

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM422153

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Trademark Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
NTS Consolidated Holdings, Inc.		03/31/2017	Corporation: DELAWARE
National Trench Safety, LLC		03/31/2017	Limited Liability Company: DELAWARE
NTS Mikedon, LLC		03/31/2017	Limited Liability Company: DELAWARE
NTS Engineering & Manufacturing, Inc.		03/31/2017	Corporation: DELAWARE
RECEIVING PARTY DATA			
Name:	Stellus Capital Investment Corporation, as Administrative Agent		
Street Address:	4400 Post Oak Parkway, Suite 2200		
City:	Houston		
State/Country:	TEXAS		
Postal Code:	77027		
Entity Type:	Corporation: MARYLAND		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3006267	NTS NATIONAL TRENCH SAFETY, LLC "THE TRE	
Registration Number:	4670246	NTS	
CORRESPONDENCE DATA			
Fax Number:	9192868199		
<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:	919 286-8000		
Email:	PTO_TMconfirmation@mvalaw.com		
Correspondent Name:	MOORE & VAN ALLEN PLLC		
Address Line 1:	3015 CARRINGTON MILL BOULEVARD		
Address Line 2:	SUITE 400		
Address Line 4:	MORRISVILLE, NORTH CAROLINA 27560		
ATTORNEY DOCKET NUMBER:	036760.171		
NAME OF SUBMITTER:	John Slaughter		

OP \$65.00 3006267

SIGNATURE:	/john slaughter/
DATE SIGNED:	04/03/2017
Total Attachments: 8 source=Executed Trademark Security Agreement - NTS#page1.tif source=Executed Trademark Security Agreement - NTS#page2.tif source=Executed Trademark Security Agreement - NTS#page3.tif source=Executed Trademark Security Agreement - NTS#page4.tif source=Executed Trademark Security Agreement - NTS#page5.tif source=Executed Trademark Security Agreement - NTS#page6.tif source=Executed Trademark Security Agreement - NTS#page7.tif source=Executed Trademark Security Agreement - NTS#page8.tif	

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (this “Agreement”) is made this 31st day of March, 2017, among **STELLUS CAPITAL INVESTMENT CORPORATION**, as Administrative Agent (the “Administrative Agent”), **NTS CONSOLIDATED HOLDINGS, INC.**, a Delaware corporation (“Holdings”), **NATIONAL TRENCH SAFETY, LLC**, a Delaware limited liability company (“NTS”), **NTS MIKEDON, LLC**, a Delaware limited liability company (“Mikedon”), and **NTS ENGINEERING & MANUFACTURING, INC.**, a Delaware corporation (“Manufacturing”); Holdings, NTS, Mikedon and Manufacturing are hereinafter collectively referred to as “Companies” and each individually as a “Company”), each having its principal place of business at 15955 W. Hardy Rd., Suite 100, Houston, TX 77060.

Recitals:

Companies desire to obtain loans and other financial accommodations from the Administrative Agent from time to time pursuant to that certain Second Lien Loan and Security Agreement dated on or about the date hereof (as from time to time amended, restated, supplemented or otherwise modified, the “Loan Agreement”) by and among Companies, the Lenders party thereto and the Administrative Agent.

A condition to the Lenders’ willingness to make loans or extend other financial accommodations to Companies from time to time under the Loan Agreement is each Company’s execution and delivery of this Agreement. To induce the Lenders to make loans and otherwise extend credit pursuant to the Loan Agreement, each Company has agreed to grant a continuing security interest in and to the Trademark Collateral (as hereinafter defined) to the Administrative Agent, for the benefit of the Lenders, as security for the timely payment and performance of the Obligations.

NOW, THEREFORE, for Ten Dollars (\$10.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Company hereby agrees with the Administrative Agent as follows:

1. Each capitalized term used herein (including those used in the Recitals hereto), unless otherwise defined, shall have the meaning ascribed to such term in the Loan Agreement. As used herein, the term “Full Payment” shall mean full and final payment of the Obligations and termination of the Commitments; and the term “UCC” shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

2. To secure the prompt payment and performance of all of the Obligations, each Company hereby grants, assigns and pledges to the Administrative Agent, for the benefit of the Lenders, a continuing security interest in and Lien upon all of the following property of such Company, whether now existing or hereafter created or acquired (collectively, the “Trademark Collateral”):

(a) all trademarks, trademark registrations, trade names and trademark applications, including, without limitation, the registered United States trademarks and United States trademark applications listed on Exhibit A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout

the world (all of the foregoing trademarks, trademark registrations, trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");

(b) the goodwill of such Company's business connected with and symbolized by the Trademarks; and

(c) all proceeds of the foregoing.

