the "Manufacturer") dated as of September 10, 2010 pursuant to which the Grantor grants a non-exclusive licence to the Manufacturer to use the intellectual property of the Grantor for no other purpose but for the manufacture of trailers.

Non-exclusive worldwide Licence agreement in favour of Round 2, LLC dated as of August 25, 2009 to use trademarks, copyrights and other related proprietary rights in and to Peerless logging trailer for the purpose of manufacturing plastic model kit replicas and related articles.