

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM754981

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
National Spinning Co., Inc.		09/07/2022	Corporation: NORTH CAROLINA
National Spinning Operations, LLC		09/07/2022	Limited Liability Company: NORTH CAROLINA
Carolina Nonwovens, LLC		09/07/2022	Limited Liability Company: NORTH CAROLINA
Hampton Art, Inc.		09/07/2022	Corporation: DELAWARE

RECEIVING PARTY DATA

Name:	Northpoint Commercial Finance LLC
Street Address:	1105 Lakewood Parkway, Suite 210
City:	Alpharetta
State/Country:	GEORGIA
Postal Code:	30009
Entity Type:	Limited Liability Company: DELAWARE

PROPERTY NUMBERS Total: 8

Property Type	Number	Word Mark
Registration Number:	1332245	NATIONAL SPINNING
Registration Number:	1472338	ULTRASPUN
Registration Number:	2313149	NATIONAL SPINNING CO., INC.
Registration Number:	2815842	K I MEMORIES
Registration Number:	4334047	FIBER S P R I N G
Registration Number:	4312699	SILENT CORE
Registration Number:	4646585	BEADER'S PARADISE
Serial Number:	90599641	HAMPTON ART

CORRESPONDENCE DATA

Fax Number:

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: 7043476420

Email: bwatson@burr.com

OP \$215.00 1332245

Correspondent Name: Brooke R. Watson
Address Line 1: 101 South Tryon Street, Suite 2610
Address Line 2: Burr & Forman LLP
Address Line 4: Charlotte, NORTH CAROLINA 28280

NAME OF SUBMITTER: Brooke R. Watson

SIGNATURE: /Brooke R. Watson/

DATE SIGNED: 09/13/2022

Total Attachments: 8

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this “Agreement”), dated as of September 7, 2022, is made by and among NATIONAL SPINNING CO., INC., a North Carolina corporation (“Parent”), NATIONAL SPINNING OPERATIONS, LLC, a North Carolina limited liability company (“Operations”), CAROLINA NONWOVENS, LLC, a North Carolina limited liability company (“Nonwovens”), HAMPTON ART, INC., a Delaware corporation (“Hampton”; Parent, Operations, Nonwovens, and Hampton are sometimes referred to herein individually as a “Company” and collectively as “Companies”), and NORTHPOINT COMMERCIAL FINANCE LLC, a Delaware limited liability company (“Lender”).

Recitals

A. Companies and Lender are parties to that certain Credit Agreement dated on or about the date hereof (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the “Credit Agreement”), which sets forth the terms on which Lender may now or hereafter extend credit to or for the account of each Company.

B. As a condition to extending credit to or for the account of each Company, Lender has required the execution and delivery of this Agreement by each Company.

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

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

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

“Patents” means all of each Company’s right, title and interest in and to patents or applications for patents owned by the Company, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Schedule A.

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

“Trademarks” means all of each Company’s right, title and interest in and to: (a) trademarks, service marks, and collective membership marks owned by the Company, registrations and applications for registration for each, and the respective goodwill associated with each, (b) licenses, fees or royalties with respect to each, (c) the right to sue for past, present and future infringement, dilution and damages therefor, and (d) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Schedule B.

2. Security Interest. Each Company hereby irrevocably pledges and assigns to, and grants Lender a security interest (the “Security Interest”) with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Security Agreement, the Companies have granted Lender a security interest in substantially all of the personal property of Companies. This Agreement grants only the Security Interest herein described, is not intended to and does not effect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with

respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Each Company represents, warrants and agrees as follows:

(a) **Existence; Authority.** Each Company is a corporation or limited liability company, duly organized, validly existing and in good standing under the laws of its state of incorporation or organization, and this Agreement has been duly and validly authorized by all necessary corporate or limited liability company action on the part of such Company.

(b) **Patents.** Schedule A accurately lists all Patents owned by any Company as of the date hereof, or to which any Company has a right as of the date hereof, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, any Company owns any Patents not listed on Schedule A, or if Schedule A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then such Company shall within 60 days provide written notice to Lender with a replacement Schedule A, which upon acceptance by Lender shall become part of this Agreement.

(c) **Trademarks.** Schedule B accurately lists all Trademarks owned by any Company 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; provided, however, that Schedule B need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to any Company's business(es). If after the date hereof, any Company owns any Trademarks not listed on Schedule B (other than common law marks which are not material to such Company's or any Affiliate's business(es)), or if Schedule B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Companies shall promptly provide written notice to Lender with a replacement Schedule B, which upon acceptance by Lender shall become part of this Agreement.

