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06-22-2004

Docket No.:

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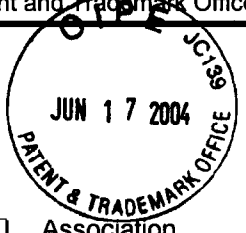
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6/17/04

To the Director of the United States Patent and Trademark Office: Please record the attached original documents or copy thereof.



1. Name of conveying party(ies):

ATX Services Inc.
Suite 1, 501 Clements Road W.
Ajax, Ontario
Canada, L1S 7H4

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

Additional names(s) of conveying party(ies) Yes No

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

Name: Canadian Imperial Bank of Commerce

Internal Address: -

Street Address: Commerce Court West, 3rd Floor

City: Toronto State: ON ZIP: M5L 1A2

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

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: March 1, 2004

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

2,824,663 . 2,819,188 . 2,802,273 .

B. Trademark Registration No.(s)

76-338,738 . 76-344,756 . 78-143,838 .
78-143,844 . 76-474,255 .
78-143,831 . 76-573,917 .

Additional numbers Yes No

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

Name: Robert Graham

Internal Address: -

Street Address: Gowling Lafleur Henderson LLP

Suite 4900, Commerce Court West

City: Toronto State: ON ZIP: M5L 1J3

6. Total number of applications and registrations involved:..... **10**

7. Total fee (37 CFR 3.41):.....\$ \$265.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

07-1750

2824663

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.

Robert Graham

Name of Person Signing

Signature

02 June 2004

Date

Total number of pages including cover sheet, attachments, and

22

Mail documents to be recorded with required cover sheet information to:
Mail Stop Recordation Services
Director of the United States Patent and Trademark Office
P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK

REEL: 002994 FRAME: 0413

06/21/2004 EC0016 00000094 071750

40.00 DA 225.00 DA 01 FC:021 02 FC:022

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS AGREEMENT is made as of the 1st day of March, 2004, between **ATX SERVICES INC.** (the "**Guarantor**") and **Canadian Imperial Bank of Commerce**, as **Agent** (together with its successors and assigns, the "**Agent**").

WHEREAS:

- A. The Guarantor is, or may become, indebted or liable to the Agent and the Lenders pursuant to a guarantee executed by the Guarantor in favour of the Agent dated March 1, 2004 (the "**Guarantee**") as required pursuant to the terms of the First Amended and Restated Credit Agreement dated as of April 29, 2002 among ATX Telecom Inc. (now ATX Incorporated), Canadian Imperial Bank of Commerce as Lender and Canadian Imperial Bank of Commerce as Agent (as amended, supplemented, restated or replaced from time to time, the "**Credit Agreement**").
- B. The Guarantor is the owner of certain rights to the Intellectual Property (as hereinafter defined) which is a key component to the ongoing operations of the Guarantor's business.
- C. To secure the payment and performance of its indebtedness, liabilities and obligations incurred or to be incurred in favour of the Agent and the Lenders, the Guarantor has agreed to grant a security interest in all of its right, title, interest and benefit in, to, under and in respect of the Intellectual Property to the Agent, on the terms and conditions as set forth below.
- D. The Guarantor has duly authorized the execution, delivery and performance of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants, agrees and declares with and in favour of the Agent as follows:

ARTICLE 1 - INTEPRETATION

1.1 **Definitions.** In this Agreement and any Schedule hereto, unless there is something in the subject matter or text inconsistent therewith or unless the context otherwise specifies or requires, capitalized terms shall have the meanings set forth below:

"**Agent**" has the meaning given to it in the Credit Agreement;

"**Agreement**" means this Agreement, including the Schedules hereto, as the same may be amended, varied, supplemented, restated, renewed or replaced at any time and from time to time;

"**Credit Agreement**" has the meaning specified in recital A to this Agreement;

"**Intellectual Property**" has the meaning described in Section 2.1 of this Agreement;

"**Lenders**" has the meaning given to it in the Credit Agreement;

"**Loan Documents**" has the meaning described in Section 2.2 of this Agreement;

“Obligations” means in respect of the Guarantor all present and future indebtedness, liabilities and obligations of any kind which the Guarantor has from time to time incurred or may incur or be under to the Agent or the Lenders arising out of or relating to the Guarantee, the Credit Agreement or the Security (as defined in the Credit Agreement), wherever and however incurred and any unpaid balance thereof, including those that are direct or indirect, absolute or contingent, joint or several or are due or hereafter to become due.

