

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM498426

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Off-Spec Solutions, LLC		09/10/2018	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	The Central Valley Fund III (SBIC), LP		
Street Address:	1590 Drew Avenue, Suite 110		
City:	Davis		
State/Country:	CALIFORNIA		
Postal Code:	95618		
Entity Type:	Limited Partnership: DELAWARE		
Name:	The Central Valley Fund II, LP		
Street Address:	1590 Drew Avenue, Suite 110		
City:	Davis		
State/Country:	CALIFORNIA		
Postal Code:	95618		
Entity Type:	Limited Partnership: DELAWARE		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Registration Number:	5329058	MERLIN TIRE	
Serial Number:	87571196	OFFSPEC SOLUTIONS	
Serial Number:	87862131	SWAP	
Serial Number:	87862134	SWAP LOGISTICS	
Serial Number:	87868986	SWAP	
Serial Number:	87868992	SWAP LOGISTICS	
CORRESPONDENCE DATA			
Fax Number:	3105507191		
<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:	3108603361		
Email:	dmoreno@weintraub.com		
Correspondent Name:	Denise Moreno		

CH \$165.00 5329058

TRADEMARK

Address Line 1: 10250 Constellation Blvd., Suite 2900
Address Line 4: Los Angeles, CALIFORNIA 90067

ATTORNEY DOCKET NUMBER: 16684.4

NAME OF SUBMITTER: Denise Moreno

SIGNATURE: /denisemoreno/

DATE SIGNED: 11/15/2018

Total Attachments: 23

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SECURITY AGREEMENT

This Security Agreement (this “**Agreement**”), dated as of September 10, 2018, is made by and between Off-Spec Solutions, LLC, a Delaware limited liability company (together with its permitted successors and assigns, “**Borrower**”), Dispatch Assistant, LLC, an Idaho limited liability company (“**Guarantor**”) and The Central Valley Fund III (SBIC), LP, a Delaware limited partnership and The Central Valley Fund II, LP, a Delaware limited partnership (together with their permitted successors and assigns, “**Secured Party**”).

Recitals

A. Notes. Secured Party and Borrower are parties to a Senior Subordinated Note Purchase Agreement of even date herewith (“**Note Purchase Agreement**”), pursuant to which Secured Party has agreed to loan to Borrower (“**Loan**”) an aggregate of Three Million Dollars (\$3,000,000.00) and Borrower has agreed to issue to Secured Party two (2) senior subordinated promissory notes in the combined original principal amount of the Loan (the “**Notes**”).

B. Inducement. In order to induce Secured Party to enter into the Note Purchase Agreement, Guarantor has guaranteed Borrower’s obligations pursuant to the Guaranty dated on or about this same date, and Borrower and Guarantor have agreed to grant a continuing security interest in the Collateral (as defined below) in order to secure the prompt and complete payment, observance and performance of the Indebtedness (as defined below).

C. Senior Loan. Following the date hereof, Borrower intends to enter into a credit facility in such amount as may be approved by Secured Party (the “**Senior Loan**”) from a commercial bank (“**Senior Lender**”). In connection with such Senior Loan, Borrower, Secured Party and Senior Lender anticipate entering into an Intercreditor Agreement on terms and conditions to be approved by the parties (“**Intercreditor Agreement**”).

ACCORDINGLY, in consideration of the mutual covenants contained in the Note Purchase Agreement, the Notes and herein, and for other valuable consideration, the receipt and sufficiency of which Borrower hereby acknowledges, the parties hereby agree as follows:

1. Definitions. All terms defined in the recitals hereto and the Note Purchase Agreement that are not otherwise defined herein shall have the meanings given them in the recitals and the Note Purchase Agreement. All terms defined in the UCC and not otherwise defined herein have the meanings assigned to them in the UCC. In addition, the following terms have the meanings set forth below or in the referenced Section of this Agreement:

“**Accounts**” means all of the Borrower’s accounts, as such term is defined in the UCC, including each and every right of the Borrower to the payment of money, whether such right to payment now exists or hereafter arises, whether such right to payment arises out of a sale, lease or other disposition of goods or other property, out of a rendering of services, out of a loan, out of the overpayment of taxes or other liabilities, or otherwise arises under any contract or agreement, whether such right to payment is created, generated or earned by the

Borrower or by some other Person who subsequently transfers such Person's interest to the Borrower, whether such right to payment is or is not already earned by performance, and howsoever such right to payment may be evidenced, together with all other rights and interests (including all Liens) which the Borrower may at any time have by law or agreement against any account debtor or other obligor obligated to make any such payment or against any property of such account debtor or other obligor; all including but not limited to all present and future accounts, contract rights, loans and obligations receivable, chattel papers, bonds, notes and other debt instruments, tax refunds and rights to payment in the nature of general intangibles.

“**Collateral**” means the Collateral of Borrower and the Collateral of Guarantor and all proceeds thereof.

