

04-15-2003



Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

102414541

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

Handwritten: MCD 10-17-02

1. Name of conveying party(ies): Channell Commercial Corporation
Individual(s) Association General Partnership Limited Partnership Corporation-State Delaware Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: Fleet Capital Corporation, as Administrative Agent Address: Attn: Channell Acct Officer
Street Address: 15260 Ventura Blvd. Ste 400 City: Sherman Oaks State: CA Zip: 91403
Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Rhode Island Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other
Execution Date: Sept. 25, 2002

4. Application number(s) or registration number(s): A. Trademark Application No.(s) See Exhibit A B. Trademark Registration No.(s) See Exhibit A
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Federal Research Co., LLC Internal Address: Street Address: 1030 15th Street, NW, Ste 920 City: Washington State: DC Zip: 20005

6. Total number of applications and registrations involved: 13
7. Total fee (37 CFR 3.41): \$ 340.00 Enclosed Authorized to be charged to deposit account
8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
Name of Person Signing Signature Date 10-17-2002
Total number of pages including cover sheet, attachments, and document: 14

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002634 FRAME: 0477

EXHIBIT A  
to  
RECORDATION FORM COVER SHEET

U.S. Federal Trademarks / Service Marks

<u>Trademark/Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
FIBERMARK	2,610,522	August 20, 2002
CHANNELL	2,548,576	March 12, 2002
Design Only	2,519,499	December 18, 2001
WHERE THE INDUSTRY CONNECTS	2,584,418	June 25, 2002
GLB (Stylized)	2,423,073	January 23, 2001
TLC	2,433,152	March 6, 2001
HDC	2,324,126	February 29, 2000
RHINO ENCLOSURES & Design	2,255,084	June 22, 1999
HDC	2,233,829	March 23, 1999
SELF LOCK & Design	2,280,622	September 28, 1999

U.S. Federal Trademark Applications

<u>Trademark/Service Mark</u>	<u>Application No.</u>	<u>Application Date</u>
DSLINK	76/151,008	October 23, 2000
DATASEAL	76/151/006	October 23, 2000
MINI-ROCKER & DESIGN	75/596,979	November 30, 1998

# TRADEMARK AND PATENT SECURITY AGREEMENT

THIS TRADEMARK AND PATENT SECURITY AGREEMENT (this "Agreement"), dated as of September 25, 2002, is entered into by and between Channell Commercial Corporation, a Delaware corporation ("Debtor") in favor of FLEET CAPITAL CORPORATION, a Rhode Island corporation, as Administrative Agent ("Secured Party") for the benefit of the Domestic Lender, Canadian Lender, Canadian Participating Lender, Canadian Agent, UK Lender, UK Participating Lender and UK Agent (each a "Beneficiary", and collectively, the "Beneficiaries"), with reference to the following facts:

## RECITALS

A. Pursuant to the Loan and Security Agreement dated as of September 25, 2002, by and among Channell Commercial Corporation, a Delaware corporation ("Domestic Borrower"), Channell Commercial Canada Inc., an Ontario corporation ("Canadian Borrower"), the UK Borrowers party thereto, if any (collectively with Domestic Borrower and Canadian Borrower, "Borrowers"), the lenders from time to time a party thereto (collectively, the "Lenders" and individually, a "Lender"), Fleet Capital Corporation, as Administrative Agent, Fleet Capital Canada Corporation, as Canadian Agent, and Fleet National Bank, London U.K. Branch, trading as FleetBoston Financial, as UK Agent (as amended, extended, renewed, supplemented, or otherwise modified from time to time, the "Loan Agreement"), the Lenders have agreed to extend certain credit facilities to the Borrowers.

B. The Loan Agreement provides, as a condition to the availability of such credit facilities, that Debtor enter into this Agreement and grant security interests to Secured Party as herein provided.

