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Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings



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

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

1. Name of conveying party(ies):

Champion Home Builders Co.

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

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

3. Nature of conveyance:

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

Execution Date: 1/17/03

2. Name and address of receiving party(ies)

Name: Congress Financial Corporation (Central), as Agent

Internal

Address: _____

Street Address: 150 South Wacker Drive

City: Chicago State: IL Zip: 60606

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☒ No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? ☐ Yes ☒ No

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

A. Trademark Application No.(s) _____

See Attached Schedule A

B. Trademark Registration No.(s) _____

See Attached Schedule A

Additional number(s) attached ☒ Yes ☐ No

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

Name: Kristin Brozovic

Internal Address: _____

Street Address: _____

233 S. Wacker Drive, Suite 5800

City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved: _____

58

7. Total fee (37 CFR 3.41).....\$ 1465.00

- ☒ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number: _____

DO NOT USE THIS SPACE

9. Signature.

Kristin Brozovic

Name of Person Signing

Signature

1/23/03

Date

Total number of pages including cover sheet, attachments, and document: 30

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

TRADEMARK
 REEL: 003028 FRAME: 0263

SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT

Dated as of January 17, 2003

Owner	Mark	Status	Country	Class	Appl. No	Filing Date	Regis. No	Regis. Date	Next Renewal
A-1 Homes Group, L.P.	A-1	Registered	USA	42	<u>73/427805</u>	27-May-83	1313998	08-Jan-85	08-Jan-05
	HOMES AMERICA	Inactive	USA	42	75/186345	18-Oct-96			
	HOMES OF AMERICA & Design	Registered	USA	42	75/073368	15-Mar-96	2110382	04-Nov-97	04-Nov-07
	A-1 HOMES & Design	Filed	USA	35	76/185544	21-Dec-00			
Accent Mobile Homes, Inc.	ACCENT MOBILE HOMES	Registered	USA	42	75/092928	23-Apr-96	2042011	04-Mar-97	04-Mar-07
	CREATIVE HOUSING	Registered	USA	42	75/092929	23-Apr-96	2042012	04-Mar-97	04-Mar-07
	FOXWOOD HOME CENTER	Registered	USA	42	75/093135	23-Apr-96	2043622	11-Mar-97	11-Mar-07
Auburn Champ, Inc.	CHAMPION WORLD'S LARGEST HOME BUILDER 5-POINT PLEDGE & Design	Filed	USA	35	76/245528	24-Apr-01			
	WORLD'S LARGEST HOMEBUILDER	Registered	USA	19	76/023026	11-Apr-00			
	THERMORIZED	Filed	USA	19	75/642700	18-Feb-99			
	ALLIANCE OF CHAMPIONS & Design	Filed	USA	41	76/023025	11-Apr-00			
	GENESIS AFFORDABLE HOUSING	Filed	USA	35	76/257797	16-May-01			
	GENESIS HOMES & Design	Registered	USA	19	76/203726	01-Feb-01			
	BUILD BETTER. BUILD FASTER.	Inactive	USA	19	76/203974	01-Feb-01			
	BUILD BETTER. BUILD FASTER.	Filed	USA	37	78/143067	11-Jul-02			
	HOMEMARK	Filed	USA	19	75/799595	15-Sep-99			

Schedule A - 1

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TRADEMARK
REEL: 003028 FRAME: 0264

