

10-24-2001

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To the Honorable Commissioner of Patents and Trademarks:

101883640

Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Essex Technology, Inc. 10-24-01
Superior Telecommunications, Inc.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☐ Corporation-State:
☐ Other _____

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

3. Nature of conveyances:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: 11/27/98

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

Name: Bankers Trust Company,
Internal Address: as Collateral Agent
Street Address: One Bankers Trust Plaza
City: New York State: NY ZIP: 10006

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☐ Corporation-State _____
☒ Other Bank

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 registration number(s):

A. Trademark Application(s)

See Schedule H attached hereto

B. Trademark registration No.(s)

*See Schedule H attached hereto*Additional numbers attached? ☐ Yes ☐ No

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

Name: _____
Return To **37714**
National Corporate Research, LTD.
225 W. 34th St., Suite 910
New York, N.Y. 10122
(800) 221-0102 (212) 947-7200
City: _____ State: _____ ZIP: _____

6. Total number of applications and registrations involved: _____

12

7. Total fee (37 CFR 3.41): _____

\$315.00

- ☐ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number: _____

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

10/25/2001 670N11 00000019 76225222

DO NOT USE THIS SPACE

01 FC:481 40.00 OP
02 FC:482 275.00 OP

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.

MAUREEN P. MURPHY

Name of Person Signing

Maureen P. Murphy

Signature

10/19/01

Date

Total number of pages including coversheet, attachments and document: _____

Mail documents to be recorded with required coversheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231TRADEMARK
REEL: 002387 FRAME: 0327

SCHEDULE H

Trademark Registration and Applications for Trademark Registration

Trademark Registration

Guarantor: Essex Technology, Inc.

Trademark	Jurisdiction	Registration	Expiration
HANDILAN	US	SN76/225,222	
SUPERIOR	US	App. #75/718,059	
SUPERIOR ESSEX	US	App. #75/718,058	

Guarantor: Superior Telecommunications Inc.

Trademark	Jurisdiction	Registration	Expiration
Marathon Lan	US	75/303383	03/16/99
Quick count	US	2245861	05/18/99
ASAP	US	76/051602	12/15/00
BROAD GAIN	US	75/877533	12/22/99
INTELLIGAIN	US	76/033591	04/25/00
NEXTGAIN	US	76/032958	04/18/00
PERFORMA CHANNEL	US	76/245383	04/24/01
PERFORMA LINK	US	76/015462	04/03/00
TERA GAIN	US	76/032959	04/20/00

AMENDED AND RESTATED SECURITY AGREEMENT

AMENDED AND RESTATED SECURITY AGREEMENT (the "Agreement"), dated as of November 27, 1998, made by SUPERIOR/ESSEX CORP. ("Superior/Essex"), a Delaware corporation having an office at 150 Interstate North Parkway, Suite 300, Atlanta, Georgia 30339, ESSEX GROUP, INC., a Michigan corporation having an office at 1601 Wall Street, Fort Wayne, Indiana 46802 ("Essex"; together with Superior/Essex, the "Borrowers"), and EACH OF THE GUARANTORS LISTED ON THE SIGNATURE PAGES HERETO (collectively, the "Subsidiary Pledgors"; together with the Borrowers, the "Pledgors"), in favor of BANKERS TRUST COMPANY, a New York banking corporation having an office at One Bankers Trust Plaza, New York, New York 10006, as administrative agent and collateral agent, as pledgee, assignee and secured party (in such capacity and together with any successors in such capacity, the "Collateral Agent") for the Lenders (as hereinafter defined).

R E C I T A L S :

A. In connection with the execution and delivery of that certain revolving credit agreement, dated as of October 2, 1996 (as amended, modified or supplemented the "Existing Superior Credit Agreement"), among Superior TeleCom Inc., each of the subsidiary guarantors party thereto, the lending institutions party thereto, Bankers Trust Company, as Administrative Agent, and Bank of Boston Connecticut, as Documentation Agent, Superior TeleCom Inc. and certain of the Subsidiary Pledgors executed and delivered to Collateral Agent, for the benefit of such lenders, that certain security agreement, dated as of October 2, 1996 (the "Existing Superior Security Agreement"), to secure, among other things, payment and performance of all the repayment obligations in respect of the Existing Superior Credit Agreement as then in effect.

B. Concurrently herewith, pursuant to that certain amended and restated credit agreement, dated as of the date hereof (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Credit Agreement), among the Borrowers, each of the Guarantors party thereto, the lending institutions from time to time party thereto (collectively, the "Lenders"), Merrill Lynch & Co., as Documentation Agent, Fleet National Bank, as Syndication Agent, and Bankers Trust Company, as Administrative Agent, pursuant to which (i) Superior/Essex is assuming the obligations of Superior TeleCom Inc. under the Existing Superior Credit Agreement, (ii) the Existing Superior Credit Agreement is being amended and restated and (iii) the Lenders have agreed (a) to make to or for the account of the Borrowers (1) certain Term Loans up

to an aggregate principal amount of \$925,000,000 and (2) certain Revolving Loans up to an aggregate principal amount of \$225,000,000, including existing Revolving Loans in the amount of \$175,000,000 and additional Revolving Loans in the amount of \$50,000,000 and (b) to issue certain Letters of Credit for the account of the Borrowers.

C. It is contemplated under the Credit Agreement that one or more of the Pledgors may enter into Interest Rate Protection Agreements and Other Hedging Agreements with one or more of the Lenders or their Affiliates. For the purposes of this Agreement, any such Interest Rate Protection Agreement or Other Hedging Agreement which Collateral Agent, in its sole discretion, agrees shall be secured hereby is hereinafter referred to as a "Hedging Agreement" and all obligations of the Pledgors now existing or hereafter arising under any such Hedging Agreements are hereinafter collectively referred to as the "Hedging Obligations".

D. The Borrowers own, directly or through their Subsidiaries, all of the issued and outstanding stock of each of the Subsidiary Pledgors.

E. Each Pledgor is the owner of the Pledged Collateral (as hereinafter defined) pledged by it pursuant to this Agreement.

F. Each Subsidiary Pledgor is, as of the date hereof, executing the Credit Agreement pursuant to which it will guarantee the obligations of the Borrowers under the Credit Agreement and the other Credit Documents.

G. Each Subsidiary Pledgor expects to receive substantial benefit from the execution, delivery and performance of the Credit Agreement and has agreed to grant to the Collateral Agent liens and security interests in the Pledged Collateral owned by it to secure the Secured Obligations (as hereinafter defined).

H. It is a condition to the obligations of the Lenders to make the Loans under the Credit Agreement and to issue Letters of Credit or enter into the Hedging Agreements that the Borrowers and each Subsidiary Pledgor execute and deliver the applicable Credit Documents, including this Agreement.

I. The Pledgors desire to amend and restate the Existing Superior Security Agreement in order to reflect the execution and delivery of the Credit Agreement, and to pledge, and to continue and confirm the prior pledge pursuant to the Existing Superior Security Agreement, of the Pledged Collateral (as

defined in the Existing Superior Security Agreement) as security for the payment and performance of the Secured Obligations (as hereinafter defined).

A G R E E M E N T :

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Pledgor and the Collateral Agent hereby agree as follows:

Section 1. Pledge. As collateral security for the payment and performance when due of all the Secured Obligations, each Pledgor hereby pledges, hypothecates, assigns, transfers and grants to the Collateral Agent, for its benefit and the benefit of the Secured Parties (as hereinafter defined), continuing security interests, in and to all of the right, title and interest of such Pledgor in, to and under the following property whether now existing or hereafter arising or acquired from time to time (collectively, the "Pledged Collateral"):

- (i) all Equipment (as hereinafter defined);
- (ii) all Inventory (as hereinafter defined);
- (iii) all Contract Rights (as hereinafter defined);
- (iv) all Instruments (as hereinafter defined);
- (v) all General Intangibles (as hereinafter defined);
- (vi) all Receivables (as hereinafter defined);
- (vii) all books, records, ledgers, printouts, file materials and other papers containing information relating to Receivables and any account debtors in respect thereof;
- (viii) all Permits (as hereinafter defined);
- (ix) all Pension Plan Reversions (as hereinafter defined);
- (x) all Patents;
- (xi) all Trademarks (as hereinafter defined);
- (xii) all Copyrights (as hereinafter defined);

- (xiii) all Licenses (as hereinafter defined);
- (xiv) all goodwill connected with the use of, and symbolized by any of, the Patents, Trademarks, Copyrights and Licenses;
- (xv) all Documents (as hereinafter defined) relating to any of the foregoing; and
- (xvi) all Proceeds (as hereinafter defined) of any of the foregoing.