“**Collateral of Borrower**” means, whether now owned or existing or hereafter acquired or arising or in which the Borrower now has or hereafter acquires any rights, all of the Borrower's Accounts, chattel paper, deposit accounts, documents, Equipment, General Intangibles, goods, instruments, intellectual property and Intellectual Property Rights, Inventory, Investment Property, letter-of-credit rights, letters of credit, all sums on deposit in any collateral account, and any items in any lockbox or escrow account; together with (i) all substitutions and replacements for and products of any of the foregoing; (ii) in the case of all goods, all accessions; (iii) all accessories, attachments, parts, equipment and repairs now or hereafter attached or affixed to or used in connection with any goods; (iv) all warehouse receipts, bills of lading and other documents of title now or hereafter covering such goods; (v) all collateral subject to the Lien of the Secured Party; (vi) any money, or other assets of the Borrower that now or hereafter come into the possession, custody, or control of the Secured Party; and (vii) proceeds of any and all of the foregoing.

“**Collateral of Guarantor**” means, whether now owned or existing or hereafter acquired or arising or in which Guarantor now has or hereafter acquires any rights, (i) all of the stock, membership interests, options, warrants, other rights to acquire any of the foregoing and other equity and equity interests or rights in or to Borrower or Guarantor, and (ii) all of the Borrower's Accounts, chattel paper, deposit accounts, documents, Equipment, General Intangibles, goods, instruments, intellectual property and Intellectual Property Rights, Inventory, Investment Property, letter-of-credit rights, letters of credit, all sums on deposit in any collateral or escrow account, and any items in any lockbox; together with (A) all substitutions and replacements for and products of any of the foregoing; (B) in the case of all goods, all accessions; (C) all accessories, attachments, parts, equipment and repairs now or hereafter attached or affixed to or used in connection with any goods; (D) all warehouse receipts, bills of lading and other documents of title now or hereafter covering such goods; (E) all collateral subject to the Lien of the Secured Party; (F) any money, or other assets of Guarantor that now or hereafter come into the possession, custody, or control of the Secured Party; and (iii) proceeds of any and all of the foregoing.

“**Equipment**” means all of the Borrower’s equipment, as such term is defined in the UCC, whether now owned or hereafter acquired, including but not limited to all present and future machinery, vehicles, furniture, fixtures, manufacturing equipment, shop equipment, office and recordkeeping equipment, parts, tools, supplies, and including specifically the goods described in any equipment schedule or list herewith or hereafter furnished to the Secured Party by the Borrower.

“**Event of Default**” has the meaning given in Section 6.

“**General Intangibles**” means all of the Borrower’s general intangibles, as such term is defined in the UCC, whether now owned or hereafter acquired, including all present and future Intellectual Property Rights, customer or supplier lists and contracts, manuals, operating instructions, permits, franchises, the right to use the Borrower’s name, and the goodwill of the Borrower’s business.

“**Indebtedness**” is used herein in its most comprehensive sense and means any and all advances, debts, obligations and liabilities of the Borrower to the Secured Party, heretofore, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, including under any swap, derivative, foreign exchange, hedge, deposit, treasury management or other similar transaction or arrangement at any time entered into by the Borrower with the Secured Party, and whether the Borrower may be liable individually or jointly with others, or whether recovery upon such Indebtedness may be or hereafter becomes unenforceable. Without limiting the foregoing, “Indebtedness” shall also include all amounts owed or owing by Borrower to Secured Party under this Agreement, the Limited Liability Company Agreement of Borrower, the Note Purchase Agreement, the Membership Interest Purchase Agreement (as defined in the Note Purchase Agreement), and the Notes.

“**Intellectual Property Rights**” means all actual or prospective rights arising in connection with any intellectual property or other proprietary rights, including without limitation all rights arising in connection with copyrights, patents, service marks, trade dress, trade secrets, trademarks, trade names or mask works.

“**Inventory**” means all of the Borrower’s inventory, as such term is defined in the UCC, whether now owned or hereafter acquired, whether consisting of whole goods, spare parts or components, supplies or materials, whether acquired, held or furnished for sale, for lease or under service contracts or for manufacture or processing, and wherever located.

“**Investment Property**” means all of the Borrower’s investment property, as such term is defined in the UCC, whether now owned or hereafter acquired, including but not limited to all securities, security entitlements, securities

accounts, commodity contracts, commodity accounts, stocks, bonds, mutual fund shares, money market shares and U.S. Government securities.

“**Lien**” means any security interest, mortgage, deed of trust, pledge, lien, charge, encumbrance, title retention agreement or analogous instrument or device, including the interest of each lessor under any capitalized lease and the interest of any bondsman under any payment or performance bond, in, of or on any assets or properties of a Person, whether now owned or hereafter acquired and whether arising by agreement or operation of law.

“**Permitted Liens**” means (a) Liens for taxes not yet delinquent or Liens for taxes being contested in good faith and by appropriate proceedings for which adequate reserves have been established; (b) Liens in respect of property or assets imposed by law which were incurred in the ordinary course of business, such as carriers’, warehousemen’s, materialmen’s and mechanics’ liens and other similar Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings; (c) Liens in favor of Senior Lender securing the Senior Loan; (d) Liens incurred or deposits made in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security, and mechanic’s liens, carrier’s liens and other Liens to secure the performance of tenders, statutory obligations, contract bids, government contracts, performance and return of money bonds and other similar obligations, incurred in the ordinary course of business, whether pursuant to statutory requirements, common law or consensual arrangements; (e) Liens in favor of the Secured Party, and (f) Liens perfected by those filed financing statements described in Schedule A.

