

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM789351

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Southerland, Inc.		02/15/2023	Corporation: TENNESSEE
RECEIVING PARTY DATA			
Name:	MidCap Business Credit LLC		
Street Address:	433 South Main Street		
City:	West Hartford		
State/Country:	CONNECTICUT		
Postal Code:	06110		
Entity Type:	Limited Liability Company: TEXAS		
PROPERTY NUMBERS Total: 8			
Property Type	Number	Word Mark	
Registration Number:	4919775	AMERICAN ADJUSTABLES	
Registration Number:	3636966	AMERICAN SLEEP	
Registration Number:	4543968	WAKE UP WELL	
Registration Number:	4817364	INMOTION BEDS	
Registration Number:	5269088	THERMOBALANCE YOUR SLEEP. YOUR WAY.	
Registration Number:	5269090	1893 SOUTHERLAND MAKING IT RIGHT SINCE 1	
Registration Number:	5294035	1893	
Registration Number:	5794993	THERMOBALANCE	
CORRESPONDENCE DATA			
Fax Number:			
<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:	617-742-4200		
Email:	jtm@riw.com		
Correspondent Name:	Brian T. Garrity, Esq.		
Address Line 1:	255 State Street		
Address Line 2:	7th Floor		
Address Line 4:	Boston, MASSACHUSETTS 02109		
NAME OF SUBMITTER:	Brian T. Garrity, Esq.		
SIGNATURE:	/s/ Brian T. Garrity		

OP \$215.00 4919775

DATE SIGNED:	02/23/2023
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Total Attachments: 7

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TRADEMARK SECURITY AGREEMENT

THIS SECURITY AGREEMENT is entered into as of February 15, 2023, by and between Southerland, Inc., a Tennessee corporation having its principal place of business at 6050 Dana Way, Suite 100, Antioch, Tennessee, 37013 (the "**Borrower**"), and MidCap Business Credit LLC, a Texas limited liability company, with a usual place of business at 433 South Main Street, West Hartford, Connecticut 06110 ("**Lender**").

NOW THEREFORE, in consideration of the premises, Borrower hereby agrees with Lender as follows:

1. Grant of Security Interest. Borrower hereby grants to Lender a first priority security interest in, and conditionally assigns, but does not transfer title to Lender, all of Borrower's right, title and interest in and to the following (collectively, the "**Collateral**") to secure payment and performance of all obligations of Borrower to Lender whether such obligations are direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation, those liabilities of Borrower to Lender pursuant to a Loan and Security Agreement (All Assets), dated on or about the date hereof, between Lender and Borrower, as amended from time to time (the "**Loan Agreement**") (collectively, the "**Obligations**").

The Collateral shall consist of the following:

(a) Each of the trademarks, and rights and interests protectible as trademarks, which are presently, or in the future may be, owned, created, acquired or used (whether pursuant to a license or otherwise) by Borrower, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(b) All of Borrower's right, title and interest, in and to the trademarks and trademark registrations listed on Schedule A attached hereto, as the same may be updated hereafter from time to time;

(c) All of Borrower's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country, and to apply for, renew and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Borrower or in the name of Lender for past, present and future infringements of the trademarks, registrations or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(d) All general intangibles and goodwill relating to the Collateral; and

(e) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all

payments under insurance, or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

2. Warranties and Representations. Borrower hereby warrants and represents to Lender the following:

(a) A true and complete schedule setting forth all federal and state trademark registrations owned or controlled by Borrower or licensed to Borrower, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(b) Each of the trademarks and trademark registrations is valid and enforceable, and Borrower is not presently aware of any past, present or threatened claim by any third party that any of the trademarks are invalid or unenforceable, or that the use of any trademarks violates the rights of any third person, or of any basis for any such claims;

(c) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the trademarks and trademark registrations free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, shop rights and covenants by Borrower not to sue third persons;

(d) Borrower has used and will continue to use proper statutory notice in connection with its use of each of the trademarks;

(e) Borrower has used and will continue to use consistent standards of high quality (which may be consistent with Borrower's past practices) in the manufacture, sale and delivery of products and services sold or delivered under or in connection with the trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of the trademarks;

(f) Except for the filing of financing statements with the Secretary of State of Tennessee under the Uniform Commercial Code and filings with the United States Patent and Trademark Office necessary to perfect the security interests created hereunder, to Borrower's knowledge no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Borrower of the security interest hereunder or for the execution, delivery or performance of this Agreement by Borrower or for the perfection of or the exercise by Lender of its rights hereunder to the Collateral in the United States.