Auburn Champ, Inc.	GENESIS	Filed	USA	19	76/054174	23-May-00			
	5-POINT PLEDGE	Filed	USA	35	76/244247	20-Apr-01			
	ALLIANCE OF CHAMPIONS & Design	Registered	USA	35	75/642701	18-Feb-99	2523088	25-Dec-01	25-Dec-11
	HOMEPRIDE	Registered	USA	36	75/659080	12-Mar-99	2424003	23-Jan-01	23-Jan-11
	HOMEPRIDE	Inactive	USA	41	75/642702	18-Feb-99		18-Feb-99	
	CHAMPION	Registered	USA	12	72/082482	01-Oct-59	696685	26-Apr-60	26-Apr-10
	HOMEPRIDE & Design	Registered	USA	36	76/023027	11-Apr-00	2430060	20-Feb-01	20-Feb-11
	MANATEE	Registered	USA	12	72/170294	04-Jun-93	774432	04-Aug-94	04-Aug-04
	ATLANTIC	Registered	USA	12	72/176779	12-Sep-63	775658	25-Aug-94	25-Aug-04
	TAMARACK	Registered	USA	12	72/295218	09-Apr-68	865235	25-Feb-99	25-Feb-09
	SEQUOIA	Registered	USA	12	72/445749	11-Jan-73	981878	09-Apr-94	09-Apr-04
	TITAN	Registered	USA	12	73/636916	22-Dec-86	1540378	23-May-89	23-May-09
	CHAMPION	Registered	USA	19	72/415722	16-Feb-72	978385	12-Feb-94	12-Feb-04
	GENWAY	Filed	USA	19	78/099462	21-Dec-01			
	GENWAY HOME BUILDING CENTER & Design	Filed	USA	19	78/099481	21-Dec-01			
Champion Home Builders Co.	SUMMIT CREST	Registered	USA	19	74/618225	05-Jan-95	2019761	26-Nov-96	26-Nov-06
	DESIGN: (Flaming Torch In Circle)	Registered	USA	12	72/247772	10-Jun-66	839054	21-Nov-97	21-Nov-07
	CONCORD	Inactive	USA	12	72/299649	04-Jun-68	867437	01-Apr-69	01-Apr-89
	METAMORA [STYLIZED]	Inactive	USA	12	72/464011	26-Jul-73	990026	06-Aug-74	06-Aug-94
	HANDI-VAN	Inactive	USA	12	73/013968	21-Feb-74	1005789	04-Mar-75	04-Mar-95
	CHAMPION [DESIGN]	Inactive	USA	12	73/224972	26-Jul-79	1252839	04-Oct-83	04-Oct-03
Champion Motor Coach, Inc.	CONTENDER	Registered	USA	12	74/656404	05-Apr-95	2037715	11-Feb-97	11-Feb-07
	COMMODORE	Registered	USA	12	74/656403	05-Apr-95	2037714	11-Feb-97	11-Feb-07
	EUROCOACH	Inactive	USA	12	73/675359	30-Jul-87	1590756	11-Apr-90	11-Apr-00

Champion Retail, Inc.	CHAMPION HOME CENTER	Inactive	USA	35	75/842160	05-Nov-99			
	CHAMPION HOME CENTER & Design	Registered	USA	35	75/387936	10-Nov-97	2510796	20-Nov-01	20-Nov-11
Dutch Housing, Inc.	COMMANDER	Filed	USA	19	75/686558	19-Apr-99			
	COMMANDER HOUSING & Design	Filed	USA	19	75/724151	08-Jun-99			
	DUTCH	Registered	USA	19	75/726833	08-Sep-95	2050361	08-Apr-97	08-Apr-07
	BLUEGRASS	Registered	USA	19	75/560397	28-Sep-98	2601463	30-Jul-02	30-Jul-12
	FORTUNE	Registered	USA	19	75/560391	28-Sep-98	2462213	19-Jun-01	19-Jun-11
	VALUE IN QUALITY-THE DUTCH TOUCH	Registered	USA	19	74/731801	21-Sep-95	2148076	31-Mar-98	31-Mar-08
	DUCHESS	Registered	USA	19	75/016118	01-Nov-95	2242987	04-May-99	04-May-09
Homes of Merit, Inc.	HOMES OF MERIT & Design	Registered	USA	19	75/602313	07-Dec-98	2370233	25-Jul-00	25-Jul-10
Moduline International, Inc.	MODULINE HOME	Inactive	USA	19	73/016387	19-Mar-74	1156279	02-Jun-81	
	MODULINE INTERNATIONAL Design	Registered	USA	12	73/016386	19-Mar-74	1042219	29-Jun-76	29-Jun-96
Redman Homes, Inc.	NEW MOON	Registered	USA	12	72/119548	08-May-61	726680	23-Jan-02	23-Jan-12
	THE GREAT AMERICAN HOMEMAKER	Registered	USA	42	73/759243	24-Oct-88	1575727	02-Jan-90	02-Jan-10
	THE GREAT AMERICAN HOMEMAKER REDMAN HOMES (& Design)	Registered	USA	37; 42	73/365462	19-May-82	1273869	10-Apr-84	10-Apr-04
	SOUTHWOOD	Registered	USA	12	72/264245	08-Feb-67	844904	27-Feb-88	27-Feb-08
	KIRKWOOD	Registered	USA	12	72/249180	28-Jun-66	835826	26-Sep-87	26-Sep-07
Western Homes Corporation	SILVERCREST	Registered	USA	19	75/409192	22-Dec-97	2367429	18-Jul-00	18-Jul-10