NOW, THEREFORE, in order to induce the Lenders to extend the aforementioned credit facilities to Borrowers, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Debtor hereby represents, warrants, covenants and agrees as follows:

### 1. SECURITY INTEREST

Debtor hereby grants to Secured Party a security interest in:

A. All of Debtor's now existing or hereafter acquired right, title, and interest in and to: all of Debtor's trademarks, trade names, trade styles and service marks; all prints and labels on which such trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, designs and applications described in Schedule A hereto (collectively, the "Trademarks");

B. The goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks;

C. All of Debtor's now existing or hereafter acquired right, title and interest in and to: all of Debtor's interests in any patents, whether foreign or domestic; all applications, registrations and recordings relating to such patents in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, any political subdivision thereof and all reissues, extensions and renewals thereof, including, without limitation, those patents, applications, registrations and recordings described in Schedule B hereto (the "Patents"); and

D. Any and all proceeds of any of the foregoing, including, without limitation, any claims by Debtor against third parties for infringement of the Trademarks, Patents or of any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

## 2. OBLIGATIONS SECURED

The security interests granted to Secured Party in this Agreement shall secure any and all present and future obligations of any type or nature of Debtor, or either of them, to Secured Party, the Beneficiaries or any of the Lenders arising under or related to the Loan Documents and/or any one or more of them, whether due or to become due, matured or unmatured, liquidated, or contingent or non contingent, including obligations of performance as well as obligations of payment, and including interest that accrues after the commencement of any bankruptcy or insolvency proceeding by or against Borrowers, Debtor or any other Person (all the foregoing hereinafter referred to as the "Obligations").

## 3. WARRANTIES AND COVENANTS

Debtor hereby covenants, represents and warrants that (all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding):

A. All of the existing Collateral is valid and subsisting in full force and effect to Debtor's knowledge, and Debtor owns sole, full, and clear title thereto, and has the right and power to grant the security interests granted hereunder. Debtor will, at Debtor's expense, perform all acts and execute all documents reasonably necessary to maintain the existence of the Collateral as valid, subsisting and registered trademarks and patents, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any lien, security interest, claim or encumbrance ("Lien"), except the security interest granted hereunder, the licenses, if any, which are specifically described in Schedule C hereto and Permitted Liens (as defined in the Loan Agreement).

B. Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or Lien upon, encumber, grant an exclusive or non-exclusive license relating thereto, except to Secured Party, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party.

C. Debtor will, at Debtor's expense, perform all acts and execute all documents reasonably requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral. Debtor further authorizes Secured Party to have this or any other similar Security Agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.

D. Debtor will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder. Secured Party agrees it will only exercise the Power of Attorney upon the occurrence and during the continuation of an Event of Default under (and as defined in) the Loan Agreement.

E. Secured Party may, in its sole discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to maintain and preserve the Collateral, defend, protect, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder including but not limited to, all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Debtor will be liable to Secured Party for any such payment, which payment shall be deemed a borrowing by Debtor from the Lenders, and shall be payable on demand together with interest at the rate set forth in the Loan Documents and shall be part of the Obligations secured hereby.

F. As of the date hereof, Debtor does not have any Trademarks or Patents registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedules A and B annexed hereto.

G. Debtor shall notify Secured Party in writing of the filing of any application for the registration of a Trademark or Patent with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein within thirty (30) days of such filing. Upon request of Secured Party, Debtor shall execute and deliver to Secured Party any and all amendments to this Agreement as may be requested by Secured Party to evidence the security interests of Secured Party in such Trademark or Patent.

H. Debtor has not abandoned any of the registered material Trademarks or material Patents and Debtor will not do any act, nor omit to do any act, whereby the registered material Trademarks or material Patents may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable. Debtor shall notify Secured Party immediately if Debtor knows or has reason to know of any reason why any material application, registration or recording may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable.

I. Debtor will take such actions in any proceeding before the United States Patent and Trademark Office, or any similar office or agency in the United States or any state therein or any other country as are necessary to maintain such material application and registration of the Trademarks or Patents as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and if consistent with reasonable business judgment to initiate cancellation proceedings against third parties.

J. Debtor will promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any actual infringement of any registered Trademark or any registered Patent which is likely to result in a Material Adverse Effect. If requested by Secured Party, Debtor, at Debtor's expense, shall take such action as Secured Party, in Secured Party's reasonable discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks or Patents.

