

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT7137070

<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>
UNITED CANVAS & SLING INC			12/31/2021
<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>	27401		
<b>PROPERTY NUMBERS Total: 4</b>			
<b>Property Type</b>	<b>Number</b>		
<b>Patent Number:</b>	9566462		
<b>Patent Number:</b>	9539457		
<b>Patent Number:</b>	9707425		
<b>Patent Number:</b>	10874930		
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>			
<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>	3364781138		
<b>Email:</b>	srh@crlaw.com		
<b>Correspondent Name:</b>	SUSIE HAYES		
<b>Address Line 1:</b>	235 N. EDGEWORTH STREET		
<b>Address Line 4:</b>	GREENSBORO, NORTH CAROLINA 27401		
<b>NAME OF SUBMITTER:</b>	SUSIE HAYES		
<b>SIGNATURE:</b>	/Susie Hayes/		
<b>DATE SIGNED:</b>	01/24/2022		
<b>Total Attachments: 9</b>			
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## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement"), is made and entered into as of the 31<sup>st</sup> day of December, 2021, between UNITED CANVAS & SLING INC, a North Carolina corporation ("Borrower"), and LIGHTHOUSE FINANCIAL CORP. a North Carolina corporation ("Lender").

### WITNESSETH:

WHEREAS, the Borrower is a party to a Loan and Security Agreement, dated of even date herewith (the 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, 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 "Patent Collateral"):

(a) all letters patent of the U.S. or any other country, all registrations and recordings thereof, and all applications for letters patent of the U.S. or any other country, owned, held (whether pursuant to a license or otherwise) or used by Borrower in whole or in part, including all existing U.S. patents and patent applications of Borrower which are described in Schedule A attached hereto, as the same may be amended or supplemented pursuant hereto from time to time, and including all patent licenses 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, other than any affiliate of Borrower, has elected such termination remedy), together with all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and the inventions disclosed therein, and all rights corresponding thereto throughout the world, including the right to make, use, lease, sell and otherwise transfer the inventions disclosed therein, and all

proceeds thereof, including without limitation all license royalties and proceeds of infringement suits (collectively, the "Patents");

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

(c) all general intangibles (as defined in the Uniform Commercial Code as enacted in the State of North Carolina) and all intangible intellectual or other similar property of the Borrower of any kind or nature, whether now owned or hereafter acquired or developed, associated with or arising out of any of the Patents and not otherwise described above; and

(d) all proceeds of any and all of the foregoing Patent 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 Patent Collateral.

3. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants and covenants with respect to Patent Collateral that:

(a) The Patent Collateral is, to the best of its knowledge, subsisting and has not been judged invalid or unenforceable;

(b) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral; and

(c) 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 its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

(d) Schedule A is a complete list of all Patents owned by Borrower as of the date hereof.

4. [Reserved].

5. Restrictions on Future Agreements. Borrower agrees that, until Payment in Full, it will not without Lender's prior written consent enter into any agreement which would violate 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 Patent Rights. If, before Payment in Full, Borrower shall obtain rights to any new Patents, or become entitled to the benefit of any Patent application or Patent for any renewal of any Patent, the provisions of paragraph 1 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 Patents and Patent applications which are Patent Collateral under paragraph 1 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, Borrower shall continue to own, and may use and enjoy the Patent 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 it by this Agreement, those allowed by law and, specifically, those of a Lender under the Uniform Commercial Code as enacted in the State of North Carolina. Notice of any sale or other disposition of the Patent Collateral shall be deemed reasonable and sufficient if given to the Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of any of the Patent 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 Patent Collateral, or to grant or issue any exclusive or nonexclusive license under the Patent Collateral to anyone else as necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patent 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 all of the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated in writing.

10. Release of Security Interest. Promptly after Payment in Full, Lender shall execute and deliver to Borrower, at Borrower's sole expense, 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 Patent Collateral, including all documentation necessary to reflect such release in the United States Patent and Patent Office.

11. Costs and Expenses. Any and all documented 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, reasonable counsel fees, documented maintenance fees, encumbrances or otherwise 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 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.

