



06-14-2000

U.S. Patent & TMO/c/TM Mail Rcpt. Dt. #40

Handwritten: Partschanel
06-14-00

07-24-2000



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RECORDATION FORM COVER SH TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
03312000

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

- Corporation Association

Other

Citizenship/State of Incorporation/Organization

07/24/2000 MTHA11 00000044 500709 75614380

FOR OFFICE USE ONLY

01 FC:481 40.00 CH
02 FC:482 25.00 CH

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002107 FRAME: 0078

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75614380"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75614379"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

George M. Borababy

Name of Person Signing

George M. Borababy

Signature

6/9/2000

Date Signed

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT made effective as of the 31st day of March, 2000, by and between PARTSCHANNEL, INC., a Texas corporation, having a place of business at 6303 Cedar Springs Road, Dallas, Texas 75242 (hereinafter referred to as the "Company"), and The CIT Group/Commercial Services, Inc., a New York corporation, having offices located at 5420 LBJ Freeway, Suite 200, Dallas, Texas, 75240 (hereinafter referred to as "CITBC").

W I T N E S S E T H:

WHEREAS, the Company is obligated to CITBC pursuant to a Financing Agreement dated of even date herewith (herein the "Financing Agreement");

WHEREAS, the Company is the owner of the trademarks, trademark registrations, tradenames and trademark applications, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof, and all renewals and/or reissues thereof, and all income, royalties, damages and payments now and hereafter due and/or payable under all trademarks and trademark applications, including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing trademarks, trademark registrations, tradenames and applications are sometimes hereinafter individually and/or collectively referred to as the "Trademarks") and all signs and symbols associated therewith together with the goodwill of the Company's business symbolized and associated with the Trademarks (herein collectively the "Trademark Collateral"); and

WHEREAS, CITBC has and will from time to time make loans, advances and other extensions of credit to the Company pursuant to the Financing Agreement.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company hereby agrees as follows:

1. The Company hereby grants a security interest to CITBC in all of the Company's right, title and interest in and to the Trademark Collateral, together with all monies and claims for monies now or hereafter due or payable thereon or in respect thereof and all cash and non-cash proceeds thereof, to secure the payment when due of all now existing and hereafter arising indebtedness, liabilities and obligations of the Company to CITBC, including without limitation all Obligations (as defined in the Financing Agreement) (herein the "Secured Obligations").

2. Subject to the present security interest created hereby in favor of CITBC, it is the intention of the parties hereto that the Company continue to have ownership of and the beneficial use of the Trademark Collateral, including without limitation the above-described Trademarks and the goodwill of the business associated therewith and to control the nature and quality of the goods manufactured and sold under said Trademarks, and, upon the payment and performance in full of all of the Secured Obligations, as herein set forth, the security interest of CITBC in said Trademarks

and the other Trademark Collateral shall be released and thereafter CITBC shall no longer have any interest therein.

3. The Company will pay all filing and recording fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and continue perfected its security interest in the Trademark Collateral.

4. The Company represents and warrants: that the Company lawfully possesses and owns the Trademark Collateral and that except for the security interest in favor of CITBC, the Trademark Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignments, transfers or security interests in the Trademark Collateral; that the Company will not sell, transfer or assign the Trademark Collateral or any of the proceeds thereof; that the Trademark Collateral is and will continue to be, in all respects, in full force and effect; and that there are no known infringements of the Trademark Collateral.

5. Upon the occurrence of an Event of Default under the Financing Agreement, the Company shall be in default hereunder (a "Default"). Upon the occurrence of any such Default by the Company, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Trademark Collateral or the time after which any private sale of the Trademark Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is sent to the Company in accordance with the notice provisions of the Financing Agreement at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC, upon any Default hereunder by the Company, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person:

A. All right, title and interest in and to the Trademark Collateral, including without limitation the Trademarks specified in Schedule A;

B. The goodwill of the Company's business symbolized and associated with the Trademarks, under the marks specified in Schedule A;

C. Ownership of the Company's entire inventory of labels and decals not then affixed to its products and ownership of the right to operate and control the business under the marks specified in Schedule A.

A formal irrevocable power of attorney is being executed and delivered by the Company to CITBC to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises said power in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall:

Never thereafter, without the written authorization of the owner or owners of the Trademarks specified in Schedule A, use any of the marks specified in Schedule A or any mark closely similar thereto, on or in connection with the same or any closely related goods either in the United States of America, its territories or possessions or in countries outside the United States.

