

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM553356

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
HRLY Brand Holdings LLC		12/06/2019	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	Bank Hapoalim B.M.		
Street Address:	1120 Avenue of the Americas		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10036		
Entity Type:	Corporation: ISRAEL		
PROPERTY NUMBERS Total: 17			
Property Type	Number	Word Mark	
Registration Number:	3596523		
Registration Number:	3613912		
Registration Number:	4268496	MICROPHONE FOR YOUTH	
Registration Number:	2484181	HURLEY	
Registration Number:	3755383	H2O	
Registration Number:	2406896		
Registration Number:	2363365	SALVATION	
Registration Number:	3606398		
Registration Number:	2780274	HURLEY	
Registration Number:	4141162		
Registration Number:	2789401		
Registration Number:	2334509	HURLEY	
Registration Number:	3699709	SALVATION	
Registration Number:	3596522	HURLEY	
Registration Number:	4761631	PHANTOM FREE	
Registration Number:	4324706	SALVATION	
Registration Number:	4376339	FLAMMO	
CORRESPONDENCE DATA			
TRADEMARK			

CH \$440.00 3596523

Fax Number: 2024083141

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.

Phone: 2024083141

Email: jean.paterson@cscglobal.com

Correspondent Name: CSC

Address Line 1: 1090 Vermont Avenue, NW

Address Line 4: Washington, D.C. 20005

NAME OF SUBMITTER:	Jean Paterson
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SIGNATURE:	/jep/
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DATE SIGNED:	12/16/2019
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Total Attachments: 10

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of December 6, 2019 is made by HRLY BRAND HOLDINGS LLC, a Delaware limited liability company ("Grantor") with an address of 240 Madison Avenue, 15th Floor, New York, New York 10016, in favor of BANK HAPOALIM B.M. ("Lender") with an address of 1120 Avenue of the Americas, New York, NY 10036.

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of December 6, 2019 by and among Grantor and HRLY Acquisition LLC, a Delaware limited liability company ("OPCo", and together with Grantor, each individually, a "Borrower" and, collectively the "Borrowers") and any other Credit Party executing or becoming a party to the Loan Agreement and Lender (as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lender has agreed to make the Loans for the benefit of Borrowers; and

WHEREAS, Lender is willing to make the Loans as provided for in the Loan Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Lender this Agreement;

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

Section 1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.

(a) When used in this Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"Copyright License" means rights under any written agreement now owned or hereafter acquired by any Person granting the right to use any Copyright or Copyright registration.

"Copyrights" means all of the following now owned or hereafter adopted or acquired by any Person: (i) all copyrights in any original work of authorship fixed in any tangible medium of expression, now known or later developed, all registrations and applications for registration of any such copyrights in the United States or any other country, including registrations, recordings and applications, and supplemental registrations, recordings, and applications in the United States Copyright Office; and (ii) all Proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof.

“Patents” means all of the following in which any Person now holds or hereafter acquires any interest: (i) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country; and (ii) all reissues, continuations, continuations-in-part or extensions thereof.

“Patent License” means rights under any written agreement now owned or hereafter acquired by any Person granting any right with respect to any invention on which a Patent is in existence.

“Trademark License” means rights under any written agreement now owned or hereafter acquired by any Person granting any right to use any Trademark or Trademark registration.

“Trademarks” means all of the following now owned or hereafter adopted or acquired by any Person: (i) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or Territory thereof, or any other country or any political subdivision thereof, (ii) all reissues, extensions or renewals thereof; and (iii) all goodwill associated with or symbolized by any of the foregoing.

Section 2. GRANT OF SECURITY INTEREST IN INTELLECTUAL PROPERTY COLLATERAL. To secure the complete and timely payment of all the Obligations now or hereafter existing from time to time, Grantor hereby pledges and grants to Lender a continuing first priority security interest in all of Grantor’s right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the “Intellectual Property Collateral”):

- (a) all of its Patents and Patent Licenses to which it is a party including those referred to on Schedule I hereto;
- (b) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule II hereto;
- (c) all of its Copyrights and Copyright Licenses to which it is a party including those referred to on Schedule III hereto;
- (d) all reissues, continuations or extensions of the foregoing;
- (e) all goodwill of the business connected with the use of, and symbolized by, each Patent, each Patent License, each Trademark, each Trademark License, each Copyright and each Copyright License; and

(f) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Patent or Patent licensed under any Patent License, (ii) injury to the goodwill associated with any Patent or any Patent licensed under any Patent License, (iii) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (iv) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, (v) infringement or dilution of any Copyright or Copyright licensed under any Copyright License, and (vi) injury to the goodwill associated with any Copyright or any Copyright licensed under any Copyright License.

Section 3. REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that Grantor does not have any interest in, or title to, any registered Patent, Trademark or Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Agreement is effective to create a valid and continuing Lien on and, upon the filing hereof with the United States Patent and Trademark Office and the United States Copyright Office, perfected security interests in favor of Lender in all of Grantor's Patents, Trademarks and Copyrights and such perfected security interests are enforceable as such as against any and all creditors of, and purchasers from, Grantor. Upon filing of this Agreement with the United States Patent and Trademark Office and the United States Copyright Office and the filing of appropriate financing statements in the applicable filing office in the state of formation of Grantor all action necessary or desirable to protect and perfect Lender's Lien on Grantor's Patents, Trademarks and Copyrights shall have been duly taken.

