

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM584100

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
RUDSAK INC.		06/26/2020	Corporation: CANADA
RECEIVING PARTY DATA			
Name:	Evik Asatoorian		
Street Address:	9160 Saint Laurent Blvd.		
Internal Address:	#400		
City:	Montreal		
State/Country:	CANADA		
Postal Code:	H2N 1M9		
Entity Type:	Association: CANADA		
PROPERTY NUMBERS Total: 7			
Property Type	Number	Word Mark	
Registration Number:	4777348	RUDSAK	
Registration Number:	5503262	RUDSAK	
Registration Number:	4604374	ATELIER NOIR RUDSAK & CO	
Registration Number:	4604373	ATELIER & CO BY RUDSAK	
Registration Number:	4729822	ATELIER NOIR	
Registration Number:	4030835	RUD STYLED BY RUDSAK	
Registration Number:	3284342	RUDSAK	
CORRESPONDENCE DATA			
Fax Number:	8009144240		
<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:	800-713-0755		
Email:	Ted.mulligan@wolterskluwer.com		
Correspondent Name:	CT Corporation		
Address Line 1:	4400 Easton Commons Way		
Address Line 2:	Suite 125		
Address Line 4:	Columbus, OHIO 43219		
NAME OF SUBMITTER:	Andrew Frank Garcia		
SIGNATURE:	/Andrew Frank Garcia/		

OP \$190.00 4777348

DATE SIGNED:

07/01/2020

Total Attachments: 10

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TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (“**Trademark Security Agreement**”), dated as of June 26, 2020, is made by **RUDSAK INC.**, a corporation constituted under the *Canada Business Corporation Act* (the “**Grantor**”), in favor of **MR. EVIK ASATOORIAN** (together with his successors and assigns, collectively, the “**Lender**”).

WHEREAS, Grantor as borrower, and Lender, as lender, have executed and may in the future execute one or more loan or similar agreements, promissory notes or other documents evidencing present and future loans by Lender to Grantor as well as any and all present and future amendments, supplements and/or addendums thereto and/or renewals, replacements and/or restatements thereof (collectively the “**Loan Agreement**” or the “**Loan Documents**”); and

WHEREAS, in order to induce Lender to enter into the Loan Documents and to induce Lender to make the loans and other financial accommodations to Grantor, Grantor has agreed to grant a continuing lien on the Trademark Collateral (as hereinafter defined) to secure Grantor’s obligations under the Loan Documents;

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

A. SECURITY INTEREST.

To secure the prompt payment and performance of all indebtedness owing by Grantor to Lender, Grantor hereby grants to Lender a continuing security interest in: (i) any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications of Grantor, including (a) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications, including, without limitation, those listed on Schedule A hereof as owned by Grantor (collectively, the “**Trademarks**”), (b) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the goodwill of Grantor’s business symbolized by the foregoing or connected therewith, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks, and (e) all of Grantor’s rights corresponding thereto throughout the world; (ii) all renewals of the foregoing; and (iii) all products and proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future (I) infringement or dilution of any Trademark or any Trademarks

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exclusively licensed under any license with respect thereto, including right to receive any damages, (II) injury to the goodwill associated with any Trademark, or (III) right to receive license fees, royalties, and other compensation under any license with respect thereto (all of the foregoing are collectively referred to herein as the “**Trademark Collateral**”).

B. OBLIGATIONS SECURED.

The security interests granted to Lender by Grantor in this Trademark Security Agreement shall secure the prompt and indefeasible payment and performance of Grantor’s indebtedness and obligations arising under the Loan Agreement and each of the other Loan Documents (the “**Obligations**”).

C. REPRESENTATIONS, WARRANTIES AND COVENANTS.

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

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

2. All of the existing Trademarks are valid and subsisting in full force and effect and Grantor owns sole, full, and clear title thereto, and has the right and power to grant the security interests granted hereunder. Grantor will, at Grantor’s expense, perform all acts and execute all documents necessary to maintain the existence of the Trademarks material to the conduct of the business of Grantor as then currently operated as valid, subsisting and registered trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Trademark Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever except (i) liens and security interests in favor of JPMorgan Chase Bank, N.A., Toronto Branch, or its successors and assigns (ii) liens and security interests in favor of 6317120 Canada Inc. or its successors and assigns, and (iii) such other liens, claims, mortgages, assignments, licenses, security interests, or encumbrances as Lender may consent to in writing (collectively, the “**Permitted Liens**”).

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

4. Grantor will, at Grantor’s expense, perform all acts and execute all documents requested by Lender to evidence, perfect, maintain, record, or enforce the security interest in the Trademark Collateral granted hereunder, or to otherwise further the provisions of this Trademark Security Agreement. Grantor hereby authorizes Lender to execute and file one

or more financing statements (or similar documents) with respect to the Trademark Collateral, signed (if applicable) only by Lender. Grantor further authorizes Lender to have this and any other similar security agreement filed with the United States Patent and Trademark Office or other appropriate federal, state or government office.

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

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

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

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

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

10. Grantor will notify Lender within a reasonable time of Grantor's filing a Trademark infringement suit based upon any Trademark. Grantor, at its expense, shall take such

actions as reasonably requested by Lender to protect Lender's security interest in and to the Trademarks.

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

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

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

D. EVENTS OF DEFAULT.

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

E. RIGHTS AND REMEDIES.

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

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

2. Lender may grant such license or licenses relating to the Trademark Collateral for such term or terms, on such conditions, and in such manner, as Lender shall in its sole

discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and Canada.

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

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

5. Lender may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Trademark Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all reasonable legal, travel, and other expenses which may be incurred by Lender. Thereafter, Lender may apply any remaining proceeds to the Obligations in such order and manner as Lender determines in its sole discretion. Grantor shall remain liable to Lender for any expenses or obligations remaining unpaid after the application of such proceeds, and Grantor will pay Lender on demand any such unpaid amount, together with interest at the rate set forth in the Loan Documents.

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

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

F. MISCELLANEOUS.

1. Any failure or delay by Lender to require strict performance by Grantor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement,

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

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

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

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

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

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

7. GRANTOR HEREBY CONSENTS TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER THE STATE OF NEW YORK, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. GRANTOR IRREVOCABLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES

THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. Nothing herein shall limit the right of Lender to bring proceedings against Grantor in any other court. Nothing in this Trademark Security Agreement shall be deemed to preclude enforcement by Lender of any judgment or order obtained in any forum or jurisdiction.

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

[Signature page follows]

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

RUDSAK INC.

By: _____

Name: Evik Asatoorian

Title: President

Address for Notices:

9160 Saint-Laurent Blvd., Suite 400

Montreal, Quebec, H2N 1M9

Agreed to and accepted:

EVIK ASATOORIAN

Address for Notices:

c/o 9160 Saint-Laurent Blvd., #400

Montreal, Quebec, H2N 1M9

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT

Trademarks and Applications

<u>Serial Number</u>	<u>Reg. Number</u>	<u>Word Mark</u>
86976552	4777348	RUDSAK
86060465	5503262	RUDSAK
86060014	4604374	ATELIER NOIR RUDSAK & CO
86060006	4604373	ATELIER & CO BY RUDSAK
85754813	4729822	ATELIER NOIR
85100662	4030835	RUD STYLED BY RUDSAK
77009504	3284342	RUDSAK

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