

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT4104354

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	PATENT SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
THE STEP2 COMPANY, LLC	10/18/2016
BACKYARD LEISURE INTERMEDIATE HOLDINGS, LLC	10/18/2016
BACKYARD LEISURE INTERMEDIATE PARENT, LLC	10/18/2016
BACKYARD ADVENTURES, LLC	10/18/2016
BACKYARD LEISURE HOLDINGS, LLC	10/18/2016
CLASSIC MANOR BUILDERS, LLC	10/18/2016
HOME BRANDS, LLC	10/18/2016
INSTALLATIONS, LLC	10/18/2016
LEISURE TIME PRODUCTS, LLC	10/18/2016
ST2 BUYER, LLC	10/18/2016
STEP2 DIRECT, LLC	10/18/2016
RECEIVING PARTY DATA	
Name:	WELLS FARGO BANK, NATIONAL ASSOCIATION, AS AGENT
Street Address:	100 PARK AVENUE
Internal Address:	14TH FLOOR
City:	NEW YORK
State/Country:	NEW YORK
Postal Code:	10017
PROPERTY NUMBERS Total: 32	
Property Type	Number
Patent Number:	D466825
Patent Number:	8439447
Patent Number:	8899688
Patent Number:	8794702
Patent Number:	8692658
Patent Number:	8657697
Patent Number:	8597132
Patent Number:	8591348
Patent Number:	8240097

Property Type	Number
Patent Number:	8083600
Patent Number:	7662045
Patent Number:	8186282
Patent Number:	8221270
Patent Number:	D488908
Patent Number:	D489159
Patent Number:	D489160
Patent Number:	D497465
Patent Number:	7980918
Patent Number:	D519182
Patent Number:	D600292
Patent Number:	D613344
Patent Number:	D489774
Patent Number:	D489775
Patent Number:	D490123
Patent Number:	D490124
Patent Number:	D490862
Patent Number:	D492369
Patent Number:	D492741
Patent Number:	8794643
Patent Number:	7988168
Patent Number:	D575840
Patent Number:	D601220

CORRESPONDENCE DATA

Fax Number: (800)494-7512

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: 202-370-4750

Email: ipteam@nationalcorp.com

Correspondent Name: STEWART WALSH

Address Line 1: 1025 VERMONT AVE NW, SUITE 1130

Address Line 2: NATIONAL CORPORATE RESEARCH, LTD

Address Line 4: WASHINGTON, D.C. 20005

ATTORNEY DOCKET NUMBER:	F166076
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NAME OF SUBMITTER:	ANDREW NASH
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SIGNATURE:	/Andrew Nash/
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DATE SIGNED:	10/19/2016
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Total Attachments: 14

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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this “Patent Security Agreement”) is made this 18th day of October, 2016, by and among the Grantors listed on the signature pages hereof (collectively, jointly and severally, “Grantors” and each individually “Grantor”), and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association (“Wells Fargo”), in its capacity as agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, “Agent”).

W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement dated as of October 18, 2016 (as amended, restated, supplemented, or otherwise modified from time to time, the “Credit Agreement”) by and among Backyard Leisure Intermediate Parent, LLC, as parent (“Parent”), The Step2 Company, LLC, Step2 Direct, LLC, Backyard Leisure Holdings, LLC, Backyard Adventures, LLC, Classic Manor Builders, LLC, Home Brands, LLC, Installations, LLC, and Leisure Time Products, LLC as borrowers (each individually, a “Borrower”, and individually and collectively, jointly and severally, the “Borrowers”), the lenders party thereto as “Lenders” (such Lenders, together with their respective successors and assigns, in such capacity, each, individually, a “Lender” and, collectively, the “Lenders”), the Lender Group has agreed to make certain financial accommodations available to the Borrowers 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 the 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 Grantors 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 October 18, 2016 (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, Grantors are 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, each 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 Section 1(b) 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. Each Grantor hereby grants and pledges to Agent, for the benefit of 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 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 Schedule I;

(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 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.

provided, that, notwithstanding anything herein to the contrary, in no event shall Patent Collateral include any Excluded Assets.

3. TRANSFER OF PATENT RIGHTS. Nothing in this Patent Security Agreement shall be understood as limiting any Grantor from transferring, assigning, licensing, or sublicensing its rights in any Patent or Patent Intellectual Property License in accordance with the Loan Documents.

