

06-04-1998

FORM PTO-1594
(Rev 5-93)



U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Comm

100727030

ched original documents or copy thereof.

med 5-29-98

1. Name of conveying party(ies):

P-COM, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other:

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of Conveyance:

Assignment

Merger

Security Agreement

Change of Name

Other

Execution Date: May 15, 1998

2. Name and address of receiving party(ies):

Name: Union Bank of California, N.A., as Agent

Address: 99 Almaden Boulevard

City: San Jose State: CA Zip: 95113

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other:

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)

75/296,921

75/278,384

75/296,923

B. Trademark Registration No.(s)

2,039,230

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Erin O'Brien

Internal Address: GRAY CARY WARE & FREIDENRICH

400 Hamilton Avenue

Palo Alto, California 94301

6 Total number of applications and registrations involved: 74

7. Total fee (37 CFR 3.41)..... \$ 115.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: 07-1907

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Erin O'Brien

Name of Person Signing

Erin O'Brien

Signature

May 27, 1998

Date

Total number of pages comprising cover sheet: 17

Mall Documents to be recorded with required cover sheet information to:
Commissioner of Patents and Trademarks, Box Assignments
Washington, DC 20231

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1210115-900200

TRADEMARK

REEL: 1739 FRAME: 0329

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ASSIGNMENT DIV.

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01 FC:481
02 FC:482

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (the "Agreement") is made as of May 15, 1998 by and between P-Com, Inc., a Delaware corporation ("Assignor"), and Union Bank of California, N.A. as agent for the Lenders as defined in the Credit Agreement described below ("Assignee").

RECITALS

A. The Lenders have agreed to lend to Assignor certain funds (the "Loan"), and Assignor desires to borrow such funds from such Lenders pursuant to the terms of a Credit Agreement dated as of the date hereof, among Assignor, the financial institutions named therein (the "Lenders"), and Assignee as agent for the Lenders (the "Credit Agreement").

B. In order to induce the Lenders to make the Loan, Assignor has agreed to grant a first priority security interest in certain intangible property to Assignee for the benefit of Assignee and the Lenders for purposes of securing the obligations of Assignor to Assignee and the Lenders.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Assignor's obligations and liabilities of every nature to the Lenders, Issuing Bank and Agent, now or hereafter existing, under or arising out of or in connection with the Credit Agreement or any other Loan Documents, and all extensions or renewals thereof, whether for principal, interest, fees, expenses, indemnities or otherwise, whether voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from Assignee or a Lender as a preference, fraudulent transfer or otherwise (all such obligations and liabilities being the "Underlying Debt"), and all obligations of every nature of Assignor now or hereafter existing under this Agreement (all such obligations, together with the Underlying Debt, being the "Secured Obligations"), Assignor hereby assigns, transfers, conveys and grants to Assignee, for the benefit of Agent and Lenders a first priority security interest (subject to Permitted Liens and other Liens permitted under the Credit Agreement), as security, in and to Assignor's entire right, title and interest in, to and under the following (all of which shall collectively be called the "Intellectual Property Collateral"):

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof that is created by Assignor, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights which may be available to Assignor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and

continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents");

(e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Assignor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks");

(f) Right to the proceeds (excluding attorneys' and other professional and expert fees and expenses) arising from any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue on behalf of and collect such damages for said use or infringement of the intellectual property rights identified above;

(g) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(h) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents; and

(i) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Authorization and Request. Assignor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this security agreement.

3. Covenants and Warranties. Assignor represents, warrants, covenants and agrees as follows:

(a) Assignor has not granted to any Person (other than its affiliates) any interest in the Intellectual Property Collateral, except for non-exclusive licenses granted by Assignor to its customers in the ordinary course of business;

(b) Performance of this Agreement does not conflict with or result in a breach of any agreement to which Assignor is party or by which Assignor is bound.