“**Person**” shall mean any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, governmental authority or any other form of entity.

“**Security Interest**” has the meaning given in Section 2.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of California.

2. Security Interest.

(a) The Borrower hereby grants to Secured Party to secure the timely payment, as and when due, of Indebtedness, a security interest in all of the Borrower’s right, title and interest in, to and under the Collateral of Borrower.

(b) Guarantor hereby grants to Secured Party to secure the timely payment, as and when due, of the Indebtedness, a security interest in all of the Guarantor’s rights, title and interest in, to and under the Collateral of Guarantor. As used herein, “**Security Interest**” includes the security interest granted

pursuant to Section 2(a) and the security interest granted pursuant to this Section 2(b).

3. Representations, Warranties and Agreements. The Borrower hereby represents, warrants and agrees as follows:

(a) Title. Each of Borrower and Guarantor, as applicable and with respect to the Collateral for Borrower and Collateral for Guarantor (i) has absolute title to each item of Collateral in existence on the date hereof, free and clear of all Liens except the Permitted Liens, (ii) will have, at the time each acquires any rights in Collateral hereafter arising, absolute title to each such item of Collateral free and clear of all Liens except Permitted Liens, (iii) will keep all Collateral free and clear of all Liens except Permitted Liens, and (iv) will defend the Collateral against all claims or demands of all Persons other than the holders of Permitted Liens with respect to Permitted Liens that may affect its title or Secured Party's interest in the Collateral. Neither Guarantor nor Borrower will sell or otherwise cause the disposal of the Collateral or any interest therein, outside the ordinary course of business with respect solely to the Borrower Collateral, without the prior written consent of the Secured Party.

(b) Chief Executive Office; Identification Number. The Borrower's chief executive office and principal place of business is located at the address set forth under its signature below. Guarantor's chief executive office and principal place of business is located at the address set forth under its signature below. Each of Borrower's and Guarantor's federal employer identification number and organization identification number is correctly set forth under its signature below.

(c) Location of Collateral. As of the date hereof, the tangible Collateral is located only in the states and countries, and at the addresses, as identified on Exhibit A hereto; provided however that Borrower makes no representation, warranty, or agreement hereunder with respect to the location of motor vehicles, trailers, and other items of personal property that customarily reside in or on motor vehicles or trailers in connection with a trucking business ("**Movable Collateral**") that are included in the Collateral. Neither Guarantor nor Borrower will permit any tangible Collateral, other than Movable Collateral, to be located in any state (and, if county filing is required, in any county) in which a financing statement covering such Collateral is required to be, but has not in fact been, filed in order to perfect the Security Interest.

(d) Changes in Name, Organizational Documents, Location. Neither Guarantor nor Borrower will change its name, organizational or charter documents (including without limitation Borrower's articles of organization and limited liability company agreement), or jurisdiction of organization, without the prior written consent of Secured Party, which consent will not be unreasonably withheld, conditioned or delayed. Neither Guarantor nor Borrower will change its business address, without prior written notice to Secured Party.

(e) Fixtures. Neither Guarantor nor Borrower will permit any tangible Collateral to become part of or to be affixed to any real property without first assuring to the reasonable satisfaction of Secured Party that the Security Interest will be prior and senior to any Lien then held or thereafter acquired by any mortgagee of such real property or the owner or purchaser of any interest therein. If any part or all of the tangible Collateral is now or will become so related to particular real estate as to be a fixture, the real estate concerned and the name of the record owner are accurately set forth in Exhibit B hereto.

(f) Rights to Payment. Each right to payment and each instrument, document, chattel paper and other agreement constituting or evidencing Collateral is (or will be when arising, issued or assigned to Secured Party) the valid, genuine and legally enforceable obligation, subject to no defense, setoff or counterclaim (other than those arising in the ordinary course of business), of the account debtor or other obligor named therein or in the Guarantor's or Borrower's records pertaining thereto as being obligated to pay such obligation. Neither Guarantor nor Borrower will agree to any material modification or amendment nor agree to any forbearance, release or cancellation of any such obligation, and will not subordinate any such right to payment to claims of other creditors of such account debtor or other obligor.

(g) Commercial Tort Claims. Promptly upon knowledge thereof, the Borrower and Guarantor, as applicable, will deliver to Secured Party notice of any commercial tort claims it may bring against any Person, including the name and address of each defendant, a summary of the facts, an estimate of Guarantor's or Borrower's damages, copies of any complaint or demand letter submitted by Guarantor or Borrower, and such other information as Secured Party may request. Upon request by Secured Party, the Borrower and Guarantor will grant Secured Party a security interest in all commercial tort claims it may have against any Person, and shall take commercially reasonable steps to secure, protect, perfect and enforce any such security interest asserted by Secured Party.