ARTICLE 2 - SECURITY

2.1 **Security.** To secure the due payment and performance of all of the Obligations, the Guarantor grants to the Agent a general and continuing security interest in, all of its right, title and interest in and in respect of the following property (collectively, the **“Intellectual Property”**), whether now existing, owned or used or hereafter existing, owned, acquired, adopted or used:

- (a) all trade-marks, trade names, corporate names, company names, business names, logos and other sources of business identifiers, and the goodwill associated therewith, all registrations and recordings thereof and all applications in connection therewith, including registrations, recordings and applications with the Canadian Intellectual Property Office and any similar government office or agency in other countries, including those referred to in Schedule A to this Agreement, and all renewals thereof;
- (b) all copyrights and industrial designs in all works, including but not limited to all designs, drawings, logos, publications, computer programs, and all registrations of, and all applications in connection with the foregoing copyrights or industrial designs, including all registrations, recordings and applications with the Canadian Intellectual Property Office and any other similar government office or agency in other countries;
- (c) all patents, proprietary technology, rights to inventions whether patentable or otherwise, know-how, trade secrets, confidential information and any other processes, and any applications for registration pertaining to any patents, and any and all counterpart or similar applications or registrations in the United States or elsewhere, including patent applications filed under the Patent Cooperation Treaty (PCT);
- (d) any and all licenses currently in force, or that may in the future be in force, which directly or indirectly license, permit or otherwise authorize the Guarantor, by any means whatsoever, to make, use, offer for sale, sell or advertise wares or services in connection with issued or pending applications for one or more patents, trade-marks, industrial designs, or in association with licensed know how, trade secrets, confidential information, web sites, web pages or domain names; and
- (e) all proceeds of, and rights associated with, the foregoing, including any claim by any Guarantor against third parties for the past, present or future infringement or violation of any of the rights described in clauses (a) to (d) or for any injury to the goodwill associated with the use of any such trade-mark or for breach or enforcement of any license agreement described in clause (d), and all rights corresponding thereto throughout the world.

2.2 **Agreement for Security Purposes.** The security interests granted hereby have been granted as a supplement to, and not in limitation of, the security interests granted by the Guarantor to the Agent under any other documents executed in connection with the Credit Agreement (collectively, the **“Loan**

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Documents”). Such Loan Documents (and all rights and remedies of the Agent therein) shall remain in full force and effect in accordance with their terms.

ARTICLE 3 - GENERAL

3.1 Power of Attorney. The Guarantor hereby constitutes and appoints the Agent and any officer or agent of the Agent in accordance with the *Powers of Attorney Act* (Ontario), with full power of substitution from time to time, as the Guarantor's true and lawful attorney-in-fact, with full power and authority in the name and on behalf of the Guarantor to take any appropriate action and to execute such assignments, transfers, registrations, agreements, licences, assurances, documents and instruments which the Guarantor ought to execute and do, and has not taken or executed or done, under the covenants and provisions contained in this Agreement and generally to use the name of the Guarantor in the exercise of all or any of the powers hereby conferred on the Agent and the Guarantor declares this to be a general power of attorney in the widest respect. This power of attorney shall not be revoked or terminated by any act or instrument other than the termination of this Agreement in accordance with Section 3.2.

3.2 Termination of this Agreement. Upon termination of all rights of the Guarantor to receive any additional credit from the Agent and fulfilment by the Guarantor of its obligations, indebtedness and liabilities under the Loan Documents, this Agreement shall be and become fully ended and terminated and all right, title and interest in and in respect of the Intellectual Property secured by the Guarantor hereunder shall be released and all covenants and agreements of the Guarantor hereunder shall be at an end and the Agent shall, upon the written request of the Guarantor and at the expense of the Guarantor, execute such instruments and other documents and give such notifications or assurances as may be necessary to fully release, cancel and discharge this Agreement in the circumstances.

3.3 Rights and Remedies Cumulative. The rights or remedies given to the Agent hereunder shall be cumulative of and not substituted for any rights or remedies to which Agent may be entitled under the Loan Documents, or any other agreement or security provided to the Agent with respect to the Obligations or under statute or at law and may be exercised whether or not the Agent has pursued or is then pursuing any other such rights and remedies.

3.4 Further Assurances. The Guarantor shall do, perform, execute and deliver all acts, deeds, documents and assurances as may be necessary from time to time to give full force and effect to the intent of this Agreement; including, without limitation, the delivery of any additional security documents to further or better provide for a security interest in favour of the Agent in all intellectual property rights which the Guarantor may hold from time to time.