(c) During the term of this Agreement, Assignor will not transfer or otherwise encumber any interest in the Intellectual Property Collateral, except for non-exclusive licenses granted by Assignor in the ordinary course of business or as set forth in this Agreement or permitted under the Credit Agreement;

(d) To its knowledge, each of the Patents is valid and enforceable, and no part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that expressly asserts that any part of the Intellectual Property Collateral violates the rights of any third party;

(e) Assignor shall promptly advise Assignee of any material change in the composition of the Intellectual Property Collateral, including but not limited to any subsequent ownership right of the Assignor in or to any Trademark, Patent or Copyright not specified in this Agreement;

(f) Assignor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use commercially reasonable efforts to detect

infringements of the Trademarks, Patents and Copyrights and promptly advise Assignee in writing of material infringements detected and (iii) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Assignee, which shall not be unreasonably withheld, in each case except to the extent that Assignor has determined that any of the Trademarks, Patents or Copyrights are no longer material to Assignor's business.

(g) Assignor shall promptly notify Assignee of any registration of Assignor's Copyrights, if not so already registered;

(h) This Agreement creates in favor of Assignee a valid security interest in the Intellectual Property Collateral in the United States listed on the Exhibits hereto securing the payment and performance of the obligations evidenced by the Credit Agreement and the Notes, and upon the filing of the UCC financing statements in the appropriate jurisdictions and making the filings referred to in clause (i) below, a perfected first priority security interest in such collateral, subject to Permitted Liens, to the extent that perfection of such security interests can be effected by such filings;

(i) To its knowledge, except for, and upon, the filing with the United States Patent and Trademark office with respect to the Patents and Trademarks and the Register of Copyrights with respect to the Copyrights necessary to perfect the security interests created hereunder, and except for the filing of the UCC financing statements, and except as has been already made or obtained, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority or U.S. regulatory body is required either (i) for the grant by Assignor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Assignor in the U.S. or (ii) for the perfection in the United States or the exercise by Assignee of its rights and remedies hereunder, to the extent that such perfection can be effected by such filings referred to above;

(j) All information heretofore, herein or hereafter supplied to Assignee by or on behalf of Assignor with respect to the Intellectual Property Collateral is accurate and complete in all material respects.

(k) Assignor shall not enter into any agreement that would impair or conflict in any material respect with Assignor's obligations hereunder without Assignee's prior written consent, which consent shall not be unreasonably withheld. Assignor shall not permit the inclusion in any contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in Assignor's rights and interests in any property included within the definition of the Intellectual Property Collateral acquired under such contracts, except that certain contracts may contain anti-assignment provisions that could in effect prohibit the creation of a security interest in such contracts, and except that Assignor shall not be prohibited from granting non-exclusive licenses, or entering into marketing and distribution agreements in the normal course of its business.

(l) Upon any executive officer of Assignor obtaining actual knowledge thereof, Assignor will promptly notify Assignee in writing of any event that materially adversely affects the value of the Intellectual Property Collateral, the ability of Assignor to dispose of any Intellectual Property Collateral or the rights and remedies of Assignee in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral in proceedings that, if determined adversely to Assignor would have a Material Adverse Effect.

4. Assignee's Rights. Assignee shall have the right, but not the obligation, to take, at Assignor's sole expense, any actions that Assignor is required under this Agreement to take but which Assignor fails to take, after thirty (30) days' notice to Assignor. Assignor shall reimburse and indemnify Assignee for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this section 4.

5. Inspection Rights. Assignor hereby grants to Assignee and its employees, representatives and agents the right to visit, during reasonable hours, any of Assignor's plants and facilities that manufacture, install or store products (or that have done so during the prior six-month period) that are sold utilizing any of the Intellectual Property Collateral, and to inspect the products and quality control records relating thereto as often as may be reasonably requested, but not more than once in each calendar year if no Event of Default has occurred.

6. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Assignor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by Assignee, to perfect Assignee's security interest in all Copyrights, Patents and Trademarks and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to Assignee the grant or perfection of a security interest in all Intellectual Property Collateral (but only to the extent required under Section 6.1(i) of the Credit Agreement).

(b) Assignor hereby irrevocably (until the Secured Obligations shall have been paid in full and the Credit Agreement is terminated or expired) appoints Assignee as Assignor's attorney-in-fact, with full authority in the place and stead of Assignor and in the name of Assignor, from time to time in Assignee's discretion, to take any action and to execute any instrument which Assignee may reasonably deem necessary to accomplish the purposes of this Agreement, including:

(i) To modify, in its sole discretion, this Agreement without first obtaining Assignor's approval of or signature to such modification by amending Exhibit A, Exhibit B and Exhibit C, thereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Assignor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Assignor no longer has or claims any right, title or interest; and

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Intellectual Property Collateral without the signature of Assignor where permitted by law.

