

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT3102521

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
SPARTANBURG FOREST PRODUCTS, INC.	10/30/2014
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	REGIONS BANK
<b>Street Address:</b>	6805 MORRISON BLVD.
<b>Internal Address:</b>	SUITE 100
<b>City:</b>	CHARLOTTE
<b>State/Country:</b>	NORTH CAROLINA
<b>Postal Code:</b>	28211
<b>PROPERTY NUMBERS Total: 8</b>	
<b>Property Type</b>	<b>Number</b>
Patent Number:	6164629
Patent Number:	6231031
Patent Number:	6453538
Patent Number:	D421654
Patent Number:	D426650
Patent Number:	D454960
Patent Number:	D468443
Patent Number:	D484249
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(678)533-7787
<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>	404-523-5300
<b>Email:</b>	sls@phrd.com
<b>Correspondent Name:</b>	STEVEN L. SCHAAF, PARALEGAL
<b>Address Line 1:</b>	285 PEACHTREE CENTER AVENUE, N.E.
<b>Address Line 2:</b>	SUITE 1500
<b>Address Line 4:</b>	ATLANTA, GEORGIA 30303
<b>ATTORNEY DOCKET NUMBER:</b>	3717.300
<b>NAME OF SUBMITTER:</b>	BOBBI ACORD NOLAND

PATENT

<b>SIGNATURE:</b>	/BAN/
<b>DATE SIGNED:</b>	11/11/2014
<b>Total Attachments: 7</b> source=Patent Security Agreement (Spartanburg)#page1.tif source=Patent Security Agreement (Spartanburg)#page2.tif source=Patent Security Agreement (Spartanburg)#page3.tif source=Patent Security Agreement (Spartanburg)#page4.tif source=Patent Security Agreement (Spartanburg)#page5.tif source=Patent Security Agreement (Spartanburg)#page6.tif source=Patent Security Agreement (Spartanburg)#page7.tif	

## PATENT SECURITY AGREEMENT

This **PATENT SECURITY AGREEMENT** (this "Agreement") is made as of this 30th day of October, 2014, between **REGIONS BANK**, an Alabama banking corporation having an office at 6805 Morrison Boulevard, Suite 100, Charlotte, North Carolina 28211 (together with its successors and assigns, "Lender"), and **SPARTANBURG FOREST PRODUCTS, INC.**, a South Carolina corporation having its principal place of business at 1431 Highway 101 South, Greer, South Carolina 29651 ("Company").

### Recitals:

Company desires to obtain loans and other financial accommodations from Lender pursuant to that certain Loan and Security Agreement dated of even date herewith (as at any time amended, restated, supplemented or otherwise modified, the "Loan Agreement") by and between Company and Lender.

Lender is willing to make loans and other financial accommodations to Company from time to time, pursuant to the terms of the Loan Agreement, provided that Company executes this Agreement.

NOW, THEREFORE, for Ten Dollars (\$10.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company hereby agrees with Lender as follows:

1. Capitalized terms used herein (including those used in the Recitals hereto), unless otherwise defined, shall have the meanings ascribed to them in the Loan Agreement. As used herein, the term "Full Payment" shall mean full and final payment of the Obligations and termination of the Commitments.

2. To secure the prompt payment and performance of all of the Obligations, Company hereby grants, assigns and pledges to Lender, a continuing security interest in and Lien upon all of the following property of Company, whether now owned or existing or hereafter created or acquired (collectively, the "Patent Collateral"):

(a) the entire right, title and interest of Company in and to the patent applications and patents listed on Exhibit A attached hereto (as the same may be amended from time to time), and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof, including, without limitation, the right to sue for past, present and future infringements and rights corresponding thereto throughout the world (all of the foregoing being herein collectively referred to as the "Patents"); and

(b) all proceeds of the foregoing (such as, by way of example, license royalties and proceeds of infringement suits).

