

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM835602

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Scout Limited, Inc.	FORMERLY "Park Designs" and "Split P"	08/16/2023	Corporation: NORTH CAROLINA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Lighthouse Financial Corp.		
<b>Street Address:</b>	925 West Market Street		
<b>City:</b>	Greensboro		
<b>State/Country:</b>	NORTH CAROLINA		
<b>Postal Code:</b>	27403		
<b>Entity Type:</b>	Corporation: NORTH CAROLINA		
<b>PROPERTY NUMBERS Total: 2</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	3044536	PARK DESIGNS	
<b>Registration Number:</b>	4230583	SPLIT P	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	3364781148		
<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>			
<b>Phone:</b>	336-478-1147		
<b>Email:</b>	eap@crlaw.com		
<b>Correspondent Name:</b>	Emily Peele		
<b>Address Line 1:</b>	235 North Edgeworth Street		
<b>Address Line 4:</b>	Greensboro, NORTH CAROLINA 27401		
<b>NAME OF SUBMITTER:</b>	Emily Peele		
<b>SIGNATURE:</b>	/ep/		
<b>DATE SIGNED:</b>	08/30/2023		
<b>Total Attachments: 9</b>			
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## TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement"), is made and entered into this 16th day of August, 2023, by and between SCOUT LIMITED, INC., a North Carolina corporation ("Borrower"), and LIGHTHOUSE FINANCIAL CORP., a North Carolina corporation ("Lender").

### WITNESSETH:

WHEREAS, Borrower proposes to enter into that certain Loan and Security Agreement, dated of even date herewith (such Loan and Security Agreement, as it may hereafter be amended, modified, supplemented or restated from time to time, being herein called the "Loan Agreement"), with Lender pursuant to which Lender will make loans and extend credit to Borrower, all as more particularly described therein; and

WHEREAS, as a condition precedent to Lender's entering into the Loan Agreement and making loans and extending credit to Borrower pursuant thereto, Lender has required the execution of this Agreement by Borrower in favor of Lender.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Borrower agrees with Lender as follows:

1. Defined Terms. All capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Loan Agreement.

2. Grant of Security Interest. As security for the payment and performance of the Obligations, Borrower hereby assigns, grants, transfers and conveys to Lender, for security purposes, a security interest in and lien on all of Borrower's right, title and interest in, to and under the following property, in each case whether now existing or hereafter acquired or arising and whether registered and unregistered and wherever the same may be located (the "Trademark Collateral"):

(a) all state (including common law), federal and foreign trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, domain names, designs and general intangibles of like natures held by Borrower, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Borrower (unless otherwise prohibited by any license or related licensing agreement under circumstances where the granting of the security interest would have the effect under applicable law of the termination or permitting termination of the license for breach and where the licensor has elected such termination remedy), and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the United States Patent and Trademark Office, any State of the United States, or any other country or any political subdivision thereof, and all extensions or renewals thereof, including any of the foregoing identified on

Schedule A attached hereto and incorporated herein by this reference (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation or any trademark law or regulation of any foreign country and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in the name of Borrower or in the name of Lender for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(b) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(c) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Borrower's business symbolized by the Trademarks or associated therewith; and

(d) all proceeds of any and all of the foregoing Trademark Collateral, including, without limitation, license royalties, rights to payment, accounts receivable, proceeds of infringement suits and all payments under insurance or any indemnity, warranty or guaranty payable by reason or loss or damage to or otherwise with respect to the foregoing Trademark Collateral.

Notwithstanding anything in the Loan Documents, the security interest in the Trademark Collateral granted to Lender does not extend to any intent-to-use application for registration of a trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051 et. seq., prior to the filing of a "Statement of Use" pursuant to Section 1(d) of the Lanham Act or an "Amendment to Allege Use" pursuant to Section 1(c) of the Lanham Act with respect thereto.

3. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants and covenants that:

(a) The Trademark Collateral is, to the best of Borrower's knowledge, subsisting and has not been judged invalid or unenforceable;

(b) Borrower's interest in the Trademark Collateral is free of all Liens other than Permitted Liens;

(c) Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademark Collateral;

(d) Borrower will maintain the quality of the products associated with the Trademark Collateral, generally at a level consistent with the quality as of the effective date of this Agreement, subject to the introduction of new products from time to time, and product modifications in the ordinary course of business; and

(e) Borrower has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of the present and future employees, agents and consultants on its creative team which will enable it to comply with the covenants herein contained.

4. Reserved.

5. Restrictions on Future Agreements. Borrower agrees that, until all of the Obligations have been satisfied in full and the Loan Agreement has been terminated in writing, it will not without Lender's prior written consent, enter into any agreement which is inconsistent with Borrower's duties under this Agreement, and Borrower further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity and enforcement of the rights granted to Lender under this Agreement.

6. After-Acquired Trademark Rights. If, before the Obligations have been satisfied in full, Borrower shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark for any renewal of any Trademark, the provisions of paragraph 2 hereof shall automatically apply thereto, and Borrower shall give to Lender prompt notice thereof in writing. Borrower authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are Trademark Collateral under paragraph 2 hereof or this paragraph 6.

7. Borrower's Rights Prior to Event of Default. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Loan Agreement), Borrower shall continue to own, and may use and enjoy the Trademark Collateral in connection with its business operations, but only in a manner consistent with the presentation of their current substance, validity and registration.

8. Remedies Upon Event of Default. If an Event of Default shall have occurred and be continuing, Lender shall have, in addition to all other rights and remedies given Lender by this Agreement, those allowed by law and, specifically, those of a Lender under the Code. Notice of any sale or other disposition of the Trademark Collateral shall be deemed reasonable and sufficient if given to Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of any of the Trademark Collateral is to be made.

9. Power of Attorney. Borrower hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select as Borrower's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Trademark Collateral to anyone else as necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the earlier of: the Event of

Default shall no longer be continuing, all of the Obligations shall have been satisfied in full, or the Loan Agreement shall have been terminated in writing.

10. Release of Security Interest. At such time as all of the Obligations shall have been satisfied and paid in full or the Loan Agreement shall have been terminated in writing, Lender shall execute and deliver to Borrower all releases, termination statements, and other instruments as may be necessary or proper to release or reflect the release of Lender's security interest in the Trademark Collateral, including all documentation necessary to reflect such release in the United States Patent and Trademark Office.

11. Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the amount of the Obligations and shall bear interest at the rate prescribed in the Loan Agreement. All references in this Agreement to attorneys' fees or legal fees shall mean reasonable actual attorneys' fees for outside counsel and their staff determined based on customary hourly rates of such attorneys and paralegals multiplied by the number of hours spent and not based on a percentage of the indebtedness.

12. Litigation and Proceedings.

(a) Borrower shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter, other than those discontinued or abandoned in the ordinary course of business, until the Obligations shall have been paid in full and to preserve and maintain all rights in trademark applications and trademarks of the Trademarks in the ordinary course of business. Any expenses incurred in connection with such an application shall be borne by Borrower. Borrower shall not abandon any right to file a trademark application, or any pending trademark application or trademark, other than those discontinued or abandoned in the ordinary course of business without the consent of Lender, which consent shall not be unreasonably withheld.

(b) Lender shall have the right, but shall in no way be obligated, to bring suit in its own name, as the holder of a security interest in the Trademark Collateral, to enforce the Trademarks, and any license thereunder, in which event Borrower shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify the Lender for all costs and expenses incurred in the exercise of its rights under this paragraph 12. Nothing herein shall be deemed to prohibit Borrower from bringing any such suit in its own name at any time that an Event of Default does not exist, if Lender declines to institute suit.

13. Lender May Perform. If Borrower fails to comply with any of its obligations hereunder, Lender may do so in Borrower's name or in Lender's name, but at Borrower's expense, and Borrower agrees to reimburse Lender in full for all expenses, including reasonable attorneys' fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6 hereof.