7. Events of Default. The occurrence of any of the following shall constitute an Event of Default under this Agreement:

(a) An Event of Default occurs under the Credit Agreement; or

(b) Assignor breaches any warranty or agreement made by Assignor in this Agreement and any such breach shall remain unremedied or uncured for thirty (30) days after the Assignor knows of such breach or, in the event such breach cannot by its nature be cured within such thirty (30) day period or cannot after diligent attempts by Assignor be cured within such thirty (30) day period, and the Assignor determines and so notifies Assignee within such thirty (30) day period that such a remedy or cure is practicable within an additional thirty (30) days, such failure shall remain unremedied or uncured for sixty (60) days after the Assignor knows of such breach.

8. Remedies. Upon the occurrence and continuance of an Event of Default, Assignee shall have the right to exercise all the remedies of a secured party under the California Uniform Commercial Code, including without limitation the right to require Assignor to assemble the Intellectual Property Collateral and any tangible property in which Assignee has a security interest

and to make it available to Assignee at a place designated by Assignee. Assignee shall have a nonexclusive, royalty free license to use the Copyrights, Patents and Trademarks to the extent reasonably necessary to permit Assignee to exercise its rights and remedies upon the occurrence and during the continuation of an Event of Default. Assignor will pay any expenses (including reasonable attorneys' fees) incurred by Assignee in connection with the exercise of any of Assignee's rights hereunder, including without limitation any expense incurred in disposing of the Intellectual Property Collateral. All of Assignee's rights and remedies with respect to the Intellectual Property Collateral shall be cumulative.

9. **Indemnity.** Assignor agrees to defend, indemnify and hold harmless Assignee, and Lenders and each of their officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement, and (b) all losses or expenses in any way suffered, incurred, or paid by Assignee as a result of or in any way arising out of, following or consequential to transactions between Assignee and Assignor, whether under this Agreement or otherwise (including without limitation reasonable attorneys' fees and reasonable expenses), except for losses arising from or out of Assignee's gross negligence or willful misconduct.

10. **Reassignment.** At such time as Assignor shall completely satisfy all of the Secured Obligations, Assignee shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to revest in Assignor full title to the property assigned hereunder, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

11. **Course of Dealing.** No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. **Amendments.** This Agreement may be amended only by a written instrument signed by both parties hereto.

13. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

14. **California Law and Jurisdiction.** This Agreement shall be governed by the laws of the State of California, without regard for choice of law provisions. Assignor and Assignee consent to the exclusive jurisdiction of any state or federal court located in the County of San Francisco, California.

15. **Waiver of Jury Trial.** EACH PARTY HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING WITHOUT LIMITATION CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR EACH SUCH PARTY TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH SUCH PARTY HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT AND THAT EACH SUCH PARTY WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT EACH SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT EACH SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

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TRADEMARK
REEL: 1739 FRAME: 0335

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Address of Assignor:

3175 S. Winchester Boulevard
Campbell, California 95008

Attn: Michael Sophie

Assignor:

P-COM, INC.

By: *Mill / Jh*

Title: *CFU/VP/Exec*

Address of Assignee:

99 Almaden Boulevard
San Jose, California 95113

Attn: John A. Noble

Assignee:

UNION BANK OF CALIFORNIA, N.A.

By: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Address of Assignor:

3175 S. Winchester Boulevard
Campbell, California 95008

Attn: Michael Sophie

Assignor:

P-COM, INC.

By: _____

Title: _____

Address of Assignee:

99 Almaden Boulevard
San Jose, California 95113

Attn: John A. Noble

Assignee:

UNION BANK OF CALIFORNIA, N.A.

By: John Noble

Title: Vice President and Ref. Manager

Schedule A
to Borrower Intellectual Property Security Agreement

Copyrights

Copyrights in Link Manager Software

Copyrights in Network Manager Software

Schedule B
to Borrower Intellectual Property Security Agreement

Patents

Please refer to the attached schedules.

