# 504009861 09/16/2016 PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1 Stylesheet Version v1.2 EPAS ID: PAT4056518

SUBMISSION TYPE:	NEW ASSIGNMENT				
NATURE OF CONVEYANCE:	SECURITY INTEREST				
CONVEYING PARTY DATA					
Name		Execution Date			
BMC EAST, LLC		09/15/2016			
BMC STOCK HOLDINGS, INC.		09/15/2016			
BMC WEST, LLC		09/15/2016			
SELECTBUILD CONSTRUCTION, INC.		09/15/2016			
STOCK BUILDING SUPPLY OF ARKANSAS, LLC		09/15/2016			
BMC CORPORATE SERVICES, LLC		09/15/2016			
BMC CONSTRUCTION SERVICES, LLC		09/15/2016			
COLEMAN FLOOR, LLC		09/15/2016			
STOCK BUILDING SUPPLY WEST (USA), INC.		09/15/2016			
STOCK BUILDING SUPPLY MIDWEST, LLC		09/15/2016			
TBSG, LLC		09/15/2016			
COLEMAN FLOOR SOUTHEAST, LLC		09/15/2016			
SBS GUILFORD, LLC		09/15/2016			
BMC WINDOW & DOOR SOUTHEAST, LLC		09/15/2016			

# **RECEIVING PARTY DATA**

Name:	WILMINGTON TRUST, NATIONAL ASSOCIATION
Street Address:	50 SOUTH SIXTH STREET, SUITE 1290
City:	MINNEAPOLIS
State/Country:	MINNESOTA
Postal Code:	55402

#### **PROPERTY NUMBERS Total: 2**

Property Type	Number	
Application Number:	13800711	
Application Number:	09280054	

#### CORRESPONDENCE DATA

Fax Number:

(949)475-4754

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: 949-451-3800

Email:	skann@gibsondunn.com			
Correspondent Name:	STEPHANIE S. KANN, SENIOR PARALEGAL			
Address Line 1:	3161 MICHELSON DRIVE			
Address Line 2:	GIBSON, DUNN & CRUTCHER LLP			
Address Line 4:	IRVINE, CALIFORNIA 92612			
ATTORNEY DOCKET NUMBER:	08299-00095			
NAME OF SUBMITTER:	STEPHANIE S. KANN			
SIGNATURE:	/stephanie s. kann/			
DATE SIGNED:	09/16/2016			
Total Attachments: 6				
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#### PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "<u>Agreement</u>"), dated as of September 15, 2016, is made by and among the Grantors listed on the signature pages hereof (individually and collectively, jointly and severally, the "<u>Grantors</u>" and each, individually, a "<u>Grantor</u>"), and Wilmington Trust, National Association, a national banking association, in its capacity as notes collateral agent for the Secured Parties (in such capacity, together with its successors and assigns in such capacity, the "<u>Collateral Agent</u>").

#### WITNESSETH:

WHEREAS, pursuant to that certain Indenture, dated as of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "<u>Indenture</u>") by and among BMC Stock Holdings, Inc., a Delaware corporation, BMC East, LLC, a North Carolina limited liability company (the "<u>Issuer</u>"), certain subsidiaries of the Issuer party thereto as "<u>Guarantors</u>," Wilmington Trust, National Association, in its capacity as trustee (the "<u>Trustee</u>"), and as the Collateral Agent, the Issuer has agreed to issue Notes and the Issuer, the Guarantors and the Trustee have agreed to enter into the Indenture for the equal and ratable benefit of each other and for the equal and ratable benefit of the Holders of the Notes;

WHEREAS, the Grantors and the Collateral Agent are parties to that certain Security Agreement dated as of even date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, pursuant to the Security Agreement, the Grantors are required to execute and deliver to the Collateral Agent, for the benefit of the Secured Parties, this 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, each Grantor hereby agrees as follows:

1. <u>DEFINED TERMS</u>. All capitalized terms used in this Agreement (including in the recitals hereof) and not otherwise defined herein shall have the meanings assigned to them in the Security Agreement or the Indenture.

2. <u>GRANT OF SECURITY INTEREST IN PATENT COLLATERAL</u>. Each Grantor hereby unconditionally grants, assigns, and pledges to the Collateral Agent, for the benefit of the Secured Parties, to secure the Secured Obligations, a continuing first priority security interest in all of such Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired or arising (collectively, the "Patent Collateral"):

(a) all of its patents and patent intellectual property licenses to which it is a party including those referred to on <u>Schedule I</u> hereto;

(b) all divisionals, continuations, continuations-in-part, reissues, reexaminations, or extensions of the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by such

Grantor against third parties for past, present or future infringement of any patent or any patent exclusively licensed under any patent intellectual property license, including the right to receive damages, or right to receive license fees, royalties, and other compensation under any patent intellectual property license.