3. Company covenants with and warrants to Lender that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) Company is now and shall continue to be the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any Liens other than Permitted Liens;

(c) Company has the unqualified right to enter into this Agreement and perform its terms; and

(d) Company has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents and has made, and will continue to make all appropriate filings with the United States Patent and Trademark Office and any applicable foreign filing offices to maintain the Patents in existence, including, without limitation, filing all necessary documents with the United States Patent and Trademark Office and any applicable foreign filing offices for each Patent to maintain it without loss of protection therefor.

4. Until Full Payment of all of the Obligations, Company shall not enter into any license agreement relating to any of the Patents with any Person except non-exclusive licenses to customers, vendors, suppliers, agents or other service providers of Company in the regular and ordinary course of Company's business as presently conducted and for reasonable and customary compensation, and shall not become a party to any agreement with any Person that is inconsistent with Company's obligations under this Agreement.

5. If, before Full Payment of all of the Obligations, Company shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Section 2 shall automatically apply thereto and Company shall give to Lender prompt notice thereof in writing.

6. Company irrevocably authorizes and empowers Lender to modify this Agreement by amending Exhibit A to include any future patents and patent applications.

7. Company hereby grants to Lender and its employees, upon prior notice to Company, the visitation, audit, and inspection rights with respect to Company and the Patent Collateral as set forth in the Loan Agreement.

8. At any time that an Event of Default exists, Lender shall have, in addition to all other rights and remedies given it by this Agreement and the other Loan Documents, all rights and remedies of a secured party under the UCC and all other rights and remedies under applicable law. Without limiting the generality of the foregoing, Lender may immediately, without demand of performance and without other notice (except as described in the next sentence, if required by applicable law) or demand whatsoever to Company, each of which Company hereby expressly waives, and without advertisement (except as otherwise provided by applicable law), collect directly any payments due Company in respect of the Patent Collateral, or sell at public or private sale or otherwise realize upon the whole or from time to time any of the Patent Collateral, or any interest that Company may have therein. Company hereby agrees that ten (10) days notice to Company of any public or private sale or other disposition of any of the Patent Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Lender may, to the extent

permitted by applicable law, purchase the whole or any part of the Patent Collateral sold, free from any right of redemption on the part of Company, which right Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Patent Collateral all reasonable costs and expenses incurred by Lender in enforcing its rights hereunder (including, without limitation, all reasonable attorneys' fees), Lender shall apply the remainder of such proceeds to the payment of the Obligations, in such order and manner as may be authorized or required by the Loan Agreement. Any remainder of the proceeds after Full Payment of all of the Obligations shall be paid over to Company. If any deficiency shall arise, Company shall remain liable therefor.

9. Company hereby makes, constitutes and appoints Lender, and any officer or agent of Lender as Lender may select, as Company's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall exist: to endorse Company's name on all applications, documents, papers and instruments necessary for Lender to continue the maintenance of or to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of any Patent Collateral to any other Person. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until Full Payment of all of the Obligations.

10. Any and all reasonable fees, costs and expenses, of whatever kind or nature, (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the preparation of this Agreement and any other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including, without limitation, all taxes in connection therewith) with the United States Patent and Trademark Office or in any other public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, Liens or otherwise, in protecting, maintaining, or preserving the Patent Collateral or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral, shall be borne and paid by Company (it being the intent of Company and Lender that Company shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all maintenance fees with respect to the Patents) or, if paid by Lender in its sole discretion, shall be reimbursed by Company to Lender **on demand** by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate of interest then in effect under the Loan Agreement for Revolving Loans.