(d) **[Reserved]**

(e) **Title.** Each Company has title to each Patent and each Trademark listed on Schedules A and B, free and clear of all Liens except Permitted Liens. Each Company (i) will have, at the time such Company acquires any rights in Patents or Trademarks hereafter arising, title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** Except as permitted in the Credit Agreement, Companies will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without Lender's prior written consent.

(g) **Defense.** Except as permitted in the Credit Agreement, each Company will at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(h) **Maintenance.** Each Company will, at its own expense, maintain the Patents and the Trademarks to the extent reasonably advisable in its business 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. Each Company covenants that it will not abandon nor fail to pay any maintenance fee or annuity

due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Lender: (i) sufficient written notice, of at least 30 days, to allow Lender to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) **Lender's Right to Take Action.** If any Company fails to perform or observe any of its representations, warranties or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Lender gives such Company written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if any Company notifies Lender that it intends to abandon a Patent or Trademark, Lender may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of such Company (or, at Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) **Costs and Expenses.** 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, Companies shall pay Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with or as a result of Lender's taking action under subsection (i) or exercising its rights under Section 7, together with interest thereon from the date expended or incurred by Lender at the Default Rate.

(k) **Power of Attorney.** To facilitate Lender's taking action under subsection (i) and exercising its rights under Section 7, each Company hereby irrevocably appoints (which appointment is coupled with an interest) Lender, or its delegate, as the attorney-in-fact of such Company 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 such Company, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by such Company under this Section 3, or, necessary for Lender, an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Each Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

4. Each Company's Use of the Patents and Trademarks. Each Company shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks 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 occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) any Company shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default, Lender may, at its option, take any or all of the following actions:

(a) Lender may exercise any or all remedies available under the Credit Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) Lender may enforce the Patents and Trademarks and any licenses thereunder, and if Lender shall commence any suit for such enforcement, each Company shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Lender and each Company. A waiver signed by Lender and each Company 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 Lender's rights or remedies. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender'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 Companies or Lender under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. Lender shall not be obligated to preserve any rights any Company may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Companies and Lender and their respective participants, successors and assigns and shall take effect when signed by each Company and delivered to Lender, and Companies waive notice of Lender's acceptance hereof. Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of Lender 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 any Company 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 Georgia without regard to conflicts of law provisions. 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.

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

[continued on following page]

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

GRANTORS:

NATIONAL SPINNING CO., INC.

By: 
Name: James H. Booterbaugh
Title: President

NATIONAL SPINNING OPERATIONS, LLC

By: National Spinning Co., Inc.
Its: Member/Manager

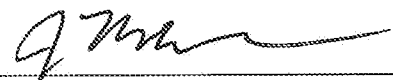
By: 
Name: James H. Booterbaugh
Title: President

CAROLINA NONWOVENS, LLC

By: National Spinning Co., Inc.
Its: Member/Manager

By: 
Name: James H. Booterbaugh
Title: President

HAMPTON ART, INC.

By: 
Name: James H. Booterbaugh
Title: President

LENDER:

NORTHPOINT COMMERCIAL FINANCE LLC

By: _____
Name: _____
Title: _____

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Title: President

NATIONAL SPINNING OPERATIONS, LLC

By: National Spinning Co., Inc.
Its: Member/Manager

By: _____
Name: James H. Booterbaugh
Title: President

CAROLINA NONWOVENS, LLC

By: National Spinning Co., Inc.
Its: Member/Manager

By: _____
Name: James H. Booterbaugh
Title: President

HAMPTON ART, INC.

By: _____
Name: James H. Booterbaugh
Title: President

LENDER:

NORTHPOINT COMMERCIAL FINANCE LLC

By: _____
Name: Don Booterbaugh
Title: President and CEO

SCHEDULE A

None.

SCHEDULE B

UNITED STATES ISSUED TRADEMARKS

REGISTRATIONS

MARK	Registration No.	Registration Date
HAMPTON ART	TMA829835 (Canada)	06/06/1967
NATIONAL SPINNING	1332245	04/23/1985
ULTRASPUN	1472338	01/12/1988
NATIONAL SPINNING CO., INC.	2313149	02/01/2000
K I MEMORIES	2815842	02/17/2004
FIBER S P R I N G	4334047	05/14/2013
SILENT CORE	4312699	04/02/2013
BEADER'S PARADISE	4646585	11/25/2014

APPLICATIONS

Mark	Application No.	Application Date
HAMPTON ART	90599641	03/24/2021