4. 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 Grantors, 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 any Grantor. Upon payment in full of the Secured Obligations in accordance with the provisions of the Credit Agreement and the expiration or termination of the Commitments, the Security Interest granted hereby, including the Patent Security Agreement, shall automatically terminate and all rights to the Collateral shall revert to Grantors or any other Person entitled thereto. Upon payment in full of the Secured Obligations in accordance with the provisions of the Credit Agreement and the expiration or termination of the Commitments, the Security Interest granted hereby, shall terminate and all rights to the Collateral shall revert to Grantors or any other Person entitled thereto.

5. 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. Each 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.

6. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new patent application or issued patent or become entitled to the benefit of any patent application or patent for any divisional, continuation, continuation-in-part, reissue, or reexamination of any existing patent or patent application, the provisions of this Patent Security Agreement shall automatically apply thereto. Without limiting Grantors' obligations under this Section, Grantors hereby authorize Agent unilaterally to modify this Patent Security Agreement by amending Schedule I to include any such new patent rights of each Grantor. 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.

7. 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.

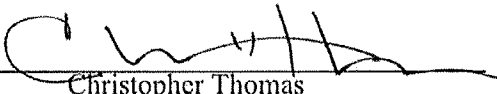
8. CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE PROVISION. THIS PATENT SECURITY AGREEMENT SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN SECTION 25 OF THE SECURITY AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED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

[signature pages follow]

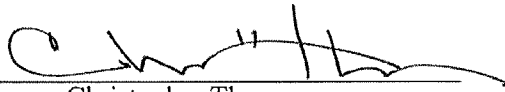
IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTORS:

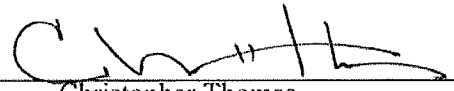
BACKYARD LEISURE INTERMEDIATE PARENT,
LLC

By: 
Name: Christopher Thomas
Title: Vice President

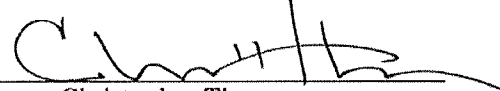
ST2 BUYER, LLC

By: 
Name: Christopher Thomas
Title: Vice President

BACKYARD LEISURE INTERMEDIATE
HOLDINGS, LLC

By: 
Name: Christopher Thomas
Title: Vice President

BACKYARD LEISURE HOLDINGS, LLC

By: 
Name: Christopher Thomas
Title: Vice President

THE STEP2 COMPANY, LLC

By: _____
Name: William Daw
Title: Chief Financial Officer

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.

GRANTORS:

BACKYARD LEISURE INTERMEDIATE PARENT,
LLC

By: _____
Name: Christopher Thomas
Title: Vice President

ST2 BUYER, LLC

By: _____
Name: Christopher Thomas
Title: Vice President


BACKYARD LEISURE INTERMEDIATE
HOLDINGS, LLC

By: _____
Name: Christopher Thomas
Title: Vice President

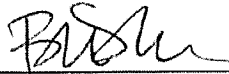
BACKYARD LEISURE HOLDINGS, LLC

By: _____
Name: Christopher Thomas
Title: Vice President

THE STEP2 COMPANY, LLC

By:  _____
Name: William Daw
Title: Chief Financial Officer

STEP2 DIRECT, LLC

By: 
Name: William Daw
Title: Chief Financial Officer

BACKYARD ADVENTURES, LLC

By: _____
Name: Cody Fox
Title: Chief Financial Officer

LEISURE TIME PRODUCTS, LLC

By: _____
Name: Cody Fox
Title: Chief Financial Officer

HOME BRANDS, LLC

By: _____
Name: Cody Fox
Title: Chief Financial Officer

INSTALLATIONS, LLC

By: _____
Name: Cody Fox
Title: Chief Financial Officer

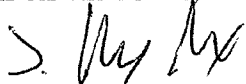
CLASSIC MANOR BUILDERS, LLC

By: _____
Name: Cody Fox
Title: Chief Financial Officer

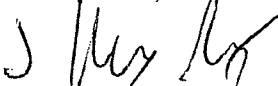
STEP2 DIRECT, LLC

By: _____
Name: William Daw
Title: Chief Financial Officer


BACKYARD ADVENTURES, LLC

By: 
Name: Cody Fox
Title: Chief Financial Officer

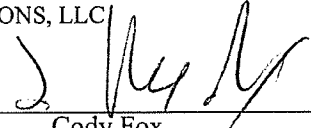
LEISURE TIME PRODUCTS, LLC

By: 
Name: Cody Fox
Title: Chief Financial Officer

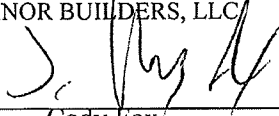
HOME BRANDS, LLC

By: 
Name: Cody Fox
Title: Chief Financial Officer

INSTALLATIONS, LLC

By: 
Name: Cody Fox
Title: Chief Financial Officer

CLASSIC MANOR BUILDERS, LLC

By: 
Name: Cody Fox
Title: Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED BY:

AGENT:

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: 

Name: _____

Robert H. Milhorat

Title: _____

Director

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Patents¹

Title	Jurisdiction	Applic. No./ Filing Date	Pub. No./ Pub. Date	Patent No./ Issue Date	Current Owner of Record
Caution Device	U.S.	29/137,070 02/12/01		D466825 12/10/02	The Step2 Company, LLC ²
Convertible swing seat	U.S.	13/076338 3/30/2011	2011024139 6	8439447 5/14/2013	Backyard Leisure Holdings, LLC
Convertible swing seat	U.S.	13/868166 4/23/2013	2013023448 3	8899688 12/2/2014	Backyard Leisure Holdings, LLC
Convertible swing seat	Canada	2794753 3/30/2011	2794753	—	Backyard Leisure Holdings, LLC
Convertible swing seat	China	2011800266 59.9 3/30/2011	103025395	103025395 1/13/2016	Backyard Leisure Holdings, LLC
Rotating seat	U.S.	13/076342 3/30/2011	2011024139 8	8794702 8/5/2014	Backyard Leisure Holdings, LLC
Interactive timing system for a play system	U.S.	13/092270 4/22/2011	2011026084 1	8692658 4/8/2014	Backyard Leisure Holdings, LLC

¹ NOTE: The records in certain intellectual property offices may reflect the predecessor entity, Backyard Leisure Holdings, Inc. as the current owner of record. Documentation of conversion from Backyard Leisure Holdings, Inc. to Backyard Leisure Holdings, LLC, to be filed with the USPTO post-close.

² NOTE: An invention assignment has not been recorded for this patent which expires in two months.

Title	Jurisdiction	Applic. No./ Filing Date	Pub. No./ Pub. Date	Patent No./ Issue Date	Current Owner of Record
Play system accessory with motion-activated sound module	U.S.	13/076273 3/30/2011	2011024497 3	8657697 2/25/2014	Backyard Leisure Holdings, LLC
Play system accessory with sound modules	U.S.	13/076285 3/30/2011	2011024497 2	8597132 12/3/2013	Backyard Leisure Holdings, LLC
Play system accessory with sound modules	China	2011800267 60.4 3/30/2011	103025396	103025396 7/22/2015	Backyard Leisure Holdings, LLC
Stand-on playset swing	U.S.	13/092265 4/22/2011	2011026334 4	8591348 11/26/2013	Backyard Leisure Holdings, LLC
Stand-on playset swing	Canada	2795688 4/22/2011	2795688	—	Backyard Leisure Holdings, LLC
Stand-on playset swing	China	2011800201 02.4 4/22/2011	102985143	102985143 11/25/2015	Backyard Leisure Holdings, LLC
Wood post anchoring base	U.S.	12/717467 3/4/2010	2011021436 3	8240097 8/14/2012	Backyard Leisure Holdings, LLC
Swing seat	U.S.	12/577023 10/9/2009	2011008671 8	8083600 12/27/2011	Backyard Leisure Holdings, LLC
Play set slide	U.S.	11/776442 7/11/2007	2009001792 6	7662045 2/16/2010	Backyard Leisure Holdings, LLC

Title	Jurisdiction	Applic. No./ Filing Date	Pub. No./ Pub. Date	Patent No./ Issue Date	Current Owner of Record
Play set slide	Canada	2692435 7/11/2008	2692435	2692435 3/29/2016	Backyard Leisure Holdings, LLC
Play set slide	China	2008800241 16.1 7/11/2008	101743044	101743044 3/20/2013	Backyard Leisure Holdings, LLC
Play set slide	European Patent	08781722.7 7/11/2008	EP2219750	EP2219750 9/7/2016	Backyard Leisure Holdings, LLC
Adjustable Height Table	U.S.	12/752,302 04/01/10		8186282 05/29/12	The Step2 Company, LLC
Combination Sporting Practice Assemblies	U.S.	12/796,271 06/08/10		07/17/12 8221270	The Step2 Company, LLC
Plastic Mailbox	U.S.	29/177,027 03/03/03		D488908 04/20/04	The Step2 Company, LLC
Plastic Mailbox	U.S.	29/177,021 03/03/03		D489159 04/27/04	The Step2 Company, LLC
Plastic Mailbox	U.S.	29/177,052 03/03/03		D489160 04/27/04	The Step2 Company, LLC
Plastic Mailbox	U.S.	29/199,548 02/17/04		D497465 10/19/04	The Step2 Company, LLC
Playhouse	U.S.	12/433,405 04/30/09		07/19/11 7980918	The Step2 Company, LLC