K. Debtor will maintain the quality of the products associated with the Trademarks at a level consistent with the quality at the time of this Agreement. Debtor hereby grants to Secured Party the right to visit Debtor's plant and facilities which manufacture or store products sold under any of the Trademarks and to inspect the products and quality-control records relating thereto at such times as permitted in the Loan Agreement.

#### 4. RIGHTS AND REMEDIES

Upon the occurrence and during the continuance of an Event of Default, in addition to all other rights and remedies of Secured Party, whether provided under applicable law, the Loan Documents or otherwise, and after expiration of any grace period, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor, except as such notice or consent is expressly provided for hereunder.

A. Secured Party may make use of any Trademarks or Patents for the sale of goods or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary of Debtor.

B. Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner as Secured Party shall in its sole discretion deem appropriate. Such license or licenses may be general, special, or otherwise and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

C. Secured Party may assign, sell, or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations, except that Secured Party agrees to provide Debtor with ten (10) days prior written notice of any proposed disposition of the Collateral. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute

assurances and perform all other acts which Secured Party may, in Secured Party's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, Debtor shall be liable for any deficiency.

D. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to subparagraph 4C hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in subparagraph 3D hereof, one or more instruments of assignment of the Trademarks or Patents (or any application, registration, or recording relating thereto), in form suitable for filing, recording or registration. Debtor agrees to pay Secured Party on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees.

E. Secured Party may apply the proceeds actually received from any such license, assignment, sale or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its sole discretion determine. Any proceeds remaining after the Obligations have been repaid shall be distributed to the Debtor or other Person legally entitled thereto. Debtor shall remain liable to Secured Party for any expenses or obligations remaining unpaid after the application of such proceeds, and Debtor will pay Secured Party on demand any such unpaid amount, together with interest at the default rate set forth in the Loan Agreement.

F. In the event that any such license, assignment, sale or disposition of the Collateral (or any part thereof) is made after the occurrence of an Event of Default, Debtor shall supply to Secured Party or Secured Party's designee Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks or to which the Patents relate and Debtor's customer lists and other records relating to the Trademarks and Patents and the distribution thereof.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Loan Documents, this Agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

## 5. MISCELLANEOUS

A. Any failure or delay by Secured Party to require strict performance by Debtor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party's right to demand strict compliance and performance therewith, and any waiver of any Event of Default shall not waive or affect any other Event of Default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its agents,

officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Debtor, specifying such waiver.

B. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been duly given or made: if by hand, immediately upon delivery; if by facsimile (fax), telex or telegram, immediately upon sending; if by any overnight delivery service, one day after dispatch; and if mailed by first class or certified mail, three (3) days after mailing. All notices, requests and demands are to be given or made to the respective parties at the addresses set forth in the Loan Agreement.

C. In the event any term or provision of this Agreement conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

D. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

E. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

F. The security interest granted to Secured Party hereunder shall terminate upon termination of the Loan Agreement and indefeasible payment in full to the Lenders of all Obligations thereunder.

G. THE VALIDITY, INTERPRETATION AND EFFECT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE LAWS OF THE STATE OF CALIFORNIA. DEBTOR HEREBY IRREVOCABLY CONSENTS AND SUBMITS IN ADVANCE TO THE NON-EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED WITHIN THE COUNTY OF LOS ANGELES IN THE STATE OF CALIFORNIA, TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES PERTAINING DIRECTLY OR INDIRECTLY TO THIS AGREEMENT, THE OTHER AGREEMENTS OR TO ANY MATTER ARISING THEREFROM IN ANY SUCH ACTION OR PROCEEDING. DEBTOR AGREES THAT SERVICE OF SUMMONS AND COMPLAINT OR OTHER PROCESS OR PAPERS MAY BE MADE OUTSIDE SUCH COUNTY IN SUCH MANNER AS MAY BE PERMISSIBLE UNDER THE RULES OF SUCH COURTS.