(h) Miscellaneous Covenants. The Borrower and Guarantor will:

(i) keep all tangible Collateral in good repair, working order and condition, normal depreciation, and repair obligations relating to vehicles and equipment that is incidental to and customary in a trucking business excepted, and will, from time to time, replace any worn, broken or defective parts thereof;

(ii) promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral or upon or against the creation, perfection or continuance of the Security Interest;

(iii) at all reasonable times, permit Secured Party or its representatives to examine or inspect any Collateral, wherever located, and to examine, inspect and copy the Borrower's and Guarantor's books and records pertaining to the Collateral and its business and financial condition and to send

and discuss with account debtors and other obligors requests for verifications of amounts owed to the Borrower and Guarantor;

(iv) keep accurate and complete records pertaining to the Collateral and pertaining to the Borrower's and Guarantor's business and financial condition and submit to the Secured Party such periodic reports concerning the Collateral and the Borrower's and Guarantor's business and financial condition as the Secured Party may from time to time reasonably request;

(v) promptly notify Secured Party of any loss or damage to any Collateral in excess of \$25,000 or of any material adverse change, known to the Borrower or Guarantor, in the prospect of payment of any sums due on or under any instrument, chattel paper, or account constituting Collateral;

(vi) if Secured Party at any time so requests (after the occurrence of an Event of Default and only so long as such Event of Default continues), promptly deliver to the Secured Party any instrument, document or chattel paper constituting Collateral, duly endorsed or assigned by the Borrower and any or all of Guarantor;

(vii) at all times keep all tangible Collateral insured against risks of fire (including so-called extended coverage), theft, collision (in case of Collateral consisting of motor vehicles) and such other risks and in such amounts as the Secured Party may reasonably request, with any such policies containing a lender loss payable endorsement acceptable to Secured Party;

(viii) from time to time authorize or execute such financing statements as Secured Party may reasonably require in order to perfect the Security Interest and, if any Collateral consists of a motor vehicle, execute such documents as may be required to have the Security Interest properly noted on a certificate of title;

(ix) pay when due or reimburse Secured Party on demand for all reasonable out-of-pocket costs of collection of any of the Indebtedness and all other reasonable out-of-pocket expenses (including in each case all reasonable attorneys' fees) incurred by Secured Party in connection with the creation, perfection, satisfaction, protection, defense or enforcement of the Security Interest or the creation, continuance, protection, defense or enforcement of this Agreement or any or all of the Indebtedness, including expenses incurred in any litigation or bankruptcy or insolvency proceedings;

(x) authorize, execute, deliver or endorse any and all instruments, documents, assignments, security agreements and other agreements and writings which Secured Party may at any time reasonably request in order to secure, protect, perfect or enforce the Security Interest and the Secured Party's rights under this Agreement, including without limitation, the establishment of an

escrow account with an escrow holder acceptable to Secured Party to hold any or all cash collateral and the delivery to Secured Party or its designated agent of stock certificates and instruments; and

(xi) not use or keep any Collateral, or permit it to be used or kept, for any unlawful purpose or in violation of any federal, state or local law, statute or ordinance.

(xii) Secured Party's Right to Take Action. Guarantor and Borrower each authorizes Secured Party to file from time to time where permitted by law, such financing statements or other filings against collateral described as "all personal property" as Secured Party deems necessary or useful to perfect the Security Interest. Borrower and Guarantor will not amend any financing statements in favor of Secured Party except as permitted by law. Further, if the Borrower or Guarantor at any time fails to perform or observe any agreement contained in Section 3(h), and if such failure continues for a period of ten (10) days after Secured Party gives the Borrower or Guarantor written notice thereof (or, in the case of the agreements contained in clauses (vii) and (viii) of Section 3(h), immediately upon the occurrence of such failure, without notice or lapse of time), Secured Party may (but need not) perform or observe such agreement on behalf and in the name, place and stead of the Borrower the Guarantor (or, at Secured Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure (including, without limitation the payment of taxes, the satisfaction of security interests, liens, or encumbrances, the performance of obligations under contracts or agreements with account debtors or other obligors, the procurement and maintenance of insurance, the execution of financing statements, the endorsement of instruments, the qualification and licensing of Borrower or Guarantor to do business in any jurisdiction, and the procurement of repairs or transportation); and, 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, Borrower and Guarantor each jointly and severally agree thereupon to pay Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees) incurred by Secured Party in connection with or as a result of Secured Party's performing or observing such agreements or taking such actions, together with interest thereon from the date expended or incurred by Secured Party at the highest rate then applicable to any of the Indebtedness. To facilitate the performance or observance by Secured Party of such agreements of the Guarantor and Borrower, the Guarantor and Borrower hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of each of Borrower and Guarantor 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 and Guarantor, any and all instruments, documents, financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by the Borrower and Guarantor under this Section 3 and Section 4, and

file any claims or take any action or institute any proceedings which Secured Party may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce compliance with the terms and conditions of any Collateral or the rights of Secured Party with respect to the Collateral.

4. Rights of Secured Party. At any time and from time to time, whether before or after an Event of Default, Secured Party may take any or all of the following actions:

(a) Account Verification. Secured Party may at any time and from time to time send or require the Borrower and Guarantor to send requests for verification of accounts or notices of assignment to account debtors and other obligors. Secured Party may also at any time and from time to time telephone account debtors and other obligors to verify accounts.

(b) Direct Collection. After an Event of Default and only for so long as such Event of Default continues, Secured Party may notify any account debtor, or any other Person obligated to pay any amount due, that such chattel paper, Account, or other right to payment has been assigned or transferred to the Secured Party for security and shall be paid directly to the Secured Party. At any time after Secured Party or the Borrower or Guarantor gives such notice to an account debtor or other obligor (which right shall only exist after an Event of Default and for so long as such Event of Default continues), the Secured Party may (but need not), in its own name or in the Borrower's name or any or all of the Guarantor's names, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such chattel paper, Account, or other right to payment, or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend or change the obligations (including collateral obligations) of any such account debtor or other obligor.