Notwithstanding the foregoing, Pledged Collateral shall not include any Receivables or other property which would constitute Pledged Collateral hereunder but which are pledged as collateral under any Receivables Financing Agreement during the period that such Receivables and property are subject to the lien thereof; provided, however, that at such time as any such Receivables or property pledged as collateral under any Receivables Financing Agreement shall no longer be subject to the lien thereof, any and all such Receivables and other property shall become Pledged Collateral hereunder and shall be subject to the Lien and security interest created by this Agreement without further action by any party other than actions required to perfect such security interest.

Section 2. Secured Obligations. (a) This Agreement is entered into by each Pledgor in favor of the Collateral Agent for its benefit and the benefit of the Lenders, the Agent and each Letter of Credit Issuer (collectively, the "Secured Parties") to secure the payment and performance in full when due, whether at stated maturity, by acceleration or otherwise (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the filing of a petition in bankruptcy or the operation of the automatic stay under Section 362(a) of the Bankruptcy Code) of (i) all Obligations of the Pledgors now or hereafter existing under or in respect of the Credit Agreement and all Hedging Obligations of the Pledgors now existing or hereafter arising under or in respect of any Hedging Agreement; (ii) all obligations of each Pledgor now or hereafter existing under or in respect of this Agreement or any of the other Security Documents; and (iii) all interest, charges, fees, costs, expenses, reimbursements, premiums, indemnities or other payments of any kind or nature in respect of amounts or instruments referred to in any of clauses (i) and (ii) (the obligations described in clauses (i) through (iii), collectively, the "Secured Obligations").

(b) Each Pledgor party to the Existing Superior Security Agreement hereby (a) confirms and continues the pledge and security interest in the Pledged Collateral granted by it pursuant to the Existing Superior Security Agreement and (b) acknowledges and agrees that the pledge and security interest in the Pledged Collateral granted by it pursuant to the Existing Superior Security Agreement shall be continued in favor of the Collateral Agent and shall continue to secure the Secured Obligations.

Section 3. No Release. Nothing set forth in this Agreement shall relieve any Pledgor from the performance of any term, covenant, condition or agreement on such Pledgor's part to be performed or observed under or in respect of any of the Pledged Collateral pledged by it or from any liability to any Person under or in respect of any of the Pledged Collateral pledged by it or shall impose any obligation on the Collateral Agent or any Secured Party to perform or observe any such term, covenant, condition or agreement on any Pledgor's part to be so performed or observed or shall impose any liability on the Collateral Agent or any Secured Party for any act or omission on the part of any Pledgor relating thereto or for any breach of any representation or warranty on the part of any Pledgor contained in this Agreement, any Hedging Agreement or any other Credit Document, or under or in respect of the Pledged Collateral or made in connection herewith or therewith.

Section 4. Representations, Warranties and Covenants. Each Pledgor represents, warrants or covenants (as applicable), as follows (as to itself only, except that the Borrowers represent and warrant as to themselves and each of the Subsidiary Pledgors):

(a) Necessary Filings. Financing statements on form UCC-1 have been prepared and delivered to the Collateral Agent herewith. When this Agreement is duly executed and delivered and (i) such financing statements have been filed in the jurisdictions indicated thereon, and (ii) this Agreement is filed and accepted in the United States Patent and Trademark Office and the United States Copyright Office (such filings, the "Federal Filings"), then all filings shall have been made to create, preserve, protect and perfect the security interest granted by such Pledgor to the Collateral Agent hereby in respect of such of the Pledged Collateral in which a security interest can be perfected by the filing of a financing statement or the filing of a security agreement with the United States Patent and Trademark Office or the United States Copyright Office. When such filings are duly made the security interests granted to the Collateral Agent pursuant to this

Agreement in and to such Pledged Collateral constitutes and hereafter will constitute perfected Liens and security interests therein in favor of the Collateral Agent subject in priority to no Liens other than the Liens identified on Schedule A hereto relating to the items of the Pledged Collateral identified on such schedule (collectively, "Prior Liens").

(b) Ownership. Each Pledgor is, as of the date hereof, and, as to Pledged Collateral acquired by it from time to time after the date hereof, such Pledgor will be, the legal record and beneficial owner of all of its respective Pledged Collateral free from any Lien or other right, title or interest of any Person other than (i) Prior Liens, (ii) Permitted Encumbrances (as hereinafter defined) and (iii) Liens and security interests granted by such Pledgor to the Collateral Agent pursuant to this Agreement. Each Pledgor shall defend its respective ownership of its Pledged Collateral against all claims and demands of all other Persons at any time claiming any interest (other than a Prior Lien or Permitted Encumbrance) in the Pledged Collateral adverse to the Collateral Agent.

(c) Other Financing Statements. Except as set forth on Schedule A hereto, there is no financing statement (or similar statement or instrument of registration under the law of any jurisdiction) covering or purporting to cover any interest of any kind in the Pledged Collateral and, so long as this Agreement remains in effect, no Pledgor shall execute or authorize to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) or statements or otherwise make any Federal Filing relating to the Pledged Collateral, except (i) financing statements and the Federal Filings filed or to be filed in respect of and covering the security interests granted by any Pledgor to the Collateral Agent pursuant to this Agreement, (ii) financing statements filed in respect of Permitted Encumbrances, (iii) continuation statements filed in respect of Prior Liens and (iv) financing statements filed in respect of Pledged Collateral acquired as part of a Permitted Acquisition.

(d) Chief Executive Office; Corporate Name; Records. The chief executive office and principal place of business and the corporate name of each Pledgor is as set forth on Schedule B hereto. No Pledgor shall change its name or move its chief executive office, except in accordance with the last sentence of this Section 4(d). All tangible rec-

ord evidence of all Pledged Collateral and the only original books of account and records of each Pledgor relating thereto are, and will continue to be, kept at such respective chief executive office or principal place of business, or at such new location for such chief executive office as such Pledgor may establish in accordance with the last sentence of this Section 4(d). No Pledgor shall establish a new location for its chief executive office nor shall it change its name until (i) it shall have given the Collateral Agent not less than 30 days' prior written notice of its intention to do so, identifying such new location or name and providing such other information in connection therewith as the Collateral Agent or any Secured Party reasonably may request and (ii) with respect to such change in chief executive office or corporate name, the applicable Pledgor shall have taken all action reasonably satisfactory to the Collateral Agent and the Secured Parties to maintain the perfection and priority of the security interest in the Pledged Collateral intended to be granted hereby.

(e) Location of Equipment and Inventory. All Equipment and Inventory now held or subsequently acquired by each Pledgor shall be kept at any one of the locations shown on Schedule C hereto other than Inventory sold on consignment by any of the Pledgors in the ordinary course of business, or such new location not shown on Schedule C hereto as such Pledgor may establish if (i) it shall have given to the Collateral Agent at least 30 days' prior written notice of its intention to do so (or such lesser period (which shall in no event be less than 15 days) as is practicable in the case of any Equipment or Inventory acquired in connection with a Permitted Acquisition), identifying such new location and providing such other information in connection therewith as the Collateral Agent may reasonably request, and (ii) with respect to such new location, each Pledgor shall have taken all action reasonably satisfactory to the Collateral Agent and the Secured Parties to maintain the perfection and priority of the security interest in the Pledged Collateral intended to be granted hereby. In the event that the aggregate value of inventory sold on consignment by the Pledgors exceeds \$75,000,000, each Pledgor shall take all actions necessary to cause the Collateral Agent to have a perfected Lien on and security interest in any such inventory which exceeds in value \$75,000,000 in the aggregate; provided, however, that with respect to inventory sold on consignment to GTE, Sprint or the regional Bell operating Companies, it shall not be an Event of Default hereunder so long as the applicable Pledgor shall use its best ef-

forts to cause the Collateral Agent to have a perfected lien on and security interest in any such inventory. Each Pledgor agrees that it shall provide written notice to the Collateral Agent as to the amount and location of inventory held on consignment which exceeds in value \$75,000,000.

(f) Trade Names. No Pledgor conducts business under any name or trade name other than as set forth on Schedule D hereto.