3.5 Time of Essence. Time shall be of the essence of this Agreement.

3.6 Notices. Subject to the express provisions of this Agreement, all communications provided for or permitted hereunder shall be given in accordance with the notice provisions of the Credit Agreement.

3.7 Waiver. No consent or waiver, express or implied, by the Agent to or of any breach or default by the Guarantor in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by the Guarantor hereunder. Failure on the part of the Agent to complain of any act or failure to act of the Guarantor or to declare the Guarantor in default, irrespective of how long such failure continues, shall not, by itself, constitute a waiver by the Agent of the Agent's rights hereunder.

3.8 **Amendments.** This Agreement may not be modified or amended except with the written consent of the Guarantor and the Agent.

3.9 **Interpretation Not Affected by Headings, etc.** Grammatical variations of any terms defined herein have similar meanings; words (including defined terms) importing the singular shall include the plural and vice versa; and words importing gender shall include the masculine, feminine and neuter genders. The division of this Agreement into separate Articles, Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings and references are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

3.10 **Severability.** If any covenant, obligation or agreement contained in this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, obligation and agreement of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

3.11 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and without prejudice to the ability of the Agent to enforce this Agreement in any other proper jurisdiction, the Guarantor hereby submits and attorns to the jurisdiction of the courts of the Province of Ontario for the purpose of all proceedings relating to this Agreement.

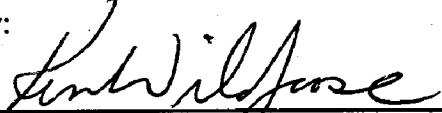
3.12 **Successors and Assigns.** This Agreement shall extend and enure to the benefit of the Agent and its successors and assigns and shall be binding upon the Guarantor and its successors. Subject to the Credit Agreement, the Agent may from time to time assign or transfer all or any of the Obligations or any interest therein and, notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, any such Obligation or part thereof so transferred or assigned shall be and shall remain an "**Obligation**" for the purposes of this Agreement and any immediate and successive assignee or transferee of any Obligation or any interest therein shall, to the extent of the interest so assigned or transferred, be entitled to the benefit of, and the right to enforce, this Agreement to the same extent as if such person were the Agent. The Guarantor's obligations hereunder shall not be assigned or delegated.

3.13 **Amalgamation.** The Guarantor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the security interests created hereby (i) shall extend to Intellectual Property owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any Intellectual Property thereafter owned or acquired by the amalgamated company, such that the term "**Guarantor**" when used herein would apply to each of the amalgamating companies and the amalgamated company and (ii) shall secure the Obligations of each of the amalgamating companies and the amalgamated company to the Agent at the time of amalgamation and any Obligations of the amalgamated company to the Agent thereafter arising. The security interest shall attach to the additional Intellectual Property at the time of amalgamation and to any Intellectual Property owned or acquired by the amalgamated company when such becomes owned or is acquired.

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the date first written above.

ATX SERVICES INC.

By:



Name: KEN WYLDGOOSE

Title: DIRECTOR

By:

Name:

Title:

I/We have authority to bind the Corporation.

CANADIAN IMPERIAL BANK OF COMMERCE

By:

Name:

Title:

By:

Name:

Title:

I/We have authority to bind the Bank.

[TOR_LAW\5689629\1]

SCHEDULE "A"

INTELLECTUAL PROPERTY

PROTEX WEATHERPROOFING INC.

COPYRIGHTS

Canada

None

US

None

DESIGN PATENTS

Canada

None

US

None

TRADE MARKS

Canada

None

US

Globaltek

SCHEDULE A

CANADIAN TRADE MARKS

<u>TRADEMARK</u>	<u>REGISTRATION / APPLICATION NO.</u>	<u>STATUS</u>
DIGIMAX	TMA550,820	Registered; CIBC Security
DIGIPOINT	TMA547,985	Registered; CIBC Security
INNOVATIVE PRODUCTS FOR BROADBAND NETWORKS	TMA557,399	Registered; CIBC Security
MAXAMP	TMA556,778	Registered; CIBC Security
PCI TECHNOLOGIES INC. & Design	1,185,863	Pending
PCI OPTIX & Design	TMA592,819	Registered
PCI FILTERS & Design	TMA584,713	Registered
DIGIPOWER	TMA571,457	Registered
PROTEX ENVIRONMENTAL & Design	TMA587,881	Registered
ATX & Design	TMA588,403	Registered; CIBC Security
COMPRESSOR CONNECTORS Design	1,164,350	Pending
MAXNET	1,196,209	Pending
SCN-MANAGER Design	1,164,351	Pending
WRAP-N-SEAL	1,205,159	Pending