Notwithstanding the foregoing, such grant of a security interest shall not extend to, and the term "Patent Collateral" shall not include, any Excluded Assets.

3. <u>SECURITY FOR SECURED OBLIGATIONS</u>. This Agreement and the security interest created hereby secure the payment and performance of the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by the Grantors, or any of them, to the Secured Parties, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving any Grantor.

4. <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to the Collateral Agent, for the benefit of the Secured Parties, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the 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 Agreement and the Security Agreement, the Security Agreement shall control.

5. <u>AUTHORIZATION TO SUPPLEMENT</u>. If any Grantor shall obtain rights to any new patent which is registered or becomes registered or the subject of an application for registration with the

U.S. Patent and Trademark Office, the provisions of this Agreement shall automatically apply thereto. The Grantors shall give notice in writing to the Collateral Agent with respect to any such patent rights as required by the Indenture or the Security Agreement. Without limiting the Grantors' obligations under this Section, the Grantors hereby authorize the Collateral Agent unilaterally (without any obligation) to modify this Agreement by amending <u>Schedule I</u> to include any such new patent rights of the Grantors. Notwithstanding the foregoing, no failure to so modify this Agreement or amend <u>Schedule I</u> shall in any way affect, invalidate or detract from the Collateral Agent's continuing security interest in all Collateral, whether or not listed on <u>Schedule I</u>.

6. <u>COUNTERPARTS</u>. This Agreement may be executed in one or more counterparts, and by different parties on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. <u>CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL</u> <u>REFERENCE PROVISION</u>. THIS AGREEMENT SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN <u>SECTION 16</u> OF THE SECURITY AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[signature pages follow]

IN WITNESS WHEREOF, each Grantor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

#### **GRANTORS**:

#### BMC EAST, LLC

BMC EAST, LLC	BMC CORPORATE SERVICES, LLC
By: Name: JAMES F. MAJOR, JR. Title: EXECUTINE VIET LABOR TO OHIE ( $1 \neq ABC$ ) $AI$ ( $1 \neq BB$ ) $1 \neq AS$ : $1 \neq C$ BMC STOCK HOLDINGS, INC.	By: Name: Title: BMC CONSTRUCTION SERVICES, LLC
By: Name: JAMES F: MAJOR, JR. Title: CHIEF FINANCIAL OFFICER & TREASURER BMC WEST, LLC	By: Name: JAMES F. MAJOR, JR. Title: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER COLEMAN FLOOR, LLC
By: Paul Street Name: Paul Street Title: Grown Counsel SELECTBUILD CONSTRUCTION, INC.	By: Name: JAMES F. MAJOR, JR. Title: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER STOCK BUILDING SUPPLY WEST (USA), INC.
By: Name: JAMES F. MAJOR, JR. Title: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER STOCK BUILDING SUPPLY OF ARKANSAS, LLC	By: Name: Title: JAMES F, MAJOR, JR. EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER
By: Name: Title: Title: JAMES F. MAJOR, JR: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER	STOCK BUILDING SUPPLY MIDWEST, LLC By: Name: Title: JAMES F. MAJOR, JR. EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER

[Signature Page to Patent Security Agreement]

TBSG, LLC

By: Name:

Name: JAMES F. MAJOR, JR. Title: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER COLEMAN FLOOR SOUTHEAST, LLC

By: Name; Title:

JAMES F. MAJOR, JR. EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER

SBS GUILFORD, LLC

By: Name:

Title:

JAMES F. MAJOR, JR. EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER

BMC WINDOW & DOOR SOUTHEAST, LLC

By: Name: JAMES F. MAJOR, JR. Title: EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER & TREASURER

[Signature Page to Patent Security Agreement]

### **COLLATERAL AGENT:**

WILMINGTON TRUST, NATIONAL ASSOCATION, a national banking association, as collateral agent

2 By: Name: Jane Schweiger Title: Vice President

[Signature Page to Patent Security Agreement]

#### SCHEDULE I to PATENT SECURITY AGREEMENT

# PATENTS AND DESIGN PATENTS

PATENTS	Filing Date	Registration #	Owner
FALL ARREST SYSTEM	03/13/201	13/800,711	1st named inventor/applicant name: Dennis Naylor
CONVERTIBLE WINDOW ASSEMBLY	03/13/201	09/280,054	Carolina Builders, Inc.

## PATENT APPLICATIONS

None