

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
HOLLANDER HOME FASHIONS, LLC	03/29/2013
RECEIVING PARTY DATA	
Name:	WELLS FARGO BANK, NATIONAL ASSOCIATION, AS AGENT
Street Address:	2450 Colorado Avenue, Suite 3000 West
City:	Santa Monica
State/Country:	CALIFORNIA
Postal Code:	90404
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	5271112
CORRESPONDENCE DATA	
Fax Number:	3128637806
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312-863-7198
Email:	nancy.brougher@goldbergkohn.com
Correspondent Name:	Nancy Brougher
Address Line 1:	Goldberg Kohn Ltd.
Address Line 2:	55 East Monroe Street, Suite 3300
Address Line 4:	Chicago, ILLINOIS 60603
ATTORNEY DOCKET NUMBER:	1989.332
NAME OF SUBMITTER:	Nancy Brougher
Signature:	/njb/
Date:	06/06/2013
Total Attachments: 6	

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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Patent Security Agreement") is made this 29th day of March, 2013, by the Grantor listed on the signature pages hereof ("Grantor"), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association ("WFB"), in its capacity as agent for the Lender Group and the Bank Product Providers (in such capacity, together with its successors and permitted assigns in such capacity, "Agent").

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement dated as of March 29, 2013 (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the "Credit Agreement") by and among **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company ("Parent"), **HOLLANDER HOME FASHIONS, LLC**, a Delaware limited liability company ("US Borrower"), **HOLLANDER CANADA HOME FASHIONS LIMITED**, a corporation organized under the laws of Ontario, Canada ("Canadian Borrower;" together with US Borrower, "Borrowers" and each a "Borrower"), the lenders party thereto as "Lenders" (each of such Lenders, together with its successors and permitted assigns, is referred to hereinafter as a "Lender"), and Agent, the Lender Group has agreed to make certain financial accommodations available to Borrower from time to time pursuant to the terms and conditions thereof; and

WHEREAS, the members of Lender Group and the Bank Product Providers are willing to make the financial accommodations to Borrowers as provided for in the Credit Agreement, the other Loan Documents, and the Bank Product Agreements, but only upon the condition, among others, that the Grantor shall have executed and delivered to Agent, for the benefit of the Lender Group and the Bank Product Providers, that certain Guaranty and Security Agreement, dated as of March 29, 2013 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Guaranty and Security Agreement"); and

WHEREAS, pursuant to the Guaranty and Security Agreement, Grantor is required to execute and deliver to Agent, for the benefit of the Lender Group and the Bank Product Providers, this Patent Security Agreement;

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, Grantor hereby agrees as follows:

1. DEFINED TERMS. All initially capitalized terms used but not otherwise defined herein have the meanings given to them in the Guaranty and Security Agreement or, if not defined therein, in the Credit Agreement, and this Patent Security Agreement shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Grantor hereby unconditionally grants and pledges to Agent, for the benefit each member of the Lender

Group and each of the Bank Product Providers, to secure the Secured Obligations, a continuing security interest (referred to in this Patent Security Agreement as the "Security Interest") in all of Grantor's right, title and interest in and to the following (except for Excluded Collateral), whether now owned or hereafter acquired or arising (collectively, the "Patent Collateral"):

- (a) all of its Patents including those referred to on Schedule I;
- (b) all inventions and improvements described or claimed therein;
- (c) all continuations, divisionals, continuations-in-part, reissues, re-examinations, or renewals thereof and improvements thereon; and
- (d) all products and proceeds of the foregoing (as such term is defined in the Code), including any claim by Grantor against third parties for past, present or future infringement of any Patent.

3. SECURITY FOR SECURED OBLIGATIONS. This Patent Security Agreement and the Security Interest created hereby secures the payment and performance of the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent Security Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by Grantor, or any of them, to Agent, the other members of the Lender Group, the Bank Product Providers or any of them, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving Grantor.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group and the Bank Product Providers, pursuant to the Guaranty and Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the Security Interest in the Patent Collateral made and granted hereby are more fully set forth in the Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any inconsistency between this Patent Security Agreement and the Guaranty and Security Agreement, the Guaranty and Security Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. Without limiting Grantor's obligations under this Section, Grantor hereby authorizes Agent unilaterally to modify this Patent Security Agreement by amending Schedule I to include any such newly Patents or applications therefor of Grantor (except for those constituting Excluded Collateral). Notwithstanding the foregoing, no failure to so modify this Patent Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Patent Security Agreement is a Loan Document. This Patent Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Patent Security Agreement. Delivery of an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission shall be equally as

effective as delivery of an original executed counterpart of this Patent Security Agreement. Any party delivering an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Patent Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Patent Security Agreement.

7. CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE PROVISION. THIS PATENT SECURITY AGREEMENT SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN SECTION 25 OF THE GUARANTY AND SECURITY AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTOR:

HOLLANDER HOME FASHIONS, LLC, a
Delaware limited liability company

By: 
Name: David Schaefer
Title: Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED BY:

AGENT:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, a national banking association

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTOR:

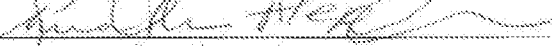
HOLLANDER HOME FASHIONS, LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____

ACCEPTED AND ACKNOWLEDGED BY:

AGENT:

**WELLS FARGO BANK, NATIONAL
ASSOCIATION,** a national banking association

By:  _____
Name: Samantha Alexander
Title: Director

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Patents

UNITED STATES PATENTS:

Registrations:

OWNER	REGISTRATION NUMBER	DESCRIPTION
Hollander Home Fashions, LLC	D507,920	PILLOW COVERING
Hollander Home Fashions, LLC	5271112* *	ELASTIC BED RUFFLE

Applications:

OWNER	APPLICATION NUMBER	DESCRIPTION
Hollander Home Fashions, LLC	11/701,980	PILLOW CLOSURE

CANADIAN PATENTS:

Registrations:

OWNER	REGISTRATION NUMBER	COUNTRY/STATE	DESCRIPTION
Hollander Home Fashions, LLC	107807 ¹	Canada	PILLOW

** purchased by Hollander Home Fashions, LLC pursuant to the Asset Purchase Agreement, dated as of April 22, 2013, by and among Louisville Bedding Company, Hollander Home Fashions, LLC, Hollander Canada Home Fashions Limited and the equityholders named therein. The Grantors are using commercially reasonable efforts to update the record owners of such Intellectual Property to be "Hollander Home Fashions, LLC."

¹ This is a registered design, not a patent.