5. Assignment of Insurance. The Borrower and each of the Guarantor hereby assigns to Secured Party, as additional security for the payment of the Indebtedness, any and all moneys (including but not limited to proceeds of insurance and refunds of unearned premiums) due or to become due under, and all other rights of the Borrower and Guarantor under or with respect to, any and all policies of insurance covering all or any portion of the Collateral, and each of the Borrower and Guarantor hereby directs the issuer of any such policy to pay any such moneys directly to Secured Party. After the occurrence of an Event of Default and only for so long as such Event of Default continues, Secured Party may (but need not), in its own name or in the Borrower's and Guarantor's names, or any of them, and acting in a reasonable manner, execute and deliver proofs of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of any such policy.

6. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "**Event of Default**"): (i) an "Event of Default", as defined in the Notes, shall occur; (ii) an "Event of Default", as defined in the Note Purchase Agreement, shall occur; (iii) and "Event of Default," as defined in the Membership Interest

Purchase Agreement (as defined in the Note Purchase Agreement), shall occur; (iv) the Borrower shall fail to pay any or all of the Indebtedness when due or (if payable on demand) on demand; or (v) the Borrower or Guarantor shall fail to observe or perform any covenant or agreement herein binding on it.

7. Remedies upon Event of Default. Upon the occurrence of an Event of Default and at any time thereafter, Secured Party may exercise any one or more of the following rights and remedies: (i) declare all unmatured Indebtedness to be immediately due and payable, and the same shall thereupon be immediately due and payable, without presentment or other notice or demand; (ii) exercise and enforce any or all rights and remedies available upon default to a secured party under the UCC, including but not limited to the right to take possession of any Collateral, proceeding without judicial process or by judicial process (without a prior hearing or notice thereof, which each of Borrower and Guarantor hereby expressly waives), and the right to sell, lease or otherwise dispose of any or all of the Collateral, and in connection therewith, Secured Party may require the Borrower and Guarantor to make the Collateral available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties, and if notice to the Borrower of any intended disposition of Collateral or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given (in the manner specified in Section 9) at least ten (10) days prior to the date of intended disposition or other action; (iii) exercise or enforce any or all other rights or remedies available to the Secured Party by law or agreement against the Collateral, against the Borrower or against any other Person or property. Secured Party hereby is granted a nonexclusive, worldwide and royalty-free license to use or otherwise exploit all Intellectual Property Rights owned by or licensed to the Borrower that Secured Party deems necessary or appropriate to the disposition of any Collateral.

8. Other Personal Property. Unless at the time Secured Party takes possession of any tangible Collateral, or within seven days thereafter, the Borrower or Guarantor gives written notice to Secured Party of the existence of any goods, papers or other property of the Borrower or Guarantor, not affixed to or constituting a part of such Collateral, but which are located or found upon or within such Collateral, describing such property, Secured Party shall not be responsible or liable to the Borrower or Guarantor for any action taken or omitted by or on behalf of Secured Party with respect to such property.

9. Requests for Accounting; Notices. All requests under Section 9-210 of the UCC: (i) shall be made in a writing signed by an authorized person; (ii) shall be personally delivered, sent by registered or certified mail, return receipt requested, or by overnight courier of national reputation; (iii) shall be deemed to be sent when received by the Secured Party; and (iv) shall otherwise comply with the requirements of Section 9-210 of the UCC. The Borrower and Guarantor request that Secured Party respond to all such requests that on their face appear to come from an authorized individual and release the Secured Party from any liability for so responding. The Borrower and Guarantor shall pay Secured Party the maximum amount allowed by law for responding to such requests. Except as may be otherwise provided herein, all notices, requests, waivers and other communications hereunder shall be in writing and shall be given as set forth in the Note Purchase Agreement.

10. Miscellaneous. This Agreement has been duly and validly authorized by all necessary entity action. This Agreement does not contemplate a sale of accounts, or chattel paper.

(a) Amendment and Waiver. This Agreement or any portion of this Agreement can only be waived, modified, amended, terminated or discharged, and the Security Interest can only be released, by an explicit and specific writing also signed by Secured Party, and, in the case of amendment or modification, in a writing signed by the Borrower. A waiver signed by Secured Party 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 Secured Party's rights or remedies.

(b) Rights Cumulative. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party'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.

(c) Limited Obligations. Secured Party's duty of care with respect to Collateral in its possession (as imposed by law) shall be deemed fulfilled if Secured Party exercises reasonable care in physically safekeeping such Collateral or, in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and Secured Party need not otherwise preserve, protect, insure or care for any Collateral. Secured Party shall not be obligated to preserve any rights the Borrower may have against prior parties, to realize on the Collateral at all or in any particular manner or order, or to apply any cash proceeds of Collateral in any particular order of application.

(d) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrower, Guarantor and Secured Party and their respective successors and assigns and shall take effect when signed by the Borrower and Guarantor and delivered to Secured Party, and each of Borrower and Guarantor waives notice of the Secured Party's acceptance hereof. Neither Borrower nor Guarantor may sell, assign or delegate right and obligations hereunder without the prior written consent of Secured Party.