12. Litigation and Proceedings.

(a) Borrower shall take all reasonable and necessary action, through counsel reasonably acceptable to Lender, to prosecute diligently any Patent application of the Patents material to the Borrower's business pending as of the date of this Agreement or thereafter, other than those discontinued or abandoned in the ordinary course of business, until Payment in Full and to preserve and maintain all rights in Patent applications and Patents of the Patents 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 Patent application, or any pending Patent application or Patent, 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 Patent Collateral material to the Borrower's business, to enforce the Patents, 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 reasonably required by Lender in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify the Lender for all documented 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, then during the continuation of an Event of Default 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 documented expenses, including reasonable attorney's fees, incurred by Lender in prosecuting, defending or maintaining the Patents 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 and Section 14.4 of the Loan Agreement.

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, demands, or other written communications required under this Agreement shall be made in writing, signed by the parties serving the same and hand delivered or deposited in the registered or certified United States Mail, return receipt requested, postage prepaid, or overnight delivery. All notices addressed to the party to be notified as follows:

If to Borrower, at: United Canvas & Sling Inc  
511 Hoffman Road  
Lincolnton, North Carolina 28092  
Attn: Adam Schwartz

If to Lender, at: Lighthouse Financial Corp.  
925 West Market Street  
Greensboro, North Carolina 27401  
Attn: Mark H. Walling

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. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NORTH CAROLINA WITHOUT REGARD TO ITS CONFLICTS OF LAW PRINCIPLES.

19. Venue. The parties executing this Agreement acknowledge that the negotiations and anticipated performance of this Agreement and the other Loan Documents occurred or shall occur, and that this Agreement and the other Loan Documents is executed, in Guilford County, North Carolina, and that, therefore, the parties irrevocably and unconditionally: (a) agree that any suit, action or legal proceeding arising out of or relating to this Agreement or the other Loan Documents shall be brought only in the courts of record of the State of North Carolina including federal courts in Guilford County; (b) consent to the exclusive jurisdiction of said courts in any such suit, action or proceeding; (c) waive any objection which any may have to the laying of venue of any such suit, action or proceeding in any of such courts under any statute or law of any jurisdiction; (d) agree that service of any court paper (including the initial complaint) may be effected on such party by mail, as provided in this Agreement (and without regard to whether or not an acknowledgment of service is signed by the opposing party), or in such other manner as may be provided under applicable laws or court rules in said State; and (f) waive any argument based on an assertion the opposing party lacks capacity to sue, including, without limitation, any argument based on a failure to register to do business in any jurisdiction.

20. Waiver of Jury Trial. IN RECOGNITION OF THE HIGHER COSTS AND DELAY WHICH MAY RESULT FROM A JURY TRIAL, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING HEREUNDER, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN

WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

*[signatures appear on the following page]*

WITNESS the execution hereof **under seal** on the day and year first above written.

ATTEST:

UNITED CANVAS & SLING INC  
("Borrower")

\_\_\_\_\_  
Jason Schwartz, Officer  
[CORPORATE SEAL]

By: \_\_\_\_\_  
Adam Schwartz, Officer

LIGHTHOUSE FINANCIAL CORP.  
("Lender")

By: \_\_\_\_\_  
Title: \_\_\_\_\_

WITNESS the execution hereof **under seal** on the day and year first above written.

ATTEST:

  
\_\_\_\_\_  
Jason Schwartz, Officer

[CORPORATE SEAL]

UNITED CANVAS & SLING INC  
("Borrower")

By:   
\_\_\_\_\_  
Adam Schwartz, Officer

LIGHTHOUSE FINANCIAL CORP.  
("Lender")

By: \_\_\_\_\_  
Title: \_\_\_\_\_

WITNESS the execution hereof under seal on the day and year first above written.

ATTEST:

UNITED CANVAS & SLING INC  
("Borrower")

\_\_\_\_\_  
Jason Schwartz, Officer  
[CORPORATE SEAL]

By: \_\_\_\_\_  
Adam Schwartz, Officer

LIGHTHOUSE FINANCIAL CORP.  
("Lender")

By: Mark Malley  
Title: EVP

SCHEDULE A TO  
PATENT SECURITY AGREEMENT

**Owned Patents**

<u>Patent Description</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiration Date</u>
*Padded pole vault plant box	US9566462	2/14/2017	7/10/2034
*Pole vault landing system configured for receiving a collar	US9539457	01/10/2017	02/11/2035
*Padded pole vault plant box	US9707425	07/18/2017	04/15/2035
*Protective track and field barrier system	US10874930	12/29/2020	08/31/2038

\* Patent registered owner is UCS and Borrower has a D/B/A of UCS