Name of Additional Conveying Party	Entity Type- State Organized	Execution Date
A-1 Homes Group, L.P.	limited partnership- TX	1/17/03
Accent Mobile Homes, Inc.	corporation- NC	1/17/03
Auburn Champ, Inc.	corporation- MI	1/17/03
Champion Motor Coach, Inc.	corporation- MI	1/17/03
Champion Retail, Inc.	corporation- MI	1/17/03
Dutch Housing, Inc.	corporation- MI	1/17/03
Homes of Merit, Inc.	corporation- FL	1/17/03
Moduline International, Inc.	corporation- WA	1/17/03
Redman Homes, Inc.	corporation- DE	1/17/03
Western Homes Corporation	corporation- DE	1/17/03

Agent to secure its obligations under the applicable Guarantee, the Security Agreement, this Agreement and the other Financing Agreements, in each case to which it is a party.

AGREEMENT

NOW THEREFORE, in consideration of the premises and in order to induce Agent and Lenders to extend credit under the Loan and Security Agreement and the other Financing Agreements, each Debtor hereby agrees with Agent as follows:

1. Creation of Security Interest. Each Debtor hereby grants to Agent, for the benefit of itself and the other Lenders, a continuing security interest that is, except with respect to Permitted Liens, a first priority security interest in all of such Debtor's right, title and interest in and to the collateral described in Section 2 herein (the "Collateral") in order to secure the payment of the Obligations (as defined below) and all obligations of such Debtor now or hereafter existing under this Agreement including, without limitation, all fees, costs and expenses whether in connection with collection actions hereunder or otherwise (collectively, the "Secured Obligations"). "Obligations" shall mean any and all obligations, liabilities and indebtedness of every kind, nature and description (including the Guaranteed Obligations referenced in the Guarantees) owing by each Debtor to Agent and/or any of its affiliates, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under this Agreement, the Guarantees or any other Financing Agreement, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of this Agreement or after the commencement of any proceeding with respect to such Debtor or any of its Affiliates under the United States Bankruptcy Code or any similar statute in any jurisdiction (the "Insolvency Laws") (including the payment of interest and other amounts which would accrue and become due but for the commencement of such proceeding), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by Agent.

2. Collateral. The Collateral is:

(a) all of each Debtor's trademarks, trademark registrations, tradenames and trademark applications, which, in each case, are now or hereafter filed with the United States Patent and Trademark Office, or any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other countries or otherwise owned in the United States, any state, territory or possession thereof or any other country, including, without limitation, the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world and all proceeds of the foregoing (all of the foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"); and

(b) the goodwill of each Debtor's business connected with and symbolized by the Trademarks.