(e) Secured Party's Signature. Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party 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 the Borrower or Guarantor, as applicable, shall have the same force and effect as the original for all purposes of a financing statement.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the substantive laws (other than conflict laws) of the State of California.

(g) Severability. 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.

(h) Survival. 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 Indebtedness.

(i) Jurisdiction and Venue. The parties hereto hereby (i) consent to the personal jurisdiction of the state and federal courts located in the State of California in connection with any controversy related to this Agreement; (ii) waive any argument that venue in any such forum is not convenient, (iii) agree that any litigation initiated by any or all of the parties hereto in connection with this Agreement or any related documents may only be venued in either the state or federal courts located in Sacramento, California; and (iv) agree that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

11. No Impact on Other Agreements. Nothing contained in this Agreement shall or is intended to limit or reduce any obligations of Borrower or Guarantor to Secured Party under any other agreement between either or both of Borrower and Guarantor and Secured Party, including without limitation any obligations under the Note Purchase Agreement, the Notes or the Borrower's limited liability company agreement.

12. Dispute Resolution. The parties agree that any disputes hereunder shall be resolved as set forth in the Dispute Resolution section of the Note Purchase Agreement.

13. Additional Waivers. Each of Borrower and Guarantor waives (a) any claim that, as to any part of the Collateral, a private sale, should Secured Party elect so to proceed, is, in and of itself, not a commercially reasonable method of sale for such Collateral, (b) except as otherwise provided in this Agreement, TO THE FULLEST EXTENT NOT PROHIBITED BY APPLICABLE LAW, NOTICE OR JUDICIAL HEARING IN CONNECTION WITH SECURED PARTY'S SALE OR DISPOSITION OF ANY OF THE COLLATERAL INCLUDING ANY AND ALL PRIOR NOTICE AND HEARING FOR ANY PREJUDGMENT REMEDY OR REMEDIES AND ANY SUCH RIGHT THAT GRANTORS WOULD OTHERWISE HAVE UNDER ANY LAW AND ALL OTHER REQUIREMENTS AS TO THE TIME, PLACE AND TERMS OF SALE OR OTHER REQUIREMENTS WITH RESPECT TO THE ENFORCEMENT OF SECURED PARTY'S RIGHTS HEREUNDER and (c) all rights of redemption, appraisalment or valuation.

14. Continuing Security Interest. This Agreement creates a continuing security interest in the Collateral and shall (a) remain in full force and effect until the date on which (i) all obligations of Borrower under the Notes and Borrower and the Guarantor under this Security Agreement have been paid, performed and satisfied in full and (ii) any payments made by Borrower and Guarantor to Secured Party in respect of the foregoing are no longer subject to any lawful right on the part of any person whomsoever to set aside such payments or seek to recoup the amount of such payments, or any part of such payments, from the Secured Party, and (b) inure to the benefit of, and be enforceable by, Secured Party and its successors, transferees and assigns. Each of Borrower and Guarantor agrees that to the extent that Secured Party receives any payment or benefit and such payment or benefit, or any part thereof, is subsequently invalidated, declared to be fraudulent or preferential, set aside or is required to be repaid to a trustee, receiver, or any other Person under any debtor relief law, common law or equitable cause, then to the extent of such payment or benefit, the Indebtedness or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or benefit had not been made and, further, any such repayment by Secured Party, to the extent that Secured Party did not directly receive a corresponding cash payment, shall be added to and be additional Indebtedness payable upon demand by Secured Party and secured hereby, and, if the Lien and security interest hereof shall have been released, such Lien and security interest shall be reinstated with the same effect and priority as on the date of execution hereof all as if no release of such Lien or security interest had ever occurred.

15. Notices. Any notices, consents, waivers or other communications required or permitted to be given under the term of this Agreement shall be given as provided in Section 12.5 of the Note Purchase Agreement.

16. Counterparts. This Agreement may be executed and delivered by each party hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original and both of which taken together shall constitute one and the same agreement. A counterpart signature to this agreement delivered by facsimile or electronic scan (e.g., PDF) shall be deemed effective as an originally executed signature for all purposes.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

The parties hereto have entered into this Agreement as of the date and year first above written.

BORROWER:

Off-Spec Solutions LLC, a Delaware ~~limited liability~~ company

By: _____

Name: Daniel Salvador

Its: Manager

Employer ID Number: 800526684
Organizational ID Number: _____

Address: 1428 Madison Ave
Naampa, ID 83687

SECURED PARTIES:

The Central Valley Fund III (SBIC), LP,
a Delaware limited partnership

By: Gael Partners III, LLC,
Its General Partner

By: _____
Jose Blanco, Authorized Signatory

The Central Valley Fund II, LP,
a Delaware limited partnership

By: Gael Partners II, LLC,
Its General Partner

By: _____
Jose Blanco, Authorized Signatory

[SIGNATURE PAGE #1 TO SECURITY AGREEMENT]

The parties hereto have entered into this Agreement as of the date and year first above written.