(g) Patents, Trademarks, Copyrights, Licenses, etc. Schedules E, F, G and H, respectively, attached hereto, are lists which are accurate and complete in all respects as of the date hereof of all registered and applied for Patents, Trademarks, Copyrights and Licenses (collectively, the "Intellectual Property") owned or licensed by each Pledgor. All information set forth relating to the Intellectual Property is accurate and complete in all respects. To each Pledgor's knowledge, such Pledgor has the right to use all Intellectual Property and all computer programs and other similar rights material to such Pledgor's business as such business is presently conducted and as contemplated to be conducted pursuant to the Credit Documents. There is not pending, or to the knowledge of the Pledgors, threatened any claim or litigation against or affecting any Pledgor contesting the validity of any of the Intellectual Property or any such computer programs or other rights material to such Pledgor's business.

(h) Authorization, Enforceability. Each Pledgor has full corporate power, authority and legal right to pledge and grant the security interest in all of the Pledged Collateral pledged by it pursuant to this Agreement, and this Agreement constitutes the legal, valid and binding obligation of each Pledgor, enforceable against each Pledgor in accordance with its terms.

(i) No Consents, etc. No consent of any party (including, without limitation, stockholders or creditors of such Pledgor) and no consent, authorization, approval, or other action by, and, no notice to or filing with, any Governmental Authority or regulatory body or other Person (other than the filings contemplated in Section 4(a) hereof and those consents or approvals which have been obtained as of the date hereof) is required either (x) for the pledge by any Pledgor of the Pledged Collateral pledged by it pursuant to this Agreement or for the execution, delivery or performance of this Agreement by such Pledgor, or (y) for the exercise by the Collateral Agent

of the rights provided for in this Agreement (other than any such consent, approval or other action required to be taken by the Collateral Agent), or (z) for the exercise by the Collateral Agent of the remedies in respect of the Pledged Collateral pursuant to this Agreement (other than any such consent, approval or other action required to be taken by the Collateral Agent).

(j) No Conflicts. The execution, delivery and performance by each Pledgor of this Agreement do not (or with notice or lapse of time or both, will not) violate, conflict with or constitute a default under, or result in the termination of, or accelerate the performance required by, or result in there being declared void, voidable or without further binding effect any provision of any other agreement, instrument or document to which such Pledgor is a party, except for any such violation, conflict or default for which a waiver or consent is obtained by any such Pledgor prior to the date hereof.

(k) Benefit to Subsidiary Pledgors. Each Subsidiary Pledgor will receive substantial benefit as a result of the execution, delivery and performance of the Credit Agreement.

Section 5. Special Provisions Regarding Receivables.

(a) Special Representations and Warranties. As of the time when each of its Receivables arises, each Pledgor shall be deemed to have represented and warranted that such Receivables and all records, papers and documents relating thereto (i) represent, to the knowledge of Pledgor, bona fide transactions with the account debtor evidencing indebtedness unpaid and owed by such account debtor arising out of the performance of labor or services or the sale or lease and delivery of the merchandise listed therein, or both, (ii) constitute and evidence, to the knowledge of Pledgor, obligations of such account debtor, enforceable in accordance with their respective terms (except with respect to refunds, returns and allowances and other claims arising in the ordinary course of business), or stamp or other taxes, and (iii) are in material compliance and conform in all material respects with all applicable federal, state and local laws and applicable laws of any relevant foreign jurisdiction, except where the failure to so comply would not have a material adverse effect on the validity of such Receivable.

(b) Maintenance of Records. Each Pledgor shall keep and maintain at its own cost and expense satisfactory and complete records of each Receivable, including, without limita-

tion, records of all payments received, all credits granted thereon, all merchandise returned and all other documentation relating thereto, and each Pledgor shall make the same available to the Collateral Agent for inspection, at each such Pledgor's sole cost and expense, during such Pledgor's normal business hours and upon reasonable prior notice. After the occurrence of an Event of Default, each Pledgor shall, at each such Pledgor's sole cost and expense, deliver all tangible evidence of Receivables, including, without limitation, all documents evidencing Receivables and any books and records relating thereto to the Collateral Agent or to its representatives (copies of which evidence and books and records may be retained by each Pledgor) at any time upon the Collateral Agent's demand. Upon the occurrence of an Event of Default, the Collateral Agent may transfer a full and complete copy of each Pledgor's books, records, credit information, reports, memoranda and all other writings relating to the Receivables to and for the use by any Person that has acquired or is contemplating acquisition of an interest in the Receivables or the Collateral Agent's security interest therein without the consent of any Pledgor; provided that Collateral Agent shall use reasonable efforts to cause such Person to agree to keep all such information confidential, subject to customary exceptions.

(c) Modification of Terms, etc. Except in the ordinary course of business consistent with reasonable business practice and except as may otherwise be permitted pursuant to the Credit Agreement, no Pledgor shall rescind or cancel any indebtedness evidenced by any Receivable or modify any term thereof or make any adjustment with respect thereto, or extend or renew any such indebtedness, or compromise or settle any dispute, claim, suit or legal proceeding relating thereto, or sell any Receivable or interest therein, without the prior written consent of the Collateral Agent. Each Pledgor shall timely fulfill all obligations on its part to be fulfilled under or in connection with the Receivables consistent with reasonable business practice and except as may otherwise be permitted pursuant to the Credit Agreement.

(d) Collection. Subject to the provisions of Section 5(c) hereof, each Pledgor shall cause to be collected from the account debtor of each of the Receivables, as and when due, any and all amounts owing under or on account of any such Receivable, and apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Receivable, and each Pledgor may, with respect to a Receivable, allow in the ordinary course of business (i) a refund or credit due as a result of returned or damaged or defective merchandise and (ii) such extensions of time to pay amounts due in respect of Receivables and such other modifications of payment terms or

settlements in respect of Receivables as shall be commercially reasonable in the circumstances, all in accordance with each such Pledgor's ordinary course of business consistent with its collection practices as in effect from time to time. The reasonable costs and expenses (including, without limitation, reasonable attorneys' fees) of collection, in any case, whether incurred by any Pledgor, the Collateral Agent or any Lender, shall be paid by such Pledgor.

(e) Legend. Each Pledgor shall legend, at the request of Collateral Agent made at any time after the occurrence of an Event of Default and in form and manner reasonably satisfactory to Collateral Agent, its Receivables and other books, documents and records of such Pledgor evidencing or pertaining to its Receivables with an appropriate reference to the fact that such Receivables have been assigned to Collateral Agent for the benefit of the Secured Parties and that Collateral Agent has a security interest therein.

(f) Instruments. Each Pledgor shall notify the Collateral Agent, within five Business Days after receipt thereof by such Pledgor and, at Collateral Agent's request, deliver to Collateral Agent any Instrument (other than checks received from customers in the ordinary course of business) evidencing Receivables which is in the principal amount of \$250,000 or more. Any Instrument delivered to Collateral Agent pursuant to this Section 5(f) shall be appropriately endorsed (if applicable) to the order of Collateral Agent, as agent for the Secured Parties, and shall be held by Collateral Agent as further security hereunder.

(g) Cash Collateral. Upon the occurrence of an Event of Default, if Collateral Agent so directs, each Pledgor shall cause all payments on account of its Receivables to be delivered to Collateral Agent to be held by Collateral Agent as cash collateral, upon acceleration or otherwise, and without notice to or assent by such Pledgor, Collateral Agent may apply any or all amounts then or thereafter held as cash collateral in the manner provided in Section 11. The costs and expenses (including, without limitation, reasonable attorneys' fees) of collection incurred by Collateral Agent shall be paid by such Pledgor in a manner consistent with the rights of the parties hereunder and under the Credit Agreement.

Section 6. Special Provisions Regarding Intellectual Property.

(a) Modifications. Each Pledgor authorizes the Collateral Agent to modify this Agreement by amending Schedules E, E, G and/or H annexed hereto to include any future Intellectual

Property of any Pledgor and the Collateral Agent shall give prompt written notice of any such amendment to the Pledgors. No such amendment shall include Intellectual Property acquired by a Pledgor in connection with a Permitted Acquisition which by its terms cannot be assigned to the Collateral Agent as part of the Pledged Collateral.