Section 4. COVENANTS. Grantor covenants and agrees with Lender that from and after the date of this Agreement and until the Termination Date:

(a) Grantor shall notify Lender immediately if it knows or has reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) material to the operation of any Borrower's business may become abandoned or dedicated, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) In no event shall Grantor, either directly or through any agent, employee, licensee or designee, file an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving Lender written notice thereof in accordance with the terms of the Loan Agreement, and, upon request of Lender, Grantor shall execute and deliver a supplement hereto (in form and substance satisfactory to Lender) to evidence Lender's Lien on such Patent, Trademark or Copyright, and the General Intangibles of Grantor relating thereto or represented thereby.

(c) Grantor shall take all actions necessary or reasonably requested by Lender to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents or Trademarks (now or hereafter existing), including the filing

of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(d) In the event that any of the Intellectual Property Collateral material to the operation of any Borrower's business is infringed upon, or misappropriated or diluted by a third party, Grantor shall notify Lender promptly after Grantor learns thereof. Grantor shall, unless it shall reasonably determine that such Intellectual Property Collateral is in no way material to the conduct of its business or operations, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and shall take such other actions as Lender shall deem appropriate under the circumstances to protect such Intellectual Property Collateral.

Section 5. SECURITY AGREEMENT. The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to Lender pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

Section 6. REINSTATEMENT. This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

Section 7. NOTICES. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Loan Agreement.

Section 8. TERMINATION OF THIS SECURITY AGREEMENT. Subject to Section 6 hereof, this Agreement shall terminate upon the Termination Date.

Section 9. LOAN AGREEMENT. In the event any provision of this Agreement conflicts with the terms of the Loan Agreement, the terms of the Loan Agreement shall prevail.

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

HRLY BRAND HOLDINGS LLC

By: HRLY Brand Management LLC, its Manager

By: HRLY BSA Group LLC, its Manager

By: 
Name: Ralph Gindi
Title: Manager

By: _____
Name: Joseph Gabbay
Title: Manager

ACCEPTED and ACKNOWLEDGED by:

BANK HAPOALIM B.M.

By: _____
Name:
Title:

By: _____
Name:
Title:

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

HRLY BRAND HOLDINGS LLC

By: HRLY Brand Management LLC, its Manager
By: HRLY BSA Group LLC, its Manager

By: _____
Name: Ralph Gindi
Title: Manager

By: _____
Name: Joseph Gabbay
Title: Manager

ACCEPTED and ACKNOWLEDGED by:

BANK HAPOALIM B.M.

By: *Mitchell Barnett*
Name: MITCHELL BARNETT
Title: Executive Vice President

By: *M*
Name: Max Furman
Title: First Vice President

SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

1. PATENT REGISTRATIONS

Patent

Reg. No.

Date

None.

2. PATENT APPLICATIONS

Patent

Reg. No.

Date

None.

3. PATENT LICENSES

Name of Agreement

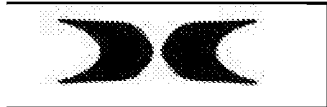
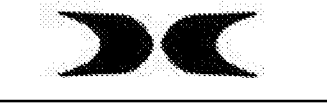
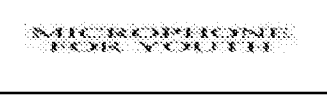
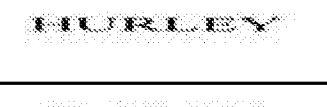


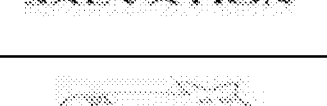
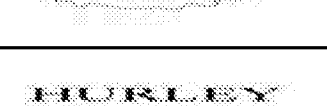


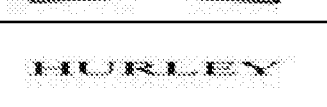
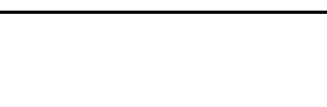
Date of Agreement

Parties

None.

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

U.S. Trademarks

DESCRIPTION OF MARK	MARK	CLASSES	REG. NO.
H Solid		9,35	3,596,523
H Solid		35,41	3,613,912
MICROPHONE FOR YOUTH		25	4,268,496
HURLEY		16	2,484,181
H2O (stylized)		25	3,755,383
H with outline		18,25	2,406,896
SALVATION		25	2,363,365
Rabbit with H Design		25	3,606,398
HURLEY		25	2,780,274
Hurley Plaid Design (black and white)		25	4,141,162
H with outline		25	2,789,401
HURLEY		18,25,28	2,334,509

SALVATION	SALVATION	25	3,699,709
HURLEY	HURLEY	35	3,596,522
FLAMMO	FLAMMO	25	4,376,339
Phantom Free	PHANTOM FREE	25	4,761,631
SALVATION	SALVATION	35	4,324,706

SCHEDULE III
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

1. COPYRIGHT REGISTRATIONS

<u>Copyright</u>	<u>Reg. No.</u>	<u>Date</u>
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None.

2. COPYRIGHT APPLICATIONS

<u>Copyright</u>	<u>Application No.</u>	<u>Date</u>
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None.

3. COPYRIGHT LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
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None.