11. Company shall use its commercially reasonable efforts to detect any infringers of the Patents and shall notify Lender in writing of material infringements detected. Company shall have the duty, through counsel acceptable to Lender, to prosecute diligently any patent application for a Patent pending as of the date of this Agreement or thereafter until Full Payment of all of the Obligations, to make application on unpatented but patentable inventions (subject to Company's reasonable discretion in the ordinary course of business, or, during the existence of a Default or an Event of Default, promptly upon Lender's request), to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to protect each Patent and to do any and all acts that are reasonably deemed necessary or desirable by Lender to preserve and maintain all rights in patent applications for each Patent, unless in any such case Company has determined that such Patent is no longer material to the conduct of its business. Any expenses incurred in connection with such an application or proceedings shall be borne by Company. Company shall not abandon any pending patent application or Patent without the prior written consent of Lender unless Company has determined that such patent application or Patent is no longer material to the conduct of its business.

12. Notwithstanding anything to the contrary contained in Section 11 hereof, at any time that an Event of Default exists, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and any license hereunder, or to defend any suit or counterclaim in its

own name to protect any Patents or license hereunder, in either of which events Company 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 to aid such enforcement or defense and Company shall promptly, upon demand, reimburse and indemnify Lender for all reasonable costs and expenses incurred in the exercise of Lender's rights under this Section 12.

13. If Company fails to comply with any of its obligations hereunder and at the time of such failure or as a result thereof an Event of Default exists, then to the extent permitted by applicable law, Lender may discharge such obligations in Company's name or in Lender's name, in Lender's sole discretion, but at Company's expense, and Company agrees to reimburse Lender in full for all reasonable expenses, including, without limitation, reasonable attorneys' fees, incurred by Lender in prosecuting, defending or maintaining the Patents or Lender's interest therein pursuant to this Agreement.

14. No course of dealing between Company and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under any of the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

15. All of Lender's rights and remedies with respect to the Patent Collateral, whether established by this Agreement or any of the other Loan Documents, or by any other agreements or by applicable law, shall be cumulative and may be exercised singularly or concurrently.

16. 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, the same shall be deemed severed herefrom and shall not in any manner affect such clause or provisions in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

17. This Agreement, together with the other Loan Documents, constitutes and expresses the entire understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings, inducements or conditions, whether express or implied, oral or written. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 6 hereof.

18. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of Lender and upon the successors and permitted assigns of Company. Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Lender.

19. Company hereby waives notice of Lender's acceptance hereof.

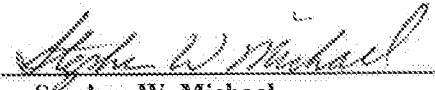
20. **This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.**

21. **To the fullest extent permitted by applicable law, Company and Lender each waives the right to trial by jury in any action, suit, proceeding or counterclaim of any kind arising out of or related to this Agreement or the Patent Collateral.**

[Remainder of page intentionally left blank; signatures appear on following pages.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date first written above.


**SPARTANBURG FOREST PRODUCTS, INC.**  
("Company")

By:   
Name: **Stephen W. Michael**  
Title: President and Secretary

[SEAL]

[Signatures continue on the following page]

**REGIONS BANK**  
("Lender")

By:   
Name: Bruce Rhodes  
Title: Senior Vice President



**EXHIBIT A**

U.S. Patents

<u>Patent Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
Outdoor Railing System and Rails	6164629	12/26/2000
Outdoor Railing System and Rails	6231031	5/15/2001
Outdoor Railing System and Rails	6453538	9/24/2002
Top or Bottom Rail for Outdoor Railing Systems	D421654	3/14/2000
Outdoor Railing System Spindle	D426650	6/13/2000
Top or Bottom Rail for Outdoor Railing Systems	D454960	3/26/2002
Top or Bottom Rail for Outdoor Railing Systems	D468443	1/7/2003
Top or Bottom Rail for Outdoor Railing Systems	D484249	12/23/2003

Canadian Patents

<u>Patent</u>	<u>Canadian Registration Number</u>	<u>Registration Date</u>
Outdoor Railing System and Rails	2287119	
Outdoor Railing System and Rails	2287281	
Outdoor Railing Spindle	90461	
Rail	95487	
Top/Bottom Rail for Railing System	95752	