Title	Jurisdiction	Applic. No./ Filing Date	Pub. No./ Pub. Date	Patent No./ Issue Date	Current Owner of Record
Sand And Water Table	U.S.	29/208,616 07/01/04		D519182 ³ 04/18/06	The Step2 Company, LLC
Simulated Kitchen	U.S.	29/326,089 10/10/08		D600292 09/15/09	The Step2 Company, LLC
Simulated Kitchen	U.S.	29/339,897 07/09/09		D613344 04/06/10	The Step2 Company, LLC
Toy Kitchen	U.S.	29/174,024 01/10/03		D489774 05/11/04	The Step2 Company, LLC
Toy Kitchen	U.S.	29/174,627 01/10/03		D489775 05/11/04	The Step2 Company, LLC ⁴
Toy Kitchen	U.S.	29/174,027 01/10/03		D490123 05/18/04	The Step2 Company, LLC
Toy Kitchen	U.S.	29/174,028 01/10/03		D490124 05/18/04	The Step2 Company, LLC
Toy Kitchen	U.S.	29/173,946 01/09/03		D490862 06/01/04	The Step2 Company, LLC
Toy Kitchen	U.S.	29/173,957 01/09/03		D492369 06/29/04	The Step2 Company, LLC

³ NOTE: State of Ohio certificate evidencing that the Step2 Company was merged into The Step2 Company, LLC to be filed with the USPTO post-close.

⁴ NOTE: The records in the USPTO currently reflect ownership by the inventor John L. Hradisky. Invention assignment and State of Ohio certificate evidencing that the Step2 Company was merged into The Step2 Company, LLC to be filed with the USPTO post-close.

Title	Jurisdiction	Applic. No./ Filing Date	Pub. No./ Pub. Date	Patent No./ Issue Date	Current Owner of Record
Toy Kitchen	U.S.	29/173,958 01/09/03		D492741 07/06/04	The Step2 Company, LLC ⁵
Toy Vehicle	U.S.	13/463 ,032 05/03/ 2012	2012/ 0286487 11/15/2012	87946 43 8/5/2014	The Step2 Company, LLC
Toy Vehicle	U.S.	12/418,183 04/03/09		08/02/11 7988168 ⁶	The Step2 Company, LLC

Title	Country	Application No./ Filing Date	Registration No./ Registration Date	Owner of Record
Rail	Australia	200811832 1/11/2008	319646 5/29/2008	Backyard Leisure Holdings, LLC
Play set slide	Australia	200810134 1/11/2008	319645 5/29/2008	Backyard Leisure Holdings, LLC
Play set slide	Canada	124252 1/10/2008	124252 1/15/2010	Backyard Leisure Holdings, LLC

⁵ NOTE: The records in the USPTO currently reflect ownership by the inventor John L. Hradisky. Invention assignment and State of Ohio certificate evidencing that the Step2 Company was merged into The Step2 Company, LLC to be filed with the USPTO post-close.

⁶ NOTE: The records in the USPTO currently reflect the assignee as "The Step2 Company, L.L.C.". Correction of the owner of record to "The Step2 Company, LLC" to be filed with the USPTO post-close

Title	Country	Application No./ Filing Date	Registration No./ Registration Date	Owner of Record
Play set slide	Canada	129117 1/10/2008	129117 1/15/2010	Backyard Leisure Holdings, LLC
Play set slide	China	20083000299 4.6 1/11/2008	ZL200830002 994.6 11/26/2008	Backyard Leisure Holdings, LLC
Play set slide	China	20083008480. 1 1/11/2008	ZL200830008 480.1 11/26/2008	Backyard Leisure Holdings, LLC
Slides	Europea n Commu nity	000857800 1/11/2008	000857800- 0001 1/11/2008	Backyard Leisure Holdings, LLC
Slides	Europea n Commu nity	000857800 1/11/2008	000857800- 0002 1/11/2008	Backyard Leisure Holdings, LLC
Resbaladilla	Mexico	MX/f/2008/00 0094 1/11/2008	28230 5/18/2009	Backyard Leisure Holdings, LLC
Play set slide	U.S.	29/282101 7/11/2007	D575840 8/26/2008	Backyard Leisure Holdings, LLC
Play set slide	U.S.	29/323330 8/22/2008	D601220 9/29/2009	Backyard Leisure Holdings, LLC