(b) Applications. Each Pledgor shall file and prosecute diligently all applications for the Patents, the Trademarks or the Copyrights now or hereafter pending that would be necessary to the business of such Pledgor to which any such applications pertain, and, subject to the last sentence of this Section 6(b), shall do all acts necessary to preserve and maintain all rights in the Pledged Collateral necessary for the operation of Pledgor's business. Any and all costs and expenses incurred in connection with any such actions shall be borne by Pledgor. No Pledgor shall abandon any right to file a Patent or Trademark or Copyright application, or any pending Patent, Trademark or Copyright application or any Patent, Trademark or Copyright necessary for the operation of such Pledgor's business without the consent of Collateral Agent unless Pledgor has determined that such filing does not contain or represent any value or utility (other than of an immaterial nature) consistent with prudent business practice.

(c) Restriction on Licensing Intellectual Property. No Pledgor shall license any Intellectual Property or any portion thereof, or amend or permit the amendment of any of the Licenses in either case in a manner that adversely affects the right to receive any amount of payments thereunder, or is in any manner adverse to the interests of the Collateral Agent in the Intellectual Property without the consent of the Collateral Agent; provided, however, that the foregoing shall not prohibit any Pledgor from entering into any such licensing arrangement or License to which such Pledgor becomes a party at the time of, or in connection with, any Permitted Acquisition.

Section 7. Additional Provisions Regarding All Pledged Collateral.

(a) After-Acquired Property. If any Pledgor shall (i) obtain any rights to any additional Pledged Collateral or (ii) become entitled to the benefit of any additional Pledged Collateral or any renewal or extension thereof, including any reissue, division, continuation, or continuation-in-part of any Patent, or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and any such item enumerated in clause (i) or (ii) with respect to such Pledgor shall automatically constitute Pledged Collateral if such would have constituted Pledged Collateral at the time of

execution of this Agreement, and be subject to the Liens and security interests created by this Agreement without further action by any party other than actions required to perfect such security interests. Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 7(a) shall not apply in respect of any property acquired in connection with a Permitted Acquisition if such property is subject to a pre-existing agreement or arrangement which would be contravened by this Section 7(a).

(b) Protection of Security. Except as permitted under the Credit Agreement, no Pledgor shall take any action that impairs the rights of the Collateral Agent or any Bank in the Pledged Collateral. Without limiting the foregoing, each Pledgor (i) will not enter into any agreement that would impair or conflict with such Pledgor's obligations hereunder; (ii) will, promptly following its becoming aware thereof, notify the Collateral Agent of (a) any adverse determination or development in any proceeding with respect to any Pledged Collateral pledged by it, or (b) the institution of any proceeding or any adverse determination or development in any federal, state or, local court or administrative bodies regarding such Pledgor's claim of ownership in or right to use any of the Pledged Collateral pledged by it which is material to such Pledgor's business, or, with respect to Intellectual Property, its right to register, as applicable, the Intellectual Property, or its right to keep and maintain such registration in full force and effect; (iii) will properly maintain (ordinary wear and tear excepted) and protect the Pledged Collateral necessary or appropriate for the operation of such Pledgor's business unless such Pledgor, in its reasonable business judgment, has determined that such maintenance or protection would outweigh the continuing value or utility of such Pledged Collateral to such Pledgor; (iv) will not permit to lapse or become abandoned any Pledged Collateral unless such Pledgor has determined that such Pledged Collateral does not contain or represent any value or utility (other than of an immaterial nature) in its reasonable business judgment; (v) will not settle or compromise any pending or future litigation or administrative proceeding with respect to any Pledged Collateral which is material to such Pledgor's business without the consent of the Collateral Agent; (vi) will furnish to the Collateral Agent from time to time statements and amended schedules further identifying and describing the Pledged Collateral and such other materials evidencing or reports pertaining to the Pledged Collateral as the Collateral Agent may from time to time reasonably request, all in reasonable detail; and (vii) will comply with all laws, rules and regulations applicable to the Pledged Collateral the failure to comply with which would have a material adverse effect on the value or utility of the

Pledged Collateral or an adverse effect on the Lien on the Pledged Collateral granted to the Collateral Agent hereunder.

(c) Insurance.

(i) Each Pledgor shall at all times keep the Pledged Collateral pledged by it insured at such Pledgor's own expense, to Collateral Agent's reasonable satisfaction against fire, theft and all other risks to which the Pledged Collateral may be subject, in such amounts and with such deductibles as would be maintained by operators of businesses similar to the business of each Pledgor or as Collateral Agent may otherwise reasonably require. Each policy or certificate with respect to such insurance shall be endorsed to Collateral Agent's satisfaction for the benefit of Collateral Agent (including, without limitation, by naming Collateral Agent as an additional named insured or sole loss payee, as required by Collateral Agent) and such policy or certificate shall be delivered to Collateral Agent. Each such policy shall state that it cannot be cancelled without 30 days' prior written notice to Collateral Agent. At least 10 days prior to the expiration of any such policy of insurance, each Pledgor shall deliver to Collateral Agent an extension or renewal policy or an insurance certificate evidencing renewal or extension of such policy. If any Pledgor shall fail to insure such Pledged Collateral in accordance with Section 7(c)(i) or if any Pledgor shall fail to so endorse and deposit, or to extend or renew, all such insurance policies or certificates with respect thereto, Collateral Agent shall have the right (but shall be under no obligation) to advance funds to procure or renew or extend such insurance and each Pledgor agrees to reimburse Collateral Agent for all costs and expenses thereof, with interest on all such funds from the date advanced until paid in full at the highest rate then in effect under the Credit Agreement. Collateral Agent agrees that it shall provide notice to the applicable Pledgor that it has advanced funds on its behalf pursuant to this Section 7(c).

(ii) Upon the occurrence of an Event of Default or at any time that a Material Adverse Effect has occurred, Collateral Agent shall have the option to apply any proceeds of insurance received by it pursuant to this Agreement toward the payment of the Secured Obligations in accordance with Section 11 hereof or to continue to hold such proceeds as additional collateral to secure the performance by the Pledgors of the Secured Obligations. So long as no Event of Default shall have occurred and be continuing and no such Material Adverse Effect shall have occurred, each Pledgor shall have the option (i) to direct Collateral Agent to apply any proceeds of insurance received by it toward payment of the Secured Obligations in accordance with Section 11 hereof or (ii) to elect, by de-

livery of written notice to Collateral Agent, to apply the proceeds of such insurance to the repair or replacement of the item or items of Pledged Collateral in respect of which such proceeds were received. In the event that any Pledgor elects to apply such proceeds to the repair or replacement of any item of Pledged Collateral pursuant to clause (ii) of the preceding sentence, Collateral Agent shall release such proceeds as soon as practicable following its receipt of such Pledgor's written notice of such election. Such Pledgor shall upon its receipt of such proceeds promptly commence and diligently continue to perform such repair or promptly effect such replacement and any replacement items shall be subject to the Lien hereof.

(d) Payment of Taxes; Claims. Each Pledgor shall pay promptly when due all taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Pledged Collateral pledged by it. Notwithstanding the foregoing, any Pledgor may at its own expense contest the amount or applicability of any of the obligations described in the preceding sentence by appropriate legal or administrative proceedings, prosecution of which operates to prevent the collection thereof and the sale or forfeiture of the Pledged Collateral or any part thereof to satisfy the same; provided, however, that in connection with such contest, such Pledgor shall have made provision for the payment of such contested amount on such Pledgor's books if and to the extent required by generally accepted accounting principles.

(e) Financing Statements. Each Pledgor shall sign and deliver to the Collateral Agent such financing and continuation statements, in form reasonably acceptable to the Collateral Agent, as may from time to time be required to continue and maintain valid, enforceable security interests in its respective Pledged Collateral having the priority provided herein and the other rights, as against third parties, provided hereby, all in accordance with the Code. Each Pledgor shall pay any applicable filing fees and other expenses related to the filing of such financing and continuation statements. Each Pledgor authorizes the Collateral Agent to file any such financing or continuation statements without the signature of such Pledgor where permitted by law.

(f) Warehouse Receipts Non-Negotiable. If any warehouse receipt or receipt in the nature of a warehouse receipt is issued with respect to any of the Inventory, no Pledgor shall permit such warehouse receipt or receipt in the nature thereof to be "negotiable" (as such term is used in Section 7-104 of the Code or under other relevant law).