SCHEDULE B

UNITED STATES PATENTS

Patent Number	Title
5,157,686 Spectrum Radio Signals	Method & Apparatus for the Modulation of Spread
5,164,958	Spread Spectrum Cellular Handoff Method
5,166,952	Division 2 - Method & Apparatus for the Reception & Demodulation of Spread Spectrum Radio Signals
5,235,615	Spread Spectrum Method
5,253,268 Correlation of Sample Bits of Spread Spectrum Radio Signals	Division 3 - Method & Apparatus for the
5,592,506 CDMA Operations	MSK Spread-Spectrum Receiver Which Allows

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EH 813 070 302 US

TRADEMARK

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EXHIBIT B

Patents

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Microwave radio system with software configuration of operating parameters	5,630,212	05/13/97
Automatic frequency control which monitors the frequency of a voltage controlled oscillator in a PLL demodulator	5,603,109	02/11/97
Self-aligning wave guide interface	5,508,712	04/16/96
Microwave synthesizer	5,239,271	08/24/93

Schedule C
to Borrower Intellectual Property Security Agreement

Trademarks

Please refer to the attached schedules.

P-COM, INC.

TRADEMARK STATUS REPORT: UNITED STATES

Mark: AIRPRO
Application No.: 75/296,921
Filing Date: May 14, 1997
International Class: 9
Goods: Wireless microwave modem for voice and data networks.
Status: Published April 7, 1998.
Note: Assignment of Trademarks from Cylink filed April 16, 1998.

Mark: DATAMETRO
Application No.: 75/278,384
Filing Date: April 16, 1997
International Class: 9
Goods: Wireless router for computer networks.
Status: Published February 24, 1998.
Note: Assignment of Trademarks from Cylink filed April 16, 1998.

Mark: TEL-LINK
Registration No.: 2,039,230
Reg. Date: February 18, 1997
International Class: 9
Goods: Millimeter wave radio system for transmitting and receiving
voice, data and video.
Status: Registered. Affidavit of Use due February 18, 2003. Renewal
due February 18, 2007.

Mark: VOICEXTENDER
Application No.: 75/296,923
Filing Date: May 14, 1997
International Class: 9
Goods: Wireless microwave telephone line extension.
Status: Pending. Response to Office Action due August 2, 1998.
Note: Assignment of Trademarks from Cylink filed April 16, 1998.

P-COM, INC.

TRADEMARK STATUS REPORT: INTERNATIONAL

ARGENTINA

Mark: AIRLINK
Application No.: 1.955.404
Filing Date: January 4, 1995
International Class: 9
Status: Abandoned.

Mark: AIRLINK
Application No.: 1.955.405
Filing Date: January 4, 1995
International Class: 38
Status: Abandoned.

Mark: AIRLINK And Design
Application No.: 1.955.406
Filing Date: January 4, 1995
International Class: 9
Status: Abandoned.

Mark: AIRLINK And Design
Application No.: 1.962.524
Filing Date: January 4, 1995
International Class: 38
Status: Abandoned.

Note: Waiting for confirmation of above information from associate.

BRAZIL

Mark: AIRLINK
Application No.: 818.334.177
Filing Date: November 24, 1994
International Class: 9
Status: Pending. Opposition filed by AIRFONE; appeal filed on March 14, 1997.
Note: Waiting for updated status from associate.

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TRADEMARK

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COLOMBIA

Mark: AIRLINK
Registration No.: 178468
Reg. Date: April 27, 1995
International Class: 9
Status: Registered. Renewal due April 27, 2005.

MEXICO

Mark: AIRLINK
Registration No.: 491608
Reg. Date: May 15, 1995
International Class: 9
Status: Registered. Renewal due March 9, 2005.

VENEZUELA

Mark: AIRLINK
Application No.: 2532-95
Filing Date: June 16, 1995
International Class: 9
Status: Published May 29, 1996. Registration fee paid July 12, 1996.
Certificate of Registration expected April 15, 1999.
Note: Opposition filed against AIRLINK, No. 20775-96, owned by
Airlink de Venezuela S.A. Official Resolution expected in six months.

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TRADEMARK