H. THE PARTIES TO THIS AGREEMENT ACKNOWLEDGE THAT JURY TRIALS OFTEN ENTAIL ADDITIONAL EXPENSES AND DELAYS NOT OCCASIONED BY NONJURY TRIALS. THE PARTIES TO THIS AGREEMENT AGREE AND STIPULATE THAT A FAIR TRIAL MAY BE HAD BEFORE A STATE OR FEDERAL JUDGE IN A COURT BY MEANS OF A BENCH TRIAL WITHOUT A JURY. IN VIEW OF THE FOREGOING, AND AS A SPECIFICALLY NEGOTIATED PROVISION OF THIS AGREEMENT, EACH PARTY TO THIS AGREEMENT



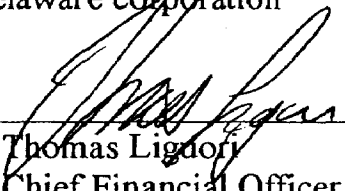
HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

[signature page follows]

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

DEBTOR:

Channell Commercial Corporation,  
a Delaware corporation

By:  \_\_\_\_\_  
Thomas Lignori  
Chief Financial Officer

SECURED PARTY:

FLEET CAPITAL CORPORATION,  
a Rhode Island corporation,  
as Administrative Agent for the Lenders

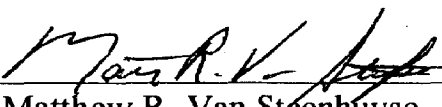
By:  \_\_\_\_\_  
Matthew R. Van Steenhuyse  
Senior Vice President

EXHIBIT 1

SPECIAL POWER OF ATTORNEY

STATE OF CALIFORNIA         )  
  )  
COUNTY OF LOS ANGELES     )        ss.:

KNOW ALL MEN BY THESE PRESENTS, Channell Commercial Corporation, a Delaware Corporation (hereinafter "Debtor") hereby appoints and constitutes FLEET CAPITAL CORPORATION, in its capacity as Administrative Agent for the Lenders identified in the Security Agreement referred to below ("Secured Party"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Secured Party, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all of the right, title, and interest of Debtor in and to any trademarks or patents and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its sole discretion, deems necessary or advisable to further the purposes described in paragraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark and Patent Security Agreement of even date herewith between Debtor and Secured Party (as amended or supplemented, the "Security Agreement") and may not be revoked until indefeasible payment in full of all of the "Obligations", as such term is defined in the Security Agreement. Secured Party agrees that it will exercise its rights with respect to this Special Power of Attorney only after the occurrence and during the continuation of an Event of Default (as defined in the Loan Agreement referred to in the Security Agreement).

Dated as of September 25, 2002.

DEBTOR:

CHANNELL COMMERCIAL  
CORPORATION

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

Thomas Liguori  
Chief Financial Officer

SCHEDULE A  
to  
TRADEMARK AND PATENT SECURITY AGREEMENT

U.S. Federal Trademarks / Service Marks

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CHANNELL	2,548,576	March 12, 2002
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DATASEAL	76/151/006	October 23, 2000
MINI-ROCKER & DESIGN	75/596,979	November 30, 1998

California Trademarks / Service Marks

<u>Trademark/Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
SELF LOCK	99,225	August 9, 1994

SCHEDULE B  
to  
TRADEMARK AND PATENT SECURITY AGREEMENT

Patents and Applications

<u>Patent</u>	<u>Patent No. / Application No.</u>	<u>Filing/Issue Date</u>
Terminal Housing for Buried Communication Lines	US5,210,374	5/11/1993
All Weather Covering for Cable Television Equipment	USD317,908	7/2/1991
All Weather Covering for Cable Television Equipment	USD315,906	4/2/1991
Housing for Electronic Equipment for Cable Television Installation	USD298,031	10/11/1988
Wedge Fastener	USD267,228	12/14/1982
Method and Apparatus for Enclosing a Cable Splice	US4,255,614	3/10/1981

SCHEDULE C  
to  
TRADEMARK AND PATENT SECURITY AGREEMENT

Permitted Licenses

None