(g) Maintenance of Equipment. Each Pledgor shall cause the Equipment to be maintained and preserved in the good operating condition and repair, ordinary wear and tear excepted, and shall forthwith, or in the case of any loss or damage which (individually or in the aggregate) exceeds \$500,000 to any of the Equipment (of which prompt notice shall be given to the Collateral Agent) as quickly as commercially practicable after the occurrence thereof, make or cause to be made all repairs, replacements and other improvements in connection therewith which are necessary and appropriate in the conduct of such Pledgor's business.

(h) Further Actions. Each Pledgor shall, at its sole cost and expense, make, execute, endorse, acknowledge, file or refile and/or deliver to the Collateral Agent from time to time such lists, descriptions and designations of the Pledged Collateral, copies of warehouse receipts, receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, supplements, additional security agreements, conveyances, transfer endorsements, powers of attorney, certificates, reports and other assurances or instruments and take such further steps relating to the Pledged Collateral which the Collateral Agent deems appropriate or advisable to exercise and enforce its rights and remedies hereunder with respect to any Pledged Collateral and to perfect, preserve or protect the security interest in the Pledged Collateral created and granted by this Agreement.

Section 8. Transfers and Other Liens. No Pledgor shall (i) except as permitted by the Credit Agreement, sell, convey, assign or otherwise dispose of, or grant any option with respect to, any of its respective Pledged Collateral or (ii) create or permit to exist any Lien upon or with respect to any of its respective Pledged Collateral other than (x) Prior Liens, (y) the Liens and security interests granted to the Collateral Agent under this Agreement and (z) Permitted Encumbrances.

Section 9. Reasonable Care. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if such Pledged Collateral is accorded treatment substantially equivalent to that which the Collateral Agent, in its individual capacity, accords its own property, it being understood that the Collateral Agent shall not have responsibility for taking any necessary steps to preserve rights against any Person with respect to any Pledged Collateral.

Section 10. Events of Default; Remedies; Etc.

(a) Event of Default. An event of default hereunder (an "Event of Default") shall exist upon the occurrence of an Event of Default, as such term is defined in the Credit Agreement.

(b) Certain Actions After Default. If an Event of Default shall have occurred, then and in every such case, the Collateral Agent may do any or all of the following:

(i) personally, or by agents or attorneys, immediately take possession of the Pledged Collateral or any part thereof, from any Pledgor or any other Person who then has possession of any part thereof, with or without notice or process of law, and for that purpose may enter upon such Pledgor's premises where any of the Pledged Collateral is located and remove such Pledged Collateral and use in connection with such removal any and all services, supplies, aids and other facilities of such Pledgor;

(ii) instruct the obligor or obligors on any agreement, instrument or other obligation (including, without limitation, the Receivables and Contract Rights) constituting the Pledged Collateral to make any payment required by the terms of such instrument or agreement directly to the Collateral Agent; provided, however, that in the event that any such payments are made directly to any Pledgor, prior to receipt by any such obligor of such instruction, such Pledgor shall segregate all amounts received pursuant thereto in a separate account and pay the same promptly to the Collateral Agent;

(iii) sell, assign or otherwise liquidate, or direct any Pledgor to sell, assign or otherwise liquidate, any or all investments made in whole or in part with the Pledged Collateral or any part thereof, and take possession of the proceeds of any such sale, assignment or liquidation; and

(iv) take possession of the Pledged Collateral or any part thereof, by directing any Pledgor in writing to deliver the same to the Collateral Agent at any place or places so designated by the Collateral Agent, in which event such Pledgor shall at its own expense (A) forthwith cause the same to be moved to the place or places designated by the Collateral Agent and there delivered to the Collateral Agent; (B) store and keep any Pledged Collateral so delivered to the Collateral Agent at such place or places pending further action by the Collateral Agent; and (C) while the Pledged Collateral shall be so stored and

kept, provide such security and maintenance services as shall be necessary to protect the same and to preserve and maintain them in good condition (ordinary wear and tear excepted). Each Pledgor's obligation to deliver the Pledged Collateral is of the essence of this Agreement. Upon application to a court of equity having jurisdiction, the Collateral Agent shall be entitled to a decree requiring specific performance by any Pledgor of such obligation.

(c) Certain Additional Actions Regarding Intellectual Property. If any Event of Default shall have occurred, upon the written demand of the Collateral Agent, each Pledgor shall execute and deliver to the Collateral Agent an assignment or assignments of the registered Patents, Trademarks and/or Copyrights and such other documents as are necessary or appropriate to carry out the intent and purposes of this Agreement. Within five Business Days of written notice thereafter from the Collateral Agent, each Pledgor shall make available to the Collateral Agent, to the extent within such Pledgor's power and authority, such personnel in such Pledgor's employ on the date of the Event of Default as the Collateral Agent may reasonably designate to permit such Pledgor to continue, directly or indirectly, to produce, advertise and sell the products and services sold by such Pledgor under the registered Patents, Trademarks and/or Copyrights, and such persons shall be available to perform their prior functions on the Collateral Agent's behalf.

(d) Dispositions of Pledged Collateral. Upon the occurrence of an Event of Default, the Collateral Agent may from time to time exercise in respect of the Pledged Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party under the Code at the time of an event of default, and the Collateral Agent may also, without notice except as specified below, sell the Pledged Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, and at such price or prices and upon such other terms as the Collateral Agent may deem commercially reasonable. The Secured Parties or any of their respective affiliates may be the purchaser of any or all of the Pledged Collateral at any such sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Pledged Collateral sold at such sale, to use and apply any of the Secured Obligations owed to such Person as a credit on account of the purchase price of any Pledged Collateral payable by such Person at such sale. Each purchaser at any such sale shall acquire the property sold absolutely free

from any claim or right on the part of any Pledgor, and each Pledgor hereby waives, to the fullest extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent shall not be obligated to make any sale of Pledged Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Pledgor hereby waives, to the fullest extent permitted by law, any claims against the Collateral Agent arising by reason of the fact that the price at which any Pledged Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Pledged Collateral to more than one offeree.

(e) Certain Notices. Each Pledgor agrees that, to the extent notice of sale shall be required by law, five Business Days' prior written notice from the Collateral Agent of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place shall be commercially reasonable notification of such matters.

(f) Waiver of Claims. Each Pledgor hereby waives, to the full extent permitted by applicable law and except as otherwise provided in this Agreement, notice or judicial hearing in connection with the Collateral Agent's taking possession or the Collateral Agent's disposition of any of the Pledged Collateral, including, without limitation, any and all prior notice and hearing for any prejudgment remedy or remedies and any such right which any Pledgor would otherwise have under law, and each Pledgor hereby further waives, to the full extent permitted by applicable law: (i) all damages occasioned by such taking of possession; (ii) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of the Collateral Agent's rights hereunder; and (iii) all rights of redemption, appraisal, valuation, stay, extension or moratorium now or hereafter in force under any applicable law. Any sale of, or the grant of options to purchase, or any other realization upon, any Pledged Collateral in the exercise of remedies pursuant to this Agreement shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of any Pledgor therein and thereto, and shall be a perpetual bar both at law and in equity against such Pledgor and against any and all Persons claiming or attempting to claim the Pledged Collateral so sold,

optioned or realized upon, or any part thereof, from, through or under any Pledgor.

(g) Deficiency. Notwithstanding any other provision of this Agreement to the contrary, if, after giving effect to any sale, transfer or other disposition of any or all of the Pledged Collateral pursuant hereto and after the application of the proceeds hereunder and any Pledged Collateral sold, transferred or otherwise disposed of pursuant to any other Credit Document to the Secured Obligations, any Secured Obligations remain unpaid or unsatisfied, each Pledgor shall remain liable for the unpaid and unsatisfied amount of such Secured Obligations for which such Pledgor is otherwise liable pursuant to any Credit Document.