3. License.

(a) Grant of License. Effective upon the occurrence and during the continuation of an Event of Default under and as defined in the Loan and Security Agreement and without any further action of the parties, each Debtor hereby grants to Agent for the benefit of itself and the other Lenders a non-exclusive, assignable right and license (i) under the Trademarks and (ii) under any license agreements held by such Debtor with respect to trademarks owned by any person or entity other than such Debtor, but only to the extent permitted under such agreements, to sell, manufacture or produce any collateral provided under the Financing Agreements to the extent that such license is reasonably necessary to permit or to facilitate the generation or collection, after an Event of Default, of any accounts receivable of such Debtor or the disposition, after an Event of Default, of any such collateral (the "License"). The License shall be without royalty or any other payments or fees by Agent and the permitted use by Agent thereunder (i) shall be worldwide and (ii) shall be limited only by those restrictions to which the Debtor is subject under the Trademarks.

(b) Term of License. The term of the License (the "License Term") shall continue from the occurrence, and shall continue during the continuation, of an Event of Default until the earlier of: (i) the expiration of all of the Trademarks; (ii) the indefeasible payment in full in cash of the Secured Obligations and termination of the Commitments, the Loan and Security Agreement and the Financing Agreements; or (iii) disposition of all Collateral and any proceeds thereof in connection with the enforcement of Agent's remedies under the Loan and Security Agreement or the Financing Agreements and application of the proceeds of such disposition to the satisfaction of the Secured Obligations.

4. Restrictions on Future Agreements. Until the indefeasible payment in full in cash of all the Secured Obligations and termination of the Commitments, the Loan and Security Agreement and the other Financing Agreements, each Debtor will not, without Agent's prior written consent, which consent shall not be unreasonably withheld, (a) enter into any agreement, including, without limitation, any license agreement that is inconsistent with such Debtor's obligations under the Security Agreement, this Agreement and the others to which such Debtor is a party, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any reasonable action (including, without limitation, the abandonment of any Trademark), that would affect the validity or enforceability of the rights transferred to Agent under the Loan and Security Agreement or this Agreement or (c) enter into any other contractual obligations which restrict or inhibit Agent's rights to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of an Event of Default; provided, however, that each Debtor may license technology in the ordinary course of business, without Agent's consent, but subject to Agent's rights hereunder, to suppliers and customers to facilitate the manufacture and use of such Debtor's products.

5. New Trademarks. Each Debtor represents and warrants that the Trademarks listed on Schedule A constitute all of the registered trademarks, tradenames and applications which are as of the date hereof owned by or are pending on behalf of such Debtor in

the United States Patent and Trademark office or in any similar office or agency of a territory or possession of the United States. If, before the Secured Obligations shall have been satisfied in full, any Debtor shall (i) obtain ownership of any trademark registration or apply for any trademark registration after the date hereof in the United States Patent and Trademark Office or in any similar office or agency of a territory or possession of the United States, or (ii) obtain ownership of any trademarks or tradenames used in the United States or any territory or possession thereof, or (iii) enter into an agreement by which such Debtor obtains an exclusive license to use the trademarks, tradenames, or other trade indicia of a third party, the provisions of Section 1 shall automatically apply thereto and such Debtor shall give to Agent prompt written notice thereof, provided in case of clause (iii) above, in the event any such license by its terms prohibits assignment or a grant of a security interest hereunder, such Debtor shall use reasonable efforts to obtain requisite consent, and upon obtaining such consent, Section 1 shall automatically apply thereto. Each Debtor hereby authorizes Agent to modify this Agreement by amending Schedule A to include any future trademarks, trademark registrations, trademark applications and tradenames that are Trademarks, as applicable, under Section 2 or under this Section 5.

6. Additional Representations and Warranties. Each Debtor hereby represents, warrants, covenants and agrees that:

(a) Except as may be authorized pursuant to Section 8 hereof, it is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trademarks shall continue in force, free from any lien in favor of any person or entity.

(b) It has the full right and power to grant the security interest in the Collateral made hereby.

(c) It has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral.

