

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM397188

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
SC Publishing, Inc.		08/31/2016	Corporation: DELAWARE
RECEIVING PARTY DATA			
Name:	Citizens Bank, National Association		
Street Address:	28 State Street		
City:	Boston		
State/Country:	MASSACHUSETTS		
Postal Code:	02109		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	1643051	WESTERN SCHOOLS	
Registration Number:	1652660	W	
Registration Number:	1678470	W	
Registration Number:	1699003	WESTERN SCHOOLS	
Registration Number:	2178916	FASTRAX	
CORRESPONDENCE DATA			
Fax Number:	6174220383		
<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:	6174220200		
Email:	acs@bostonbusinesslaw.com		
Correspondent Name:	Brian F. Plunkett		
Address Line 1:	155 Federal Street, 9th Floor		
Address Line 2:	Hackett Feinberg P.C.		
Address Line 4:	Boston, MASSACHUSETTS 02110		
NAME OF SUBMITTER:	Brian F. Plunkett		
SIGNATURE:	/Brian F. Plunkett/		
DATE SIGNED:	09/01/2016		
Total Attachments: 9			

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of August 31, 2016, is made by and among (i) Specialty Commerce Corp, (ii) SC Corporation, and (iii) SC Publishing, Inc., each a Delaware corporation having a business address of 400 Manley Street, West Bridgewater, MA 02379 (collectively, the "Borrower"), and Citizens Bank, National Association, a national bank having an address of 28 State Street, Boston, MA 02109 (the "Lender").

Recitals

A. Borrower and Lender are parties to a certain Credit Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Lender may now or hereafter extend credit to or for the account of the Borrower.

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

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 therein. In addition, the following terms have the meanings set forth below:

"Affiliate" means, as to any Person, mean any other Person: (a) which directly or indirectly controls, is controlled by, or is under common control with such Person, (b) which beneficially owns or holds 5% or more of any class of the voting or other equity interests of such Person, or (c) 5% or more of any class of voting interests or other equity interests of which is beneficially owned or held, directly or indirectly, by such Person. "Control," as used in this definition, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise, including the power to elect a majority of the directors or trustees of a corporation or trust, as the case may be.

"Patents" means all of the Borrower's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on **Exhibit A**.

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

“Trademarks” means all of the Borrower’s right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, (iv) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the trademarks listed on **Exhibit B**.

2. **Security Interest**. The Borrower hereby irrevocably pledges and assigns to, and grants Lender a security interest (the “Security Interest”) with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Security Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Borrower. 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 Borrower represents, warrants and agrees as follows:

(a) **Patents. Exhibit A** accurately lists all Patents owned or controlled by the Borrower as of the date hereof, or to which the Borrower has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to such Patents as of the date hereof. If after the date hereof, the Borrower owns, controls or has a right to have assigned to it any Patents not listed on **Exhibit A**, or if **Exhibit A** ceases to accurately reflect the existence and status of applications and letters patent pertaining to such Patents, then the Borrower shall within 30 days provide written notice to Lender with a replacement **Exhibit A**, which upon acceptance by Lender shall become part of this Agreement.

(b) **Trademarks. Exhibit B** accurately lists all Trademarks owned or controlled by the Borrower as of the date hereof and accurately reflects the existence and status of such Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to the Borrower’s or any Affiliate’s business(es). If after the date hereof, the Borrower owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to any Borrower’s or any Affiliate’s business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to such Trademarks, then the Borrower shall promptly provide written notice to Lender with a replacement **Exhibit B**, which upon acceptance by Lender shall become part of this Agreement.

(c) **Affiliates**. As of the date hereof, no subsidiary or affiliate of the Borrower owns, controls, or has a right to have assigned to it any items that would, if such item were owned by the

Borrower, constitute Patents or Trademarks. If after the date hereof any Affiliate or subsidiary of the Borrower owns, controls, or has a right to have assigned to it any such items, then the Borrower shall promptly either: (i) cause such subsidiary or Affiliate to assign all of its rights in such item(s) to the Borrower; or (ii) notify Lender of such item(s) and cause such subsidiary or Affiliate to execute and deliver to Lender a patent and trademark security agreement substantially in the form of this Agreement.

(d) **Title.** The Borrower as identified as the owner of each Patent and Trademark on **Exhibits A and B** has absolute title to each such Patent and each such Trademark listed thereon, free and clear of all Liens. The Borrower (i) will have, at the time the Borrower acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens.

(e) **No Sale.** The Borrower will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Lender's prior written consent.

(f) **Defense.** The Borrower will, at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(g) **Maintenance.** The Borrower will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. The Borrower covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Lender: (i) sufficient written notice, of at least thirty (30) days, to allow the Lender to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) 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.

(h) **Lender's Right to Take Action.** If the Borrower 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 thirty (30) calendar days after Lender gives the Borrower written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Borrower notifies Lender that it intends to abandon a Patent or Trademark, the Lender 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 Borrower (or, at the Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) **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 Borrower shall pay to the Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Lender in connection with or as a result of the Lender's taking action under subsection (h) above or exercising its rights under Section 6 below, together with interest thereon from the date expended or incurred by the Lender at the default rate of interest provided for in the Notes.

(j) **Power of Attorney.** To facilitate the Lender's taking action under subsection (h) above and exercising its rights under Section 6 below, the Borrower hereby irrevocably appoints (which appointment is coupled with an interest) the Lender, or its delegate, as the attorney-in-fact of the Borrower 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 Borrower, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Borrower under this Section 3, or, necessary for Lender, after the occurrence of an Event of Default which has not been waived in writing by the Lender, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Borrower 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. Borrower's Use of the Patents and Trademarks. Until the occurrence of an Event of Default which has not been waived in writing by the Lender, the Borrower shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into.