6. The proceeds of any such sale, transfer or disposition of the Trademark Collateral by CITBC shall be applied first to all costs (including, but not limited to, reasonable attorneys' fees and expenses and court costs) incurred by CITBC; next, such proceeds shall be applied to the payment, in whole or in part, of the Secured Obligations in such order as CITBC may elect; and the balance, if any, shall be paid to the Company or its representative or as a court of competent jurisdiction may direct. The Company shall remain liable for any deficiency.

7. The Company agrees to execute and deliver to CITBC any further documentation or papers, and take all such other actions, as are necessary to carry out the intent or purpose of this Trademark Security Agreement (without any charge or expense to CITBC) including, but not limited to the execution and delivery to CITBC of financing statements under the Uniform Commercial Code.

8. The Company will defend at its own cost and expense any action, claim or proceeding affecting the Trademark Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all reasonable costs and expenses incurred by CITBC in defending any such action, claim or proceeding.


9. This Trademark Security Agreement shall be in addition to all other present and future instruments, documents and agreements between the Company and CITBC; it shall not be deemed to affect, modify or limit any of the rights of CITBC thereunder, and all of CITBC' rights and remedies hereunder, thereunder, at law or in equity are cumulative. It is further understood and agreed that in the event of a Default hereunder, CITBC shall have no obligation to marshal any assets presently or hereafter pledged to CITBC by the Company, whether under this Trademark Security Agreement or otherwise.

10. Any provision hereof contrary to, prohibited by or invalid under, any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.

11. Notwithstanding the place of execution hereof, the Company agrees that the validity, interpretation and enforcement of this Trademark Security Agreement and all rights hereunder shall be governed by the laws of the State of Texas.


IN WITNESS WHEREOF the parties have executed and delivered this Agreement effective as of the date above set forth.

PARTSCHANNEL, INC.
(the "Company")

By: 
Name: Ray Chen
Title: President

Accepted at Dallas, Texas:

THE CIT GROUP/COMMERCIAL SERVICES, INC.

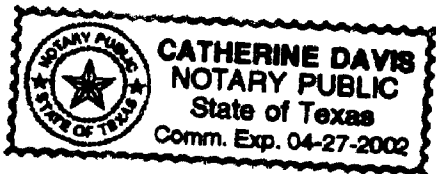
By: 
Name: Neal Legan
Title: Vice President

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §)SS
COUNTY OF DALLAS §

On March 31, 2000, before me, the undersigned, a notary public in and for said State, personally appeared Ray Chen known to me to be the President of PartsChannel, Inc., a Texas corporation, that executed the within instrument, and who acknowledged to me that such corporation executed the within instrument pursuant to its by-laws and a resolution of its board of directors.

WITNESS my hand and official seal.



Catherine Davis
Notary Public

SCHEDULE A TO TRADEMARK SECURITY AGREEMENT

between

PARTSCHANNEL, INC.

and

THE CIT GROUP/COMMERCIAL SERVICES, INC.

TRADEMARK APPLICATIONS

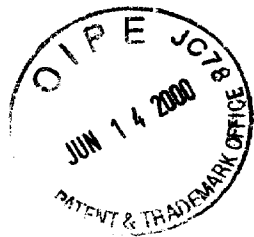
<u>Mark</u>	<u>Serial Number</u>	<u>Reference No.</u>
PARTSCHANNEL	75/614,380	19640.20
PERFECT TRIM	75/614,379	19640.19



06-14-2000

U.S. Patent & TMOfc/TM Mail Rcpt. Dt. #40

LLP



June 14, 2000

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Assistant Commissioner For Trademarks
U.S. Patent & Trademark Office
Crystal Gateway 4
2900 Crystal Drive, 3rd Floor
Box Assignments
Arlington, VA 22202

RE: Trademark Security Agreement

Dear Sir:

Please record the enclosed Trademark Security Agreement with respect to the U.S. Trademark Applications listed on Schedule A of the Agreement.

Transmitted herewith are one (1) Form PTO 1618 and a true copy of the Agreement. Please charge our Deposit Account No. 50-0709 in the amount of \$65.00 to cover the recordation fee.

Please send all correspondence in this matter, including the return of the Security Agreement, to the undersigned at:

George M. Borababy, Esq.
Patton Boggs LLP
2550 M Street, N.W.
Washington, D.C. 20037.

Respectfully submitted,

George M. Borababy

Doc. 552690

ANCHORAGE • DALLAS • DENVER • NORTHERN VIRGINIA • SEATTLE • WASHINGTON, DC

RECORDED: 06/14/2000

TRADEMARK
REEL: 002107 FRAME: 0086