

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM685456

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
NAVIS HOLDINGS, INC.		10/29/2021	Corporation: DELAWARE
TUBULAR TEXTILE MACHINERY, INC.		10/29/2021	Corporation: DELAWARE
RECEIVING PARTY DATA			
Name:	TRIAD BUSINESS BANK		
Street Address:	1501 Highwoods Boulevard		
Internal Address:	Suite 103		
City:	Greensboro		
State/Country:	NORTH CAROLINA		
Postal Code:	27410		
Entity Type:	Corporation: NORTH CAROLINA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2894372	PAK-NIT	
CORRESPONDENCE DATA			
Fax Number:	3362329158		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	919-573-6258		
Email:	mbailey@brookspierce.com		
Correspondent Name:	Melissa Bailey, Esq.		
Address Line 1:	150 Fayetteville St.		
Address Line 2:	Suite 1700		
Address Line 4:	Raleigh, NORTH CAROLINA 27601		
ATTORNEY DOCKET NUMBER:	Navis - Tubular Textile		
NAME OF SUBMITTER:	Melissa Bailey		
SIGNATURE:	/Melissa Bailey/		
DATE SIGNED:	11/03/2021		
Total Attachments: 10			
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This **INTELLECTUAL PROPERTY SECURITY AGREEMENT** (“**Agreement**”), dated as of 29th day of October, 2021, by and among **NAVIS HOLDINGS, INC.**, a Delaware corporation (“**Navis**”), **TUBULAR TEXTILE MACHINERY, INC.**, a Delaware corporation (“**Tubular**”; Navis and Tubular are collectively referred to as, the “**Debtors**” and each, a “**Debtor**”), having an address of 113 Woodside Drive, Lexington, NC 27292, and **TRIAD BUSINESS BANK**, a North Carolina banking corporation, having a business location at the address 1501 Highwoods Boulevard, Suite 103, Greensboro, North Carolina 27410 (“**Secured Party**”).

RECITALS:

The Debtors and the Secured Party are parties to a Loan Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the “**Loan Agreement**”) setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtors.

As a condition to continuing to extend credit to or for the account of the Debtors, the Secured Party has required the execution and delivery of this Agreement by the Debtors.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby jointly and severally agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

“**Copyrights**” means the copyright registrations, applications and exclusive copyright licenses set forth in **Exhibit A**.

“**IP Collateral**” means all Copyrights, Patents and Trademarks; provide that the term “IP Collateral” expressly excludes any Excluded Property (as defined in the Security Agreement), to the extent applicable herein.

“**Patents**” means all right, title and interest of either Debtor in and to: (i) patents or applications for patents; (ii) fees or royalties with respect to each; (iii) the right to sue for past infringement and damages therefor; and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the patents listed on **Exhibit B**.

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

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

2. **Security Interest.** The Debtors hereby irrevocably pledge and assign to, and grant the Secured Party a security interest (the “**Security Interest**”) in, with power of sale upon the occurrence and during the continuation of an Event of Default to the extent permitted by law, the IP Collateral, to secure

payment of the Obligations. As set forth in the Security Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtors.

3. **Representations, Warranties and Agreements.** Debtors, jointly and severally, represent, warrant and agree as follows:

(a) **Authority.** This Agreement has been duly and validly authorized by all necessary action on the part of the Debtors.

(b) **Copyrights.** Exhibit A accurately lists all registered Copyrights owned or controlled by either Debtor as of the date hereof and accurately reflects in all material respects the existence and status of Copyrights and all applications and registrations pertaining thereto as of the date hereof. If, after the date hereof, either Debtor owns or controls any registered Copyrights not listed on Exhibit A, or if Exhibit A ceases to accurately reflect, in all material respects, the existence and status of applications and registrations pertaining to the Copyrights, then the Debtors shall within thirty (30) days provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.

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

(d) **Trademarks.** Exhibit C accurately lists all Trademarks owned or controlled by either Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof. If after the date hereof, either Debtor owns or controls any Trademarks not listed on Exhibit C or if Exhibit C ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtors shall within thirty (30) days provide written notice to the Secured Party with a replacement Exhibit C, which upon acceptance by the Secured Party shall become part of this Agreement.

(e) **Title.** Navis or Tubular, as applicable, has title to each Copyright, Patent and Trademark listed on Exhibits A, B and C, free and clear of all liens except Permitted Encumbrances. Navis or Tubular, as applicable, (i) will have, at the time such Debtor acquires any rights in IP Collateral hereafter arising, title to each such IP Collateral free and clear of all liens except Permitted Encumbrances, and (ii) will keep all IP Collateral free and clear of all liens except Permitted Encumbrances.

(f) **Defense.** The Debtors will at their own expense and using commercially reasonable efforts, protect and defend the IP Collateral against all claims or demands of all Persons.

(g) **Maintenance.** Debtors will at their own expense maintain the IP Collateral to the extent reasonably advisable in their respective businesses including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Debtors covenant that they will not abandon nor fail to pay any maintenance fee or annuity due and payable on any material IP Collateral, nor fail to file any required affidavit or renewal in support thereof, except to the extent reasonably advisable in their respective businesses.

(h) **Secured Party's Right to Take Action.** If Debtors fail to perform or observe any of their covenants or agreements set forth in this Section 3, and if such failure continues for a period of seven (7) Business Days after the Secured Party gives the Debtors written notice thereof (or, in the case of the agreements contained in subsection (f), immediately upon the occurrence of such failure, without notice or lapse of time), the Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of Debtors (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure.