5. Defaults. Each of the following occurrences shall constitute an event of default under this Agreement (herein called an "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) the Borrower shall fail promptly to observe or perform any covenant or agreement herein binding on it within any grace or cure period set forth in the Credit Agreement; or (c) any of the representations or warranties contained in Section 3 of this Agreement shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default, the Lender may, at its option, take any or all of the following actions:

- (a) Lender may exercise any or all remedies available under the Credit Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) Lender may enforce the Patents and Trademarks and any licenses thereunder, and if Lender shall commence any suit for such enforcement, the Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by the Lender in aid of such enforcement.

7. **Miscellaneous.** This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Lender. A waiver signed by the Lender 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 Lender's rights or remedies. All rights and remedies of the Lender shall be cumulative and may be exercised singularly or concurrently, at the Lender'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 the Borrower under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. Lender shall not be obligated to preserve any rights the Borrower may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Borrower and Lender and their respective participants, successors and assigns and shall take effect when signed by the Borrower and delivered to the Lender, and the Borrower waives notice of the Lender's acceptance hereof. The Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of the Lender 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 authorized by the Borrower shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the law of the Commonwealth of Massachusetts 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.

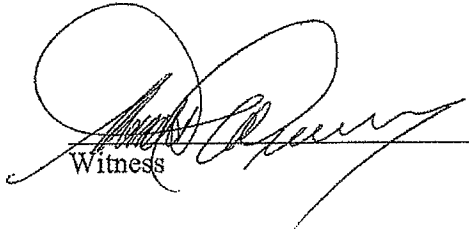
8. **Waiver of Jury Trial. THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON, ARISING FROM OR OUT OF, OR PERTAINING TO THIS AGREEMENT.**

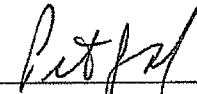
[Signatures to this Agreement appear on the following pages.]

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

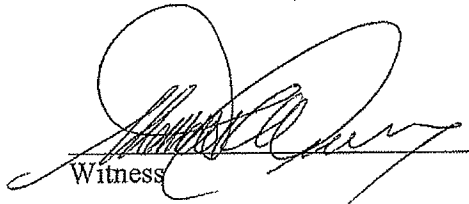
BORROWER:

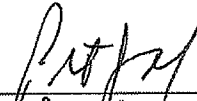
SPECIALTY COMMERCE CORP.


Witness

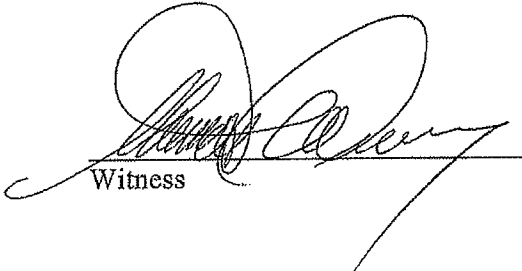
By: 
Name: PETER J. TULP
Title: CFO


SC PUBLISHING, INC.


Witness

By: 
Name: PETER J. TULP
Title: CFO

SC CORPORATION

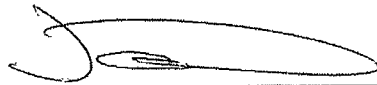

Witness

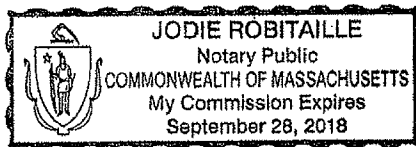
By: 
Name: PETER J. TULP
Title: CFO

COMMONWEALTH OF MASSACHUSETTS

_____, ss.,

On this 31 day of August, 2016, before me, the undersigned notary public, personally appeared Peter J. Tulp, as _____, duly authorized of Specialty Commerce Corp., SC Publishing, Inc. and SC Corporation, and proved to me through satisfactory evidence of identification, which was personally known, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.


Notary Public Jodie Robitaille
My commission expires: 9.28.18



LENDER:

CITIZENS BANK, NATIONAL ASSOCIATION

Antoinette Williams

Witness

By: Dennis D. McGeough
Name: Dennis D. McGeough
Title: Senior Vice President

COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.,

On this 31st day of August, 2016, before me, the undersigned notary public, personally appeared Dennis D. McGeough, as Senior Vice President of Citizens Bank, National Association, and proved to me through satisfactory evidence of identification, which was MA DL, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Karl Henry Lewis
Notary Public

My commission expires: Feb. 13, 2020



EXHIBIT A

PATENTS

None.

EXHIBIT B

TRADEMARKS, SERVICE MARKS AND COLLECTIVE MEMBERSHIP MARKS

Mark	Reg #	Original Date of Issue
<u>SC Corporation</u>		
Paula Young	1,341,870	06-18-85
Paula Young - Canada	TMA699770	10-30-07
Epecially Yours	2,067,348	06-03-97
Christine Jordan	2,216,045	01-05-99
Salon Sihouettes (sm)	2,340,773	04-11-00
Cool N' Lite	2,264,457	07-27-99
Heart of Gold	2,899,428	11-02-04
Hot Hair	3,268,962	07-24-07
CoolCap	3,978,100	06-14-11
VersaFiber	3,978,119	06-14-11
FiberFusion	3,978,120	06-14-11
Travelite Wigs	4,033,954	10-04-11
Paula's Pick	4,944,047	04-26-16
Wig Shop	Serial No. 86653216	
<u>SC Publishing, Inc.</u>		
Western Schools (sm)	1,643,051	04-30-91
W and Design (sm)	1,652,660	07-30-91
W and Design (tm)	1,678,470	03-10-92
Western Schools (tm)	1,699,003	07-07-92
FasTrax	2,178,916	08-04-98