16. Binding Effect; Benefits. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

17. Notices. All notices and other communications hereunder shall be in writing and shall be made by email, facsimile, personal delivery, electric transmitter or overnight air courier or certified or registered mail, return receipt requested, and shall be deemed to be received by the other party one (1) business day after sending, if sent by email, facsimile, personal delivery, electric transmitter or overnight air courier, and three (3) business days after mailing, if sent by certified or registered mail. All notices addressed to the party to be notified as follows:

If to the Secured  
Party, at: Lighthouse Financial Corp.  
925 West Market Street  
Greensboro, North Carolina 27201  
Attn: Mark Walling  
E-mail: mwalling@lighthousefinancial.net

If to Borrower, at: Scout Limited, Inc.  
405 Gateway Drive  
Goldsboro, North Carolina 27534  
Attn: David Byrd  
E-mail: dbyrd@parkdesigns.net

or to such other address as each party may designate for itself by like notice given in accordance with this Section 17.

18. Governing Law; Consent to Forum. THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE

BEEN MADE IN THE STATE OF NORTH CAROLINA. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH CAROLINA. AS PART OF THE CONSIDERATION FOR NEW VALUE RECEIVED, AND REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF BORROWER OR LENDER, BORROWER HEREBY CONSENTS AND AGREES THAT THE SUPERIOR COURT OF GUILFORD COUNTY, NORTH CAROLINA, OR, AT THE LENDER'S OPTION, THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA, GREENSBORO DIVISION, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN BORROWER AND THE LENDER PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT. BORROWER EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND BORROWER HEREBY WAIVES ANY OBJECTION WHICH BORROWER MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. BORROWER HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO BORROWER AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF BORROWER'S ACTUAL RECEIPT THEREOF OR THREE (3) DAYS AFTER DEPOSIT IN THE U.S. MAILED, PROPER POSTAGE PREPAID. NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO AFFECT THE RIGHT OF THE LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW, OR TO PRECLUDE THE ENFORCEMENT BY THE LENDER OF ANY JUDGMENT OR ORDER OBTAINED IN SUCH FORUM OR THE TAKING OF ANY ACTION UNDER THIS AGREEMENT TO ENFORCE THIS AGREEMENT IN ANY OTHER APPROPRIATE FORUM OR JURISDICTION.

19. Waiver of Jury Trial. BORROWER WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO TRIAL BY JURY (WHICH THE LENDER HEREBY ALSO WAIVES) IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS OR THE COLLATERAL. BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO THE LENDER'S ENTERING INTO THE LOAN AGREEMENT AND EXTENDING CREDIT TO BORROWER THEREUNDER AND THAT THE LENDER IS RELYING UPON THIS WAIVER IN ITS FUTURE DEALINGS WITH BORROWER. BORROWER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THE FOREGOING WAIVER WITH ITS LEGAL COUNSEL AND HAS KNOWINGLY AND VOLUNTARILY WAIVED ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.



*[signature page to Trademark Security Agreement]*

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

BORROWER:

SCOUT LIMITED, INC., a North Carolina corporation

By:   
Name: David Byrd  
Title: Chief Executive Officer

LENDER:

LIGHTHOUSE FINANCIAL CORP., a North Carolina corporation

By: \_\_\_\_\_  
Name: Mark H. Walling  
Title: Executive Vice President

*[signature page to Trademark Security Agreement]*

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

BORROWER:

SCOUT LIMITED, INC., a North Carolina corporation

By: \_\_\_\_\_  
Name: David Byrd  
Title: Chief Executive Officer

LENDER:

LIGHTHOUSE FINANCIAL CORP., a North Carolina corporation

By:  \_\_\_\_\_  
Name: Mark H. Walling  
Title: Executive Vice President

Schedule A

Trademarks Registered

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Expiration Date</u>
Park Designs (International Classes 011, 014, 020, 021, 024, 025, 027)	3044536	1/17/2006	1/17/2026
Split P (International Classes 021, 024, 027)	4230583	10/23/2012	10/23/2032