Section 11. Application of Proceeds. The proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Pledged Collateral pursuant to the exercise by the Collateral Agent of its remedies as a secured creditor as provided in Section 10 hereof shall be, without prior notice to or assent by any Pledgor, applied together with any other sums then held by the Collateral Agent pursuant to this Agreement as follows:

FIRST, to the payment of all costs and expenses, fees, commissions and taxes of such sale, collection or other realization, including, without limitation, compensation to Collateral Agent and its agents and the reasonable fees and expenses of its counsel, and all expenses, liabilities and advances made or incurred by Collateral Agent in connection therewith, together with interest on each such amount at the highest rate then in effect under the Credit Agreement from and after the date such amount is due, owing or unpaid until paid in full;

SECOND, to the payment of all other costs and expenses of such sale, collection or other realization, including, without limitation, compensation to the Secured Parties and their agents and the reasonable fees and expenses of their counsel and all costs, liabilities and indebtedness made or incurred by the Secured Parties in connection therewith, together with interest on each such amount at the highest rate then in effect under the Credit Agreement from and after the date such amount is due, owing or unpaid until paid in full;

THIRD, without duplication of amounts applied pursuant to clauses FIRST AND SECOND above, to the indefeasible payment in full in cash, pro rata, of (i) interest, prin-

cipal and all amounts constituting Secured Obligations (other than Hedging Obligations) in accordance with the terms of the Credit Agreement and (ii) the Hedging Obligations in accordance with the terms of the Hedging Agreements; and

FOURTH, to the Pledgors, or their successors or assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, of any surplus then remaining from such proceeds.

Section 12. Expenses. Each Subsidiary Pledgor with respect to itself, and the Borrowers with respect to themselves and jointly and severally with respect to all the Subsidiary Pledgors, will upon demand pay to the Collateral Agent the amount of any and all expenses, including the reasonable fees and expenses of its counsel and the reasonable fees and expenses of any experts reasonably required by the Collateral Agent which the Collateral Agent may incur in connection with (i) the collection of the Secured Obligations, (ii) the enforcement and administration of this Agreement, (iii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iv) the exercise or enforcement of any of the rights of the Collateral Agent or (v) the failure by such Pledgor to perform or observe any of the provisions hereof. All amounts payable by any Pledgor under this Section 12 shall be due upon demand and shall be part of the Secured Obligations described under clause (iv) of the definition thereof. Each Pledgor's obligations under this Section shall survive the termination of this Agreement and the discharge of the Secured Obligations.

Section 13. No Waiver; Cumulative Remedies.

(a) No failure on the part of the Collateral Agent to exercise, no course of dealing with respect to, and no delay on the part of the Collateral Agent in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and are not exclusive of any remedies provided by law.

(b) In the event the Collateral Agent shall have instituted any proceeding to enforce any right, power or remedy under this Agreement by sale or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Collateral Agent, then and in every such case, each Pledgor, the Collateral Agent

and each Lender shall, subject to any determination in such proceeding, be restored to its respective former position and right hereunder with respect to the Pledged Collateral, and all rights, remedies and powers of the Collateral Agent and Lenders shall continue as if no such proceeding had been instituted.

Section 14. The Collateral Agent. Collateral Agent has been appointed as collateral agent pursuant to the Credit Agreement. The actions of Collateral Agent hereunder are subject to the provisions of the Credit Agreement. Collateral Agent shall have the right hereunder to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking action (including, without limitation, the release or substitution of Pledged Collateral), in accordance with this Agreement and the Credit Agreement. Collateral Agent may resign and a successor Collateral Agent may be appointed in the manner provided in the Credit Agreement. Upon the acceptance of any appointment as Collateral Agent by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Collateral Agent under this Agreement, and the retiring Collateral Agent shall thereupon be discharged from its duties and obligations under this Agreement. After any retiring Collateral Agent's resignation, the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement while it was Collateral Agent.

Section 15. Collateral Agent May Perform; Collateral Agent Appointed Attorney-in-Fact. If any Pledgor shall fail to do any act or thing that it has covenanted to do hereunder or if any warranty on the part of any Pledgor contained herein shall be breached, Collateral Agent or any Secured Party may (but shall not be obligated to), upon notice to any such Pledgor, do the same or cause it to be done or remedy any such breach, and may expend funds for such purpose. Any and all amounts so expended by Collateral Agent or such Secured Party shall be paid by such Pledgor promptly upon demand therefor, with interest at the highest rate then in effect under the Credit Agreement during the period from and including the date on which such funds were so expended to the date of repayment. Each Pledgor's obligations under this Section 15 shall survive the termination of this Agreement and the discharge of such Pledgor's other obligations under the Credit Agreement, any Hedging Agreement and any other Credit Document. Each Pledgor hereby appoints Collateral Agent its attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such Pledgor, or otherwise, from time to time during the continuance of an Event of Default or at any other

time that such Pledgor has failed, after notice from Collateral Agent, to take any action required to be taken by it hereunder, in Collateral Agent's discretion to take any action and to execute any instrument consistent with the terms of this Agreement and the Credit Agreement which the Collateral Agent may deem necessary or advisable to accomplish the purposes of this Agreement. The foregoing grant of authority is a power of attorney coupled with an interest and such appointment shall be irrevocable for the term of this Agreement. Each Pledgor hereby ratifies, to the fullest extent permitted by law, all that such attorney shall lawfully do or cause to be done by virtue hereof.

Section 16. Indemnity.

(a) Indemnity. Each Subsidiary Pledgor with respect to itself, and the Borrowers with respect to themselves and jointly and severally with respect to the Subsidiary Pledgors, agrees to indemnify, pay and hold harmless the Collateral Agent and each of the Secured Parties and the officers, directors, employees, agents and Affiliates of the Collateral Agent and each of the Secured Parties (collectively called the "Indemnities") from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs (including, without limitation, settlement costs), expenses or disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel for such Indemnities in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnatee shall be designated a party thereto), which may be imposed on, incurred by, or asserted against that Indemnatee, in any manner relating to or arising out of this Agreement, any Hedging Agreement or any other Credit Document (including, without limitation, any misrepresentation by any Pledgor in this Agreement, any Hedging Agreement or any other Credit Document) (the "indemnified liabilities"); provided that no Pledgor shall have any obligation to an Indemnatee hereunder with respect to indemnified liabilities if such indemnified liability arose from the gross negligence, willful misconduct or bad faith of that Indemnatee. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, each Pledgor shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnities or any of them.

(b) Survival. The obligations of each Pledgor contained in this Section 16 shall survive the termination of this

Agreement and the discharge of such Pledgor's other obligations under this Agreement, any Hedging Agreement and the other Credit Documents.

(c) Reimbursement. Any amounts paid by any Indemnitor as to which such Indemnitor has the right to reimbursement shall constitute Secured Obligations secured by the Pledged Collateral.

Section 17. Modification in Writing. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, or consent to any departure by any Pledgor therefrom, shall be effective unless the same shall be done in accordance with the terms of this Agreement and the Credit Agreement. Any amendment, modification or supplement of or to any provision of this Agreement, any waiver of any provision of this Agreement, and any consent to any departure by any Pledgor from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. Except where notice is specifically required by this Agreement, no notice to or demand on any Pledgor in any case shall entitle any such Pledgor to any other or further notice or demand in similar or other circumstances.

Section 18. Termination; Releases. When all the Secured Obligations have been paid in full and the Commitments of the Lenders to make any Loan or to issue any Letter of Credit under the Credit Agreement have expired, this Agreement shall terminate. Upon termination of this Agreement or any release of Pledged Collateral in accordance with the provisions of the Credit Agreement, the Collateral Agent shall, upon the request and at the sole cost and expense of any Pledgor, forthwith assign, transfer and deliver to such Pledgor, against receipt and without recourse to or warranty by Collateral Agent, such of the Pledged Collateral to be released (in the case of a release) as may be in possession of Collateral Agent and as shall not have been sold or otherwise applied pursuant to the terms hereof, and, with respect to any other Pledged Collateral, proper instruments (including, without limitation, Uniform Commercial Code termination statements on Form UCC-3) acknowledging the termination of this Agreement or the release of such Pledged Collateral, as the case may be.

Section 19. Definitions. The following terms shall have the following meanings. Such definitions shall be equally applicable to the singular and plural forms of the terms defined.

"Asset Sale" has the meaning assigned to such term in the Credit Agreement.

"Code" means the Uniform Commercial Code as enacted in any and all relevant jurisdictions, as then in effect.

"Contract Rights" means all contract rights of any kind or character, including, without limitation, all contract rights in respect of reserves, deferred payments, deposits, refunds, non-cash Proceeds of Assets Sales and all claims of every kind and character in any way relating to any Pledgor and the Pledged Collateral other than (i) leases of real property, and (ii) other contracts or agreements which by their terms expressly and unconditionally prohibit assignment, transfer or the grant of a security interest therein by any Pledgor or give the other party thereto the right to terminate the same upon an assignment or transfer thereof, or the grant of a security interest therein and shall only extend to any such contract or agreement to the extent such assignment, transfer or grant of a security interest therein is permitted by applicable law.