BORROWER:

Off-Spec Solutions, LLC, a Delaware limited liability company

By: _____
Name: Daniel Salvador
Its: Manager

Employer ID Number: _____
Organizational ID Number: _____

Address: _____

SECURED PARTIES:

The Central Valley Fund III (SBIC), LP,
a Delaware limited partnership

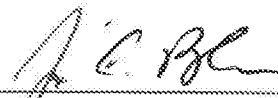
By: Gael Partners III, LLC,
Its General Partner

By: 

Jose Blanco, Authorized Signatory

The Central Valley Fund II, LP,
a Delaware limited partnership

By: Gael Partners II, LLC,
Its General Partner

By: 

Jose Blanco, Authorized Signatory

[SIGNATURE PAGE #1 TO SECURITY AGREEMENT]

The parties hereto have entered into this Agreement as of the date and year first above written.

GUARANTOR:

Dispatch Assistant, LLC

By:

Name:

Title:

Daniel Salvador
Manager

Employer ID Number: _____

Organizational ID Number: _____

Address: Dispatch Assistant, LLC
1428 Madison Avenue
Nampa, Idaho 83687
Attention: Daniel Salvador

[SIGNATURE PAGE #2 TO SECURITY AGREEMENT]

EXHIBIT A

LOCATION OF COLLATERAL

- The industrial park located at 1428 Madison Street, City of Nampa, Canyon County, Idaho, consisting of approximately 142,250 square feet of space.
- 609 North Midland Boulevard, City of Nampa, Canyon County, Idaho.

EXHIBIT B

LEGAL DESCRIPTION

See attached.

EXHIBIT B

Legal Description of Industrial Park

Parcel A

A parcel of land located in the Northwest quarter of the Southeast quarter of Section 15, Township 3 North, Range 2 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

Commencing at a found 5/8 inch rebar marking the center quarter corner of said Section 15; thence South 89°18'05" East, (formerly South 89°18'25" East) coincident with the North line of said Northwest quarter of the Southeast quarter of Section 15, a distance of 28.85 feet (formerly 28.51 feet) to a found 5/8 inch rebar on the East right of way of Madison Avenue, and the Point of Beginning; thence South 18°45'17" East, (formerly South 89°45'35" East), coincident with said Easterly right of way line of Madison Avenue, 1074.38 feet (formerly 1074.78 feet) to a found 5/8 inch rebar; thence South 88°58'30" East, (formerly South 89°01'30" East), 364.28 feet (formerly 364.23 feet) to a set 1/2 inch rebar/cap PLS 14221 on the Westerly right of way line of the Oregon Shortline Railway; thence North 21°41'05" East, coincident with said Westerly right of way line of the Oregon Shortline Railway, 287.60 feet to a set 1/2 inch rebar/cap PLS 14221 on the Westerly right of way line of Mason Creek as called out on Quit Claim Deed to United States of America and shown in Book 64 of Deeds at Page 259, and the beginning of a non-tangent curve; thence leaving said Westerly right of way line of the Oregon Shortline Railway, and coincident with said Westerly right of way line of Mason Creek, 272.86 feet along the arc of said curve to the right, with a central angle of 55°08'40", a radius of 283.50 feet, subtended by a chord bearing North 11°48'36" West, 262.45 feet to a set 1/2 inch rebar/cap PLS 14221; thence North 38°28'08" East, coincident with said Westerly right of way line of Mason Creek Quit Claim Deed, 620.09 feet to a set 1/2 inch rebar/cap PLS 14221 on said North line of the Northwest quarter of the Southeast quarter of Section 15; thence North 89°18'05" West, (formerly North 89°18'25" West) coincident with said North line of the Northwest quarter of the Southeast quarter of Section 15, a distance of 1147.89 feet to the Point of Beginning.

And also a parcel of land located in the Southwest quarter of the Northeast quarter of Section 15, Township 3 North, Range 2 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

Commencing at a found 5/8 inch rebar marking the center quarter corner of said Section 15; thence South 89°18'05" East, coincident with the South line of said Southwest quarter of the Northeast quarter of Section 15, a distance of 25.00 feet to a set 1/2 inch rebar/cap PLS 14221 on the East right of way line of Madison Avenue, and the Point of Beginning; thence North 0°23'53" East, (formerly North 0°23'40" East) coincident with said East right of way line of Madison Avenue, 445.40 feet to a found 5/8 inch rebar/cap PLS 972; thence South 89°18'25" East, 1235.71 feet to the Westerly right of way line of Mason Creek as called out on Quit Claim Deed to United States of America and shown in Book 64 of Deeds on Page 259; thence South 0°22'05" West, coincident with said Westerly right of way line of Mason Creek, 291.36 feet to a set 1/2 inch rebar/cap PLS 14221; thence South 23°20'05" West, coincident with said Westerly right of way line of Mason Creek, 174.00 feet to a set 1/2 inch rebar/cap PLS 14221 on the South line of said Southwest quarter of the Northeast quarter of Section 15; thence leaving said Westerly right of way line of Mason Creek North 89°18'05" West, coincident with said South line of the Southwest quarter of the Northeast quarter of Section 15, a distance of 1149.34 feet to the Point of Beginning.