3. After-Acquired Trademark Rights. If Borrower shall obtain rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto. Borrower shall give prompt notice in writing to Lender with respect to any such new trademarks or renewal or extension of any trademark registration. Borrower shall bear any expenses incurred in connection with future applications for trademark registration.

4. Litigation and Proceedings. Borrower shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits,

administrative proceedings or other actions for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Borrower shall provide to Lender any information with respect thereto requested by Lender. Lender shall provide at Borrower's expense all necessary cooperation in connection with any such suit, proceeding or action, including, without limitation, joining as a necessary party. Following Borrower's becoming aware thereof, Borrower shall notify Lender of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, or any United States, state or foreign court regarding Borrower's claim of ownership in any of such trademarks, its right to apply for the same, or its right to keep and maintain such trademark rights.

5. Power of Attorney. Borrower grants Lender power of attorney, having the full authority, and in the place of Borrower and in the name of Borrower, from time to time in Lender's discretion following the occurrence and continuation of an Event of Default (as defined in the Loan Agreement) to take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of the Loan Agreement:

(a) To endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use or maintain the Collateral;

(b) To ask, demand, collect, sue for, recover, impound, receive and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral;

(c) To file any claims or take any action or institute any proceedings that Lender may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Lender's rights with respect to any of the Collateral and to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any person.

6. Right to Inspect. Borrower grants to Lender and its employees and agents the right to visit Borrower's plants and facilities which manufacture, inspect or store products sold under any of the trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Absent an Event of Default, all such inspections shall be at Lender's expense.

7. Events of Default; Remedies. Upon the occurrence and continuance of an Event of Default (as defined in the Loan Agreement), Lender may exercise any other remedies set forth in the Loan Agreement.

8. [Reserved]

9. Governing Law. All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts.

10. Electronic Signature/Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be effective upon delivery and, thereafter, shall be deemed to

be an original, and all of which shall be taken as one and the same instrument with the same effect as if each party hereto had signed on the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signature thereto and may be attached to another part of this Agreement identical in form hereto and having attached to it one or more additional signature pages. This Agreement may be transmitted by facsimile machine or by electronic mail in portable document format ("pdf") and signatures appearing on faxed instruments and/or electronic mail instruments shall be treated as original signatures. Any party delivering an executed counterpart of this Agreement by facsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability or binding effect hereof.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Borrower and Lender have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

SOUTHERLAND, INC.

By: 
L. Bryan Smith, President

Address: 6050 Dana Way, Suite 100
Antioch, TN 37013

Telephone: 615 226 9650

Telecopier: None

Email: bsmith@southerlandsleep.com

MIDCAP BUSINESS CREDIT LLC

By: _____
Steven A. Samson, President

Address: 433 South Main Street
West Hartford, CT 06110

Telephone: 860.503.1629

Telecopies: 800.217.0500

Email: ssamson@midcap.com

[Signature Page to Trademark Security Agreement]

IN WITNESS WHEREOF, the Borrower and Lender have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

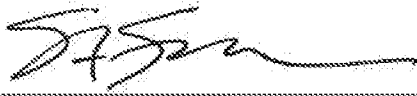
SOUTHERLAND, INC.

By: _____
L. Bryan Smith, President

Address: 6050 Dana Way, Suite 100
Antioch, TN 37013

Telephone: _____
Telecopier: None
Email: bsmith@southerlandsleep.com

MIDCAP BUSINESS CREDIT LLC

By:  _____
Steven A. Samson, President

Address: 433 South Main Street
West Hartford, CT 06110

Telephone: 860.503.1629
Telecopies: 800.217.0500
Email: ssamson@midcap.com

[Signature Page to Trademark Security Agreement]

**SCHEDULE A
TO A TRADEMARK SECURITY AGREEMENT
BETWEEN
SOUTHERLAND, INC. (BORROWER)
AND
MIDCAP BUSINESS CREDIT LLC (LENDER)**

DATED: FEBRUARY 15, 2023

REGISTERED TRADEMARKS (USA)

Trademark	Registration No.	Registration Date
AMERICAN ADJUSTABLES	4919775	March 15, 2016
AMERICAN SLEEP	3636966	June 9, 2009
WAKE UP WELL	4543968	June 3, 2014
INMOTION BEDS	4817364	September 22, 2015
THERMOBALANCE YOUR SLEEP. YOUR WAY.	5269088	August 22, 2017
1893 SOUTHERLAND MAKING IT RIGHT SINCE 1893	5269090	August 22, 2017
1893	5294035	September 26, 2017
THERMOBALANCE	5794993	July 2, 2019

REGISTRATION PENDING FOR TRADEMARKS (USA)

NONE