"Copyrights" means all copyrights, whether statutory or common law, including, without limitation, the copyrights listed on Schedule E hereto, along with any and all (i) renewals and extensions thereof, (ii) income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (iii) rights to sue for past, present and future infringements thereof.

"Documents" means all "documents", as defined in the Code and all books, records, ledgers, printouts, computer recording media, data files, tapes, file materials and other papers containing information relating to (a) Receivables and any account debtors, beneficiaries and subcontractors in respect thereof and (b) all other Pledged Collateral.

"Equipment" means "equipment" as such term is defined in the Code, and in any event shall include all equipment (other than motor vehicles), wherever located, including, without limitation, all machinery, office machines, furniture, conveyors, tools, materials, storage and handling equipment, transmitting and receiving equipment, and all other equipment of every kind and nature, wherever situated, and owned by any Pledgor or in which any Pledgor may have any interest (to the extent of such interest), all modifications, alterations, repairs, substitutions, additions and accessions thereto, all replacements and all parts therefor, and together with all substitutes for any of the foregoing.

"General Intangibles" shall mean "general intangibles", as such term is defined in the Code, and, in any event shall include, without limitation, all interests in limited liability companies (including, without limitation, Essex Mexico Holdings, LLC) and limited partnerships held by any Pledgor; all manuals, blueprints, know-how, warranties and records in connection with the Equipment; all documents of title or documents representing the Inventory and all records, files and writings with respect thereto; any and all other rights, claims and causes of action of any Pledgor against any other Person and the benefits of any and all collateral or other security given by any other Person in connection therewith, including, without limitation, all Contract Rights; all information, customer lists, identification of suppliers, data, plans, blueprints, specification designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials, standards, processing standards, performance standards, catalogs, research data, computer and automatic machinery software and programs, and the like pertaining to operations by any Pledgor; all information relating to sales of products now or hereafter manufactured, distributed or franchised by any Pledgor; all accounting information pertaining to any Pledgor's operations or any of the Equipment, Inventory, Receivables or General Intangibles and all media in which or on which any of the information or knowledge or data or records relating to such operations or any of the Equipment, Inventory, Receivables, Contract Rights or General Intangibles may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data; all rights and goodwill of any Pledgor; all licenses, consents, permits, variances, certifications and approvals of governmental agencies now or hereafter held by any Pledgor pertaining to operations now or hereafter conducted by any Pledgor or assets now or hereafter held by any Pledgor; all causes of action, claims and warranties now or hereafter owned or acquired by any Pledgor; and any other property consisting of a general intangible under the Code applicable in such other location where any Pledgor maintains its records relating to such property.

"Instrument" means "instrument" as such term is defined under the Code.

"Intellectual Property" has the meaning assigned to such term in Section 4(g) of this Agreement.

"Inventory" means all inventory of any Pledgor, wherever located, and whether now existing or hereafter acquired, including without limitation, all raw materials, work in proc-

ess, returned goods, finished goods, samples and consigned goods to the extent of the consignee's interest therein.

"Licenses" means all license agreements with any other party with respect to a Patent, Trademark or Copyright, including, without limitation, the license agreements listed on Schedule F hereto, along with any and all (i) renewals, extensions, supplements and continuations thereof, (ii) income, royalties, damages and payments now and hereafter due and/or payable to any Pledgor with respect thereto, including, without limitation, damages and payments for past or future infringements or violations thereof and (iii) rights to sue for past, present and future infringements or violations thereof other than any license agreement or covenant not to sue which by its terms expressly and unconditionally prohibits the assignment or transfer thereof, or the grant of a security interest therein or gives the other party thereto the right to terminate the same upon an assignment or transfer thereof, or the grant of a security interest therein and shall only extend to such license agreement or covenant not to sue to the extent such assignment, transfer or grant of a security interest therein is permitted by applicable law.

"Patents" means all patents and patent applications, including, without limitation, the patents and patent applications listed on Schedule G hereto, along with any and all (i) inventions and improvements described and claimed therein, (ii) reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (iii) income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (iv) rights to sue for past, present and future infringements thereof.

"Pension Plan Reversions" means any Pledgor's right to receive the surplus funds, if any, which are payable to such Pledgor following the termination of any employee pension plan and the satisfaction of all liabilities of participants and beneficiaries under such plan in accordance with applicable law.

"Permits" means all permits, licenses, certificates, approvals and authorizations, however characterized, issued or in any way furnished by a Governmental Authority in connection with the business operations of each Pledgor or any other Pledged Collateral other than any permit, license or approval which by its terms expressly and unconditionally prohibits the assignment or transfer thereof, or the grant of a security interest therein or gives the other party thereto the right to

terminate the same upon an assignment or transfer thereof, or the grant of a security interest therein and shall only extend to such permit, license or approval to the extent such assignment, transfer or grant of a security interest therein is permitted by applicable law.

"Permitted Encumbrances" means liens of the type described in clauses (b), (e), (f), (h), (i), (k) and (n) of the definition of Permitted Liens.

"Proceeds" has the meaning assigned to such term under the Code and, in any event, includes, without limitation, any and all (i) proceeds of any insurance (except payments made to a Person which is not a party to this Agreement), indemnity, warranty or guaranty payable to the Collateral Agent or to any Pledgor from time to time with respect to any of its respective Pledged Collateral, (ii) payments (in any form whatsoever) made or due and payable to any Pledgor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of its respective Pledged Collateral by any Governmental Authority (or any person acting on behalf of a Governmental Authority), (iii) instruments representing obligations to pay amounts in respect of any Pledged Collateral, and (iv) other amounts from time to time paid or payable under or in connection with any Pledged Collateral.

"Receivables" means all of each Pledgor's rights to payment for goods sold or leased or services performed by such Pledgor or any other party, whether now in existence or arising from time to time hereafter, including, without limitation, rights evidenced by an account, contract, security, agreement, chattel paper, or other evidence of indebtedness or security, together with (i) all security pledged, assigned, hypothecated or granted to or held by any Pledgor to secure the foregoing, (ii) General Intangibles arising out of any Pledgor's rights in any goods, the sale of which gave rise thereto; (iii) all guarantees, endorsements and indemnifications on, or of, any of the foregoing, (iv) all powers of attorney for the execution of any evidence of indebtedness or security or other writing in connection therewith, and (v) all evidences of the filing of financing statements and other statements and the registration of other instruments in connection therewith and amendments thereto, notices to other creditors or secured parties, and certificates from filing or other registration officers including, without limitation, all the items described above which are payable by any Affiliate of any Pledgor to any Pledgor.

"Trademarks" means all trademarks (including service marks), trademark registrations and trade names and applications therefor, including, without limitation, the trademark

registrations and applications therefor listed on Schedule H hereto, along with any and all (i) renewals thereof, and (ii) income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (iii) rights to sue for past, present and future infringements thereof.

Section 20. Notices. All notices or other communications herein required to be given shall be given at the address and in the manner required in the Credit Agreement.

Section 21. Continuing Security Interest; Assignment. This Agreement shall create continuing security interests in the Pledged Collateral and shall (i) be binding upon each Pledgor, its successors and assigns, and (ii) inure to the benefit of the Collateral Agent and the Secured Parties and their respective successors and assigns; no other Persons (including, without limitation, any other creditor of any Pledgor) shall have any interest herein or any right or benefit with respect hereto.

Section 22. GOVERNING LAW; TERMS. THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR PROPERTY ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

Section 23. CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL; FORUM NON CONVENIENS. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PLEDGOR WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT EACH PLEDGOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NONEXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. EACH PLEDGOR HEREBY IRREVOCABLY WAIVES TRIAL BY JURY, AND EACH PLEDGOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS.

Section 24. Severability of Provisions. Any provision of this Agreement which is prohibited or

unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 25. Execution in Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts together shall constitute one and the same agreement.