(i) **Costs and Expenses.** The Debtors shall pay the Secured Party on demand the amount of all moneys expended and all reasonable and documented out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the then applicable rate of interest as set forth in the Loan Agreement.

(j) **Power of Attorney.** To the extent required to facilitate the Secured Party exercising its rights under Section 6 for the purpose of perfecting its Security Interest, the Debtors hereby irrevocably appoint (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtors 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 Debtors, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtors under this Section 3, or, necessary for the Secured Party, during the existence of an Event of Default, to enforce or use the IP Collateral or to grant or issue any exclusive or non-exclusive license under the IP Collateral to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the IP Collateral to any third party. The Debtors hereby ratify all actions that such attorney shall lawfully do or cause to be done by virtue of the power of attorney granted herein. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Obligations.

4. **Debtors' Use of the IP Collateral.** The Debtors shall be permitted to control and manage the IP Collateral, including the right to exclude others from making, using or selling items covered by the IP Collateral and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default has occurred and is continuing.

5. **Events of Default.** An Event of Default, as defined in the Loan Agreement, shall constitute an Event of Default under this Agreement

6. **Remedies.** During the existence of an Event of Default, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Loan Agreement or the Security Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the IP Collateral.

(c) The Secured Party may enforce the IP Collateral and any licenses thereunder, and, if Secured Party shall commence any suit for such enforcement, the Debtors shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement.

7. **Joint and Individual Liability.** Each Debtor's obligations under this Agreement are independent of the obligations of any other Debtor. Secured Party may sue each Debtor individually or together with any other Debtor. Secured Party may release any part of the IP Collateral and each Debtor will still be obligated under this Agreement for the remaining IP Collateral. Each Debtor agrees that Secured Party and any party to this Agreement may extend, modify or make any change in the terms of this Agreement or any evidence of debt without such Debtor's consent. Such a change will not release a Debtor from the terms of this Agreement. If Secured Party assigns any of the Obligations, Secured Party may assign all or any part of this Agreement without notice to a Debtor or a Debtor's consent, and this Agreement will inure to the benefit of Secured Party's assignee to the extent of such assignment. Secured Party will continue to have the unimpaired right to enforce this Agreement as to any of the Obligations that are not assigned. This Agreement shall inure to the benefit of and be enforceable by Secured Party and its successors and assigns and any other person to whom Secured Party may grant an interest in the Obligations and shall be binding upon and enforceable against each Debtor and its successors and assigns.

8. **Miscellaneous.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and this Agreement may not be modified or amended except in a writing signed by the Secured Party and the Debtors. This Agreement shall terminate upon termination of the Security Agreement. A waiver signed by the 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. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the 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. All notices to be given to Debtors under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. Notice to one Debtor will be deemed to be notice to all Debtors. The Secured Party shall not be obligated to preserve any rights the Debtors may have against prior parties, to realize on the IP Collateral at all or in any particular manner or order, or to apply any cash proceeds of IP Collateral in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtors and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtors and delivered to the Secured Party, and the Debtors waive notice of the Secured Party's acceptance hereof.

The 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 shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of North Carolina without regard to conflicts of law provisions, except that any exercise by Secured Party of its remedies under this Agreement pertaining to the IP Collateral shall be conducted in accordance with the law of the applicable jurisdiction where Debtors' principal place of business is located. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

8. **Recordation.** The Debtors authorize and request that this Agreement be recorded and registered by the applicable government officer (as applicable) at the United States Patent and Trademark Office, the United States Copyright Office and any other United States governmental agency which may hereafter perform the functions of the foregoing, upon request by the Secured Party.


9. **Execution in Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Agreement.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement under seal as of the date written above.

TRIAD BUSINESS BANK,
a North Carolina banking corporation

By:  (SEAL)
Name: Leah Price
Title: President - CB

NAVIS HOLDINGS, INC.,
a Delaware corporation

By: _____ (SEAL)
Name: William J. Motchar
Title: President and Chief Executive Officer

TUBULAR TEXTILE MACHINERY, INC.,
a Delaware corporation

By: _____ (SEAL)
Name: William J. Motchar
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement under seal as of the date written above.

TRIAD BUSINESS BANK,
a North Carolina banking corporation

NAVIS HOLDINGS, INC.,
a Delaware corporation

By: _____ (SEAL)
Name: _____
Title: _____

By:  _____ (SEAL)
Name: William J. Motchar
Title: President and Chief Executive Officer

TUBULAR TEXTILE MACHINERY, INC.,
a Delaware corporation

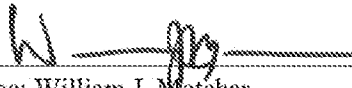
By:  _____ (SEAL)
Name: William J. Motchar
Title: President and Chief Executive Officer

EXHIBIT A
COPYRIGHTS

None.

EXHIBIT B

PATENTS

DEBTOR	PATENT	APP. NO. & FILE DATE	PATENT NO. & GRANT DATE
Tubular Textile Machinery, Inc.	Method and Apparatus For Compacting Tubular Fabrics	13/415,460 3/8/2012	8,590,122 11/26/2013

EXHIBIT C
TRADEMARKS

DEBTOR	TRADEMARK	APP. NO. & FILE DATE	REG. NO. & REG. DATE
Tubular Textile Machinery, Inc.	PAK-NIT	76/492,218 2/19/2003	2,894,372 10/19/2004