US TRADEMARKS

<u>TRADEMARK</u>	<u>REGISTRATION / APPLICATION NO.</u>	<u>STATUS</u>
MAXAMP	2,729,700	Registered; CIBC Security
CONNEX	76-338738	Pending
PROTEX ENVIRONMENTAL & Design	76-344756	Abandoned — Petition to Revive Filed

COMPRESSOR CONNECTORS Design	2,819,188	Registered
MAXNET	78-143,844	Pending
MDU SOLUTIONS	76-474,255	Pending
PCI FILTERS & Design	78-143,838	Pending
PCI TECHNOLOGIES Design	2,802,273	Registered
PCI TECHNOLOGIES Design	78-143,831	Pending
SCN-MANAGER Design	2,824,663	Registered
WRAP-N-SEAL	76-573,917	Pending

SCHEDULE B

CANADIAN INDUSTRIAL DESIGNS

<u>TITLE</u>	<u>REGISTRATION NO.</u>	<u>STATUS</u>
Drop Amplifier for Cable Television	96975	Registered
Non-Blind Cable Entry Connector Design		Filed

US DESIGN PATENTS

<u>TITLE</u>	<u>REGISTRATION NO.</u>	<u>STATUS</u>
In-line 8-way Splitter/Combiner	D399846	Issued; CIBC Security
Pad Registration Device		Filed
Non-Blind Cable Entry Connector Design		Filed

SCHEDULE C

CANADIAN PATENTS

<u>PATENT</u>	<u>REGISTRATION / APPLICATION NO.</u>	<u>STATUS</u>
RF CIRCUIT MODULES AND INTEGRATED CHASSIS WITH POWER INTERFACE FOR RF CIRCUIT MODULES	2,404,844	Pending
RF DETECTION AND SWITCHING SYSTEM AND METHOD	2,404,840	Pending
DROP AMPLIFIER HOUSING WITH MULTIPLE TIERS	2,404,839	Pending
COMPRESSION BNC CONNECTOR	2,451,938	Filed
INTEGRATED RF & OPTICAL SIGNAL MANAGEMENT PLATFORM		To be Filed

US UTILITY PATENTS

<u>PATENT</u>	<u>REGISTRATION / APPLICATION NO.</u>	<u>STATUS</u>
INTERFERENCE SUPPRESSING CABLE BOOT ASSEMBLY	5,631,443	Issued; CIBC Security
INTERFERENCE SUPPRESSING CABLE BOOT ASSEMBLY	5,886,294	Issued; CIBC Security
MULTIPURPOSE FLEXIBLE CABLE BOOT FOR ENCLOSING TRUNK AND FEEDER CABLE CONNECTORS	6,429,373	Issued
RF CIRCUIT MODULES AND INTEGRATED CHASSIS WITH POWER INTERFACE FOR RF CIRCUIT MODULES	10/158,050	Pending
RF CIRCUIT MODULES AND INTEGRATED CHASSIS WITH POWER INTERFACE FOR RF CIRCUIT MODULES		Divisional application of 10/158,050
RF DETECTION AND SWITCHING SYSTEM AND METHOD	10/158,075	Pending
DROP AMPLIFIER HOUSING WITH MULTIPLE TIERS	10/157,633	Pending
COMPRESSION BNC CONNECTOR	10/726,138	Filed
INTEGRATED RF & OPTICAL SIGNAL MANAGEMENT PLATFORM		To be Filed

SCHEDULE D

CANADIAN COPYRIGHTS

<u>TITLE</u>	<u>REGISTRATION NO.</u>	<u>STATUS</u>
Innovative Solutions for Information Networks	454778	Registered; CIBC Security
Filters, Signal Generators, Splitting/Combining Networks Catalog #0498	471431	Registered; CIBC Security
PCI Technologies Inc. Catalog #0500	489958	Registered

US COPYRIGHTS

<u>TITLE</u>	<u>REGISTRATION NO.</u>	<u>STATUS</u>
PCI Technologies Inc. Catalog #0500	TX 5-468-528	Registered