Section 26. Headings. The Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

Section 27. Obligations Absolute. All obligations of each Pledgor hereunder shall be absolute and unconditional irrespective of:

(i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar event of any other Pledgor;

(ii) any lack of validity or enforceability of the Credit Agreement, any Hedging Agreement, any other Credit Document or any other agreement or instrument relating thereto;

(iii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any Hedging Agreement, any other Credit Document or any other agreement or instrument relating hereto or thereto;

(iv) any exchange, release or non-perfection of any other collateral or the pledge of any additional collateral or the failure to recover in respect thereof pursuant to any remedy or right of the Collateral Agent or any Lender contained in this Agreement, the Credit Agreement, any Hedging Agreement, or any release or amendment or waiver of or consent to any departure from any guarantee, for all or any of the Secured Obligations;

(v) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect of this Agreement, any Hedging Agreement or the Credit

Agreement, except as specifically set forth in a waiver granted pursuant to the provisions of Section 17 hereof; or

(vi) any other circumstances which might otherwise constitute a defense available to, or a discharge of, any other Pledgor.

Section 28. The Collateral Agent's Right To Sever Indebtedness.

(a) Each Pledgor acknowledges that (i) the Pledged Collateral pledged by it does not constitute the sole source of security for the payment and performance of the Secured Obligations and that the Secured Obligations are also secured by other types of property of such Pledgor and its affiliates in other jurisdictions, (ii) the number of such jurisdictions and the nature of the transaction of which this instrument is a part are such that it would have been impracticable for the parties to allocate to each item of the Pledged Collateral a specific amount of indebtedness and to execute in respect of such item a separate credit agreement and (iii) each Pledgor intends that the Collateral Agent have the same rights with respect to the Pledged Collateral pledged by it, in any judicial proceeding relating to the exercise of any right or remedy hereunder or otherwise, that the Collateral Agent would have had if each item of collateral had been pledged or encumbered pursuant to a separate credit agreement or security instrument. In furtherance of such intent, each Pledgor agrees to the greatest extent permitted by law that, from and after the occurrence of an Event of Default, the Collateral Agent may at any time by notice (an "Allocation Notice") to any Pledgor allocate a portion of the Secured Obligations (the "Allocated Indebtedness") to the Pledged Collateral of such Pledgor and sever from the remaining Secured Obligations the Allocated Indebtedness. From and after the giving of an Allocation Notice with respect to any portion of the Pledged Collateral, the Secured Obligations hereunder shall be limited to the extent set forth in the Allocation Notice and (as so limited) shall, for all purposes, be construed as a separate credit obligation of such Pledgor unrelated to the other transactions contemplated by the Credit Agreement, any Hedging Agreement, any other Credit Document or any document related to any thereof. To the extent that the proceeds of any judicial proceeding relating to the exercise of any right or remedy hereunder of the Pledged Collateral shall exceed the Allocated Indebtedness, such proceeds shall belong to such Pledgor and shall not be available hereunder to satisfy any Secured Obligations of such Pledgor other than the Allocated Indebtedness. In any action or proceeding to exercise any right or remedy under this Agreement

which is commenced after the giving by the Collateral Agent of an Allocation Notice, the Allocation Notice shall be conclusive proof of the limits of the Secured Obligations hereby secured, and any Pledgor may introduce, by way of defense or counter-claim, evidence thereof in any such action or proceeding. Notwithstanding any provision of this Section 28, the proceeds received by the Collateral Agent pursuant to this Agreement shall be applied by the Collateral Agent in accordance with the provisions of Section 11 hereof.

(b) Each Pledgor hereby waives to the fullest extent permitted by law the right to a discharge of any of the Secured Obligations under any statute or rule of law now or hereafter in effect which provides that the exercise of any particular right or remedy as provided for herein (by judicial proceedings or otherwise) constitutes the exclusive means for satisfaction of the Secured Obligations or which makes unavailable any further judgment or any other right or remedy provided for herein because the Collateral Agent elected to proceed with the exercise of such initial right or remedy or because of any failure by the Collateral Agent to comply with laws that prescribe conditions to the entitlement to such subsequent judgment or the availability of such subsequent right or remedy. In the event that, notwithstanding the foregoing waiver, any court shall for any reason hold that such subsequent judgment or action is not available to the Collateral Agent, no Pledgor shall (i) to the extent permitted by applicable law, introduce in any other jurisdiction any judgment so holding as a defense to enforcement against such Pledgor of any remedy in the Credit Agreement, any Hedging Agreement or any other Credit Document or (ii) seek to have such judgment recognized or entered in any other jurisdiction, and any such judgment shall in all events be limited in application only to the state or jurisdiction where rendered and only with respect to the Collateral referred to in such judgment.

(c) In the event any instrument in addition to the Allocation Notice is necessary to effectuate the provisions of this Section 28, including, without limitation, any amendment to this Agreement, any substitute promissory note or affidavit or certificate of any kind, each Pledgor agrees that it shall execute and deliver any such instrument reasonably requested by the Collateral Agent so long as such instrument is consistent with the terms of the Credit Documents.

Section 29. Future Advances. Without releasing or in any way impairing any of the Secured Obligations existing as of the date hereof, this Agreement shall secure the obligations of the Borrowers and the Subsidiary Pledgors in respect of any

Loans made and any Letters of Credit issued on or after the date hereof pursuant to the terms of the Credit Agreement.

IN WITNESS WHEREOF, each Pledgor and the Collateral Agent have caused this Agreement to be executed and delivered by its duly authorized officer as of the date first above written.

SUPERIOR TELECOM INC., as Pledgor

By: Stewart H. Wahrsager
Name: Stewart H. Wahrsager
Title: Secretary

SUPERIOR TELECOMMUNICATIONS,
INC., as Pledgor

By: Stuart A. Wahrsager
Name: Stuart A. Wahrsager
Title: Assistant Secretary

TEXAS SUT INC., as Pledgor

By: Stewart H. Wahrsager
Name: Stewart H. Wahrsager
Title: Assistant Secretary

DNE SYSTEMS, INC., as Pledgor

By: Stewart H. Wahrsager
Name: Stewart H. Wahrsager
Title: First Assistant Secretary

DNE MANUFACTURING AND SERVICE
COMPANY, as Pledgor

By: Stewart H. Winkler
Name: Stewart H. Winkler
Title: First Assistant Secretary

DNE TECHNOLOGIES, INC., as Pledgor

By: Stewart H. Winkler
Name: Stewart H. Winkler
Title: First Assistant Secretary

TRADEMARK

REEL: 002387 FRAME: 0365

SUPERIOR/ESSEX CORP., as Pledgor

By: _____

Name: Stewart H. Wahrsager
Title: Assistant Secretary

ESSEX GROUP, INC., as Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

ESSEX INTERNATIONAL INC., as Pledgor

By: David A Owen
Name: David A. Owen
Title: Executive Vice President

ACTIVE INDUSTRIES, INC., as Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

DIAMOND WIRE & CABLE CO., as Pledgor

By: David A Owen
Name: David A. Owen
Title: Executive Vice President

ESSEX GROUP, INC., as Pledgor

By: David A Owen
Name: David A. Owen
Title: Executive Vice President

TRADEMARK

REEL: 002387 FRAME: 0367

ESSEX GROUP MEXICO INC., as Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

ESSEX MEXICO HOLDINGS, L.L.C., as
Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

ESSEX SERVICES, INC., as Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

ESSEX TECHNOLOGY, INC., as Pledgor

By: Douglas L. Pett
Name: Douglas L. Pett
Title: Pres. L.L.C.

ESSEX WIRE CORPORATION, as Pledgor

By: David A Owen
Name: David A Owen
Title: Executive Vice President

TRADEMARK

REEL: 002387 FRAME: 0368

BANKERS TRUST COMPANY,
as Collateral Agent

By: _____

Name:

Title:

ANTHONY LOGRIPPO
VICE PRESIDENT

TRADEMARK

REEL: 002387 FRAME: 0369

SCHEDULE H

Trademark Registration and Applications for Trademark Registration

Trademark Registration

Guarantor: Essex Technology, Inc.

Trademark	Jurisdiction	Registration	Expiration
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HANDILAN	US	SN76/225,222	
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SUPERIOR	US	App. #75/718,059	
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SUPERIOR ESSEX	US	App. #75/718,058	
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Trademark	Jurisdiction	Registration	Expiration
Marathon Lan	US	75/303383	03/16/99
Quick count	US	2245861	05/18/99
ASAP	US	76/051602	12/15/00
BROAD GAIN	US	75/877533	12/22/99
INTELLIGAIN	US	76/033591	04/25/00
NEXTGAIN	US	76/032958	04/18/00
PERFORMA CHANNEL	US	76/245383	04/24/01
PERFORMA LINK	US	76/015462	04/03/00
TERA GAIN	US	76/032959	04/20/00