3. Each Company represents and warrants to the Administrative Agent that:

(a) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal, valid and perfected Lien upon and security interest in the Trademark Collateral that is registered in that office and that is listed on Exhibit A attached hereto, enforceable against such Company and all third Persons in accordance with its terms;

(b) No claim has been made and is pending that the use by such Company of any of its respective Trademarks does or may violate the rights of any Person in any material respect;

(c) Such Company has the corporate or limited liability company (as applicable) power and authority to enter into this Agreement and perform its terms;

(d) Each of the registered United States Trademarks is valid and enforceable; and

(e) Such Company is the sole and exclusive owner of the entire right, title and interest in and to, or is licensed to use, all of its Trademark Collateral, free and clear of any Liens, charges and encumbrances (except licenses permitted pursuant to Section 6 below), including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by such Company not to sue third Persons, except Permitted Liens.

4. Each Company covenants and agrees with the Administrative Agent that, except for Trademarks abandoned by such Company in the ordinary course of business (provided such abandonment could not be reasonably expected to have a Material Adverse Effect), such Company has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the registered United States Trademarks, including, without limitation, filing an affidavit of use with the United States Patent and Trademark Office for each registered United States Trademark as required by applicable law to maintain the registration thereof without loss of protection therefor except, in each case where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

5. The Administrative Agent and its agents shall be entitled to exercise the inspection rights with respect to such Company and its Trademark Collateral as set forth in Section 6.5 of the Loan Agreement.

6. Until Full Payment of the Obligations, no Company shall enter into any license agreement relating to any of the Trademarks with any Person except non-exclusive licenses to customers, vendors, suppliers, agents or other service providers of such Company in the regular and ordinary course of such Company's business as presently conducted and for reasonable and customary compensation, and shall not become a party to any agreement with any Person that is inconsistent with such Company's obligations under this Agreement.

7. If, before Full Payment of all of the Obligations, any Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of Section 2 hereof shall automatically apply thereto, and such Company shall give to the Administrative Agent prompt notice thereof in writing.

8. Each Company irrevocably authorizes and empowers the Administrative Agent to modify this Agreement by amending Exhibit A to include any rights to trademarks and trademark applications acquired thereby as described in Section 7 hereof.

9. At any time that an Event of Default exists, the Administrative Agent shall have, in addition to all other rights and remedies given to it by this Agreement and the other Loan Documents, all rights and remedies of a secured party under the UCC with respect to the Trademark Collateral and all other rights and remedies under any other applicable law. Without limiting the generality of the foregoing, the Administrative Agent may immediately, without demand of performance and without notice (except as described in the next sentence, if required by applicable law), or demand whatsoever to any Company, each of which each Company hereby expressly waives, collect directly any payments due such Company in respect of the Trademark Collateral, or sell at public or private sale or otherwise realize upon all or, from time to time, any of the Trademark Collateral. Each Company hereby agrees that ten (10) days prior written notice to such Company of any public or private sale or other disposition of any of the Trademark Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, the Administrative Agent may, to the extent permitted by applicable law, purchase the whole or any part of the Trademark Collateral sold, free from any right of redemption on the part of any Company, which right each Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Trademark Collateral all reasonable costs and expenses incurred by the Administrative Agent in enforcing its rights hereunder (including, without limitation, all reasonable attorneys' fees), the Administrative Agent shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as may be authorized or required by the Loan Agreement. Any remainder of the proceeds after Full Payment of all of the Obligations shall be paid over to Companies. If any deficiency shall arise, each Company and each Guarantor (if any) of the Obligations shall remain jointly and severally liable therefor.

10. Each Company hereby makes, constitutes and appoints the Administrative Agent and any officer or agent of the Administrative Agent as the Administrative Agent may select, as such Company's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall exist: to endorse such Company's name on all applications, documents, papers and instruments necessary for the Administrative Agent to continue the registration of or to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of any Trademark Collateral to any other Person. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until Full Payment of all of the Obligations.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by the Administrative Agent in connection with the preparation of this Agreement and any other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including, without limitation, all taxes in connection therewith) with the United States Patent and Trademark Office or in any other public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, Liens or otherwise in protecting, maintaining or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by

Companies (it being the intent of each Company and the Administrative Agent that Companies shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all renewal fees with respect to the Trademarks) or, if paid by the Administrative Agent in its sole discretion, shall be reimbursed by Companies to the Administrative Agent on demand by the Administrative Agent and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the per annum interest rate then applicable under the Loan Agreement.

12. Each Company shall use its commercially reasonable efforts to detect any infringers of the Trademarks whose actions can reasonably be expected to have a Material Adverse Effect and shall notify the Administrative Agent in writing of material infringements so detected. Each Company shall have the duty to prosecute diligently any trademark application for a Trademark pending as of the date of this Agreement or thereafter until Full Payment of the Obligations, to make federal application on registrable but unregistered Trademarks (subject to such Company's reasonable discretion in the ordinary course of business or, during the existence of an Event of Default or a Default, promptly upon the Administrative Agent's request), to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed reasonably necessary or desirable by the Administrative Agent to preserve and maintain all rights in the Trademarks, except, in each case, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. Any expenses incurred in connection with such applications or proceedings shall be borne by Companies. No Company shall abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of the Administrative Agent, unless such Company has determined that such trademark application or trademark is no longer necessary, desirable, or material to the conduct of its business.