Parcel B

A parcel of land located in the Southwest quarter of the Northeast quarter of Section 15, Township 3 North, Range 2 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

Commencing at a found 5/8 inch rebar marking the center quarter corner of said Section 15; thence South 89°18'05" East, coincident with the South line of said Southwest quarter of the Northeast quarter of Section 15, a distance of 25.00 feet to a set 1/2 inch rebar/cap PLS 14221 on the East right of way line of Madison Avenue; thence North 0°23'53" East, (formerly North 0°23'40" East) coincident with said East right of way line of Madison Avenue, 445.40 feet to a found 5/8 inch rebar/cap PLS 972 and the Point of Beginning; thence continuing North 0°23'53" East, coincident with said East right of way line of Madison Avenue, 148.47 feet to a set 1/2 inch rebar/cap PLS 14221 on the Southerly right of way of Interstate 84 and as called out in Interstate 80N Project No. 1-1G-80N-1(23)85, Instrument No. 553136; thence leaving said Easterly right of way line of Madison Avenue South 82°49'44" East, (formerly South 82°49'23" East) coincident with said Southerly right of way line of Interstate 84, a distance of 27.49 feet to a found 5/8 inch rebar no cap marking ITD Station 1873+00, 130.00 feet right; thence South 85°40'00" East, (formerly North 85°41'08" West) coincident with said Southerly right of way line of Interstate 84, a distance of 400.77 feet (formerly 400.50 feet) to a found broken right of way monument; thence South 82°49'48" East, (formerly North 82°49'23" West) coincident with said Southerly right of way line of Interstate 84, a distance of 300.20 feet (formerly 300.0 feet) to a found broken right of way monument marking ITD Station 1880+00, 110.00 feet right; thence South 85°41'07" East, (formerly North 85°41'07" West) coincident with said Southerly right of way line of Interstate 84, a distance of 198.72 feet (formerly 200.25 feet) to a set 1/2 inch rebar/cap PLS 14221; thence South 82°49'23" East, (formerly North 82°49'23" West) coincident with said Southerly right of way line of Interstate 84, a distance of 378.24 feet to a set 1/2 inch rebar/cap PLS 14221 on the East line of said Southwest quarter of the Northeast quarter of Section 15; thence leaving said Southerly right of way line of Interstate 84 South 0°24'21" West, coincident with said East line of the Southwest quarter of the Northeast quarter of Section 15, a distance of 14.68 feet to the Northeast corner of that parcel as called out on Quit Claim Deed to United States of America for Mason Creek and shown in Book 64 of Deeds at Page 259, from which a witness corner bears North 89°41'55" West, 68.39 feet to a set 1/2 inch rebar/cap PLS 14221; thence

North 89°41'55" West, 68.39 feet to a set 1/2 inch rebar/cap PLS 14221 on said Westerly right of way line of Mason Creek; thence
South 0°22'05" West, coincident with said Westerly right of way line of Mason Creek, 15.64 feet to a set 1/2 inch rebar/cap PLS 14221; thence leaving said Westerly right of way line of Mason Creek
North 89°18'25" West, 1230.71 feet to the Point of Beginning.

Legal Description of the property at 609 N. Midland Blvd., Nampa, ID 83686,
owned by GMB, LLC.

A parcel of land located in the Northeast Quarter of the Northeast Quarter of Section 20, Township 3 North, Range 2
West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

COMMENCING at the corner common to Sections 16, 17, 21 and the said Section 20, from which the Quarter
corner common to said Sections 17 and 20 bears
North 89° 25' 49" West 2,649.80 feet; thence
North 89° 25' 49" West 191.95 feet to the REAL POINT OF BEGINNING; thence
South 89° 25' 49" East 130.20 feet to a point; thence
South 00° 35' 34" West 25.00 feet to a point; thence along the Westerly right-of-way of Midland Boulevard
South 43° 43' 2" East 33.28 feet to a point; thence
South 00° 00' 05" East 219.70 feet; thence
South 1° 18' 45" East 68.97 feet to a point; thence departing said right-of-way
South 89° 59' 55" West 154.52 feet to a point; thence
North 00° 00' 05" West 339.00 feet to the REAL POINT OF BEGINNING.

SCHEDULE A

SCHEDULED PERMITTED LIENS

Secured Party	Date	Filing Number	Debtor
John Deere Construction & Forestry Company	09/10/14	B 2014-1145624-0	Off-Spec Solutions, LLC Christopher Salvador Daniel Salvador
Stearns Bank N.A.	12/24/14	B 2014-1149948-7	Off-Spec Solutions, LLC
U.S. Bank Equipment Finance	11/30/15	B 2015-1166638-2	Off-Spec Solutions, LLC
Wells Fargo Equipment Finance	12/02/15 03/08/16	B 2015-1166811-7 B 6654636	Off-Spec Solutions, LLC Off-Spec Solutions, LLC
Wells Fargo Equipment Finance	06/02/16	B 2016-1176246-1	Off-Spec Solutions, LLC
Wells Fargo Bank, N.A.	06/08/16	B 2016-1176555-1	Off-Spec Solutions, LLC
U.S. Bank Equipment Finance	09/09/16	B 2016-1181598-5	Off-Spec Solutions, LLC
Secured Lender Solutions, LLC	05/11/17	B 2017-1193769-3	Off-Spec Solutions, LLC
Apple Financial Services	01/08/18	B 2018-1206420-8	Off-Spec Solutions, LLC
CHTD Company	05/14/18	B 2018-1213283-6	Off-Spec Solutions, LLC