13. Notwithstanding anything to the contrary contained in Section 12 hereof, at any time that an Event of Default exists, the Administrative Agent shall have the right, but shall in no way be obligated, to bring suit instead in its own name to enforce the Trademarks and any license hereunder, or to defend any suit or counterclaim in its own name to protect the Trademarks or any license hereunder, in either of which events each Company shall at the request of the Administrative Agent do any and all lawful acts (including bringing suit) and execute any and all proper documents required by the Administrative Agent to aid such enforcement, or defense, and Companies shall promptly, upon demand, reimburse and indemnify the Administrative Agent for all reasonable costs and expenses incurred by the Administrative Agent in the exercise of its rights under this Section 13.

14. If any Company fails to comply with any of its material obligations hereunder and at the time of such failure or as a result thereof an Event of Default exists, then to the extent permitted by applicable law, the Administrative Agent may discharge such obligations in such Company's name or in the Administrative Agent's name, in the Administrative Agent's sole discretion, but at Companies' expense, and each Company agrees to reimburse the Administrative Agent in full for all out of pocket expenses, including, without limitation, reasonable attorneys' fees, incurred by the Administrative Agent in prosecuting, defending or maintaining the Trademarks or the Administrative Agent's interest therein pursuant to this Agreement.

15. No course of dealing between any Company and the Administrative Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Administrative Agent, any right, power or privilege hereunder or under any of the other Loan Documents 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.

16. All of the Administrative Agent's rights and remedies with respect to the Trademark Collateral, whether established by this Agreement or any of the other Loan Documents, or by any other agreements or by applicable law, shall be cumulative and may be exercised singularly or concurrently.

17. The provisions of this 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 Agreement in any jurisdiction.

18. This Agreement, together with the other Loan Documents, constitutes and expresses the entire understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements of the parties hereto and understandings, inducements or conditions, whether express or implied, oral or written. This Agreement is subject to modification only by a writing signed by all of the parties hereto, except as provided in Section 8 hereof.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the Administrative Agent and upon the successors and permitted assigns of each Company. No Company shall assign its rights or delegate its duties hereunder without the prior written consent of the Administrative Agent.

20. Each Company hereby waives notice of the Administrative Agent's acceptance hereof.

21. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

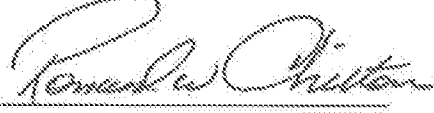
22. This Agreement may be executed in any number of counterparts and by different parties to this Agreement on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission shall be deemed to be an original signature hereto.

23. To the fullest extent permitted by applicable law, each Company and the Administrative Agent each waives the right to trial by jury in any action, suit, proceeding or counterclaim of any kind arising out of or related to this Agreement or the Trademark Collateral.

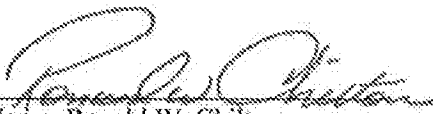
[Remainder of page intentionally left blank; signatures commence on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

NTS CONSOLIDATED HOLDINGS, INC.,
a Delaware corporation

By: 
Name: Ronald W. Chilton
Title: President

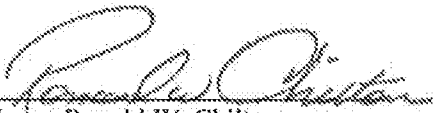
NATIONAL TRENCH SAFETY, LLC,
a Delaware limited liability company

By: 
Name: Ronald W. Chilton
Title: President

NTS MIKEDON, LLC,
a Delaware limited liability company

By: 
Name: Ronald W. Chilton
Title: President

NTS ENGINEERING & MANUFACTURING, INC.,
a Delaware corporation

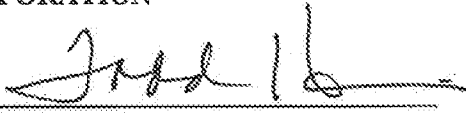
By: 
Name: Ronald W. Chilton
Title: President

TRADEMARK SECURITY AGREEMENT
NTS CONSOLIDATED HOLDINGS, INC.

TRADEMARK
REEL: 006024 FRAME: 0579

Accepted:

STELLUS CAPITAL INVESTMENT
CORPORATION

By: 

Name:

Title:

W. Todd Huskinson

Authorized Signatory

TRADEMARK SECURITY AGREEMENT
NTS CONSOLIDATED HOLDINGS, INC.

TRADEMARK
REEL: 006024 FRAME: 0580

EXHIBIT A

Trademarks

<u>Holder of Trademark</u>	<u>Mark</u>	<u>Company's Ownership Percentage</u>	<u>Jurisdiction and Office Where Registered</u>	<u>Registration Number</u>
National Trench Safety, LLC	NTS National Trench Safety, LLC "The Trench Safety Specialists"	100	United States Patent and Trademark Office	3006267
National Trench Safety, LLC	NTS	100	United States Patent and Trademark Office	4670246

Trademark Applications

None.