(d) Except for Permitted Liens, so long as any Secured Obligation remains outstanding or the Loan and Security Agreement or the Financing Agreements have not been terminated, it will not execute, and there will not be on file in any public office, any financing statement or other document or instruments evidencing or giving notice of liens affecting the Collateral.

(e) To such Debtor' knowledge, no material infringement or unauthorized use currently is being made of any of the Trademarks which would adversely affect the fair market value of the Collateral or the benefits of this Agreement granted to Agent, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Agent hereunder and such Debtor will continue to maintain commercially reasonable monitoring and enforcement practices to protect the Collateral.

7. Royalties; Terms. Each Debtor hereby agrees that the use by Agent of all Trademarks as permitted hereunder shall be worldwide (but only to the extent such trademark rights are held by such Debtor outside the United States) without any liability for royalties or

other related charges from Agent to such Debtor. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Trademarks or (ii) the time at which the Secured Obligations have been paid indefeasibly in full in cash and the Financing Agreements have been terminated.

8. Agent's Right to Maintain Quality. Each Debtor agrees that from and after the occurrence of an Event of Default, Agent shall have the right to establish such additional quality control standards as Agent, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by such Debtor under the Trademarks. Each Debtor agrees (i) not to sell or assign its interest in, or to grant any license under, any Trademarks without the prior written consent of Agent, which consent shall not be unreasonably withheld; (ii) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of such products as of the date hereof; and (iii) to provide Agent, upon request, with certificate of an officer of such Debtor certifying such Debtor's compliance with the foregoing.

9. Duties of the Debtor. Each Debtor shall (i) prosecute diligently any trademark application that is part of the Trademarks pending as of the date hereof or thereafter until the Secured Obligations shall have been paid in full and the Loan and Security Agreement and the other Financing Agreements shall have been terminated and (ii) unless the failure to do so would not reasonably be expected to have a material adverse effect on such Debtor's business, (a) make application for registration of trademarks, (b) preserve and maintain all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trademarks, (c) not abandon any right to file a trademark application nor any pending trademark application, and (d) not abandon any given trademark, provided, however, that such Debtor shall give Agent 30 days' advance written notice of any discontinuance of any right or trademark application or any abandonment described in clause (ii) of this Section 9. Any expenses incurred in connection with the applications referred to in this Section 9 shall be borne by the Debtors. Each Debtor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings.

Upon the occurrence and during the continuance of an Event of Default, if any Debtor fails to comply with any of the foregoing duties, Agent may so comply in such Debtor's name to the extent permitted by law, but at such Debtor's expense, and such Debtor hereby agrees to reimburse Agent in full for all expenses, including the reasonable fees and disbursements of attorneys and paralegals (including charges for inside counsel) incurred by Agent in protecting, defending and maintaining the Collateral.

In the event that any Debtor shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to discharge any lien, prohibited hereby, or shall fail to comply with any other duty hereunder, Agent may, but shall not be required to, pay, satisfy, discharge or bond the same for the account of such Debtor and all moneys so paid out shall be Secured Obligations of such Debtor repayable on demand, together with interest at an interest rate equal to the highest rate set forth in paragraph (c) of the definition of "Interest Rate" of the Loan and Security Agreement.

Each Debtor shall take all commercially reasonable action to preserve and maintain the validity, perfection and, subject to Permitted Liens, first priority of Agent's security interest granted herein in the Collateral.

10. Agent's Right to Sue. Upon the occurrence and during the continuance of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Collateral, and any licenses thereunder, and, if Agent shall commence any such suit, each Debtor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and such Debtor shall indemnify and shall, upon demand, promptly reimburse Agent for all damages, costs and expenses, including reasonable attorneys' and paralegal fees and expenses, incurred by Agent in the exercise of its rights under this Section 10.

11. Waivers. No course of dealing between any Debtor and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under any Financing Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction. If any provision hereof shall render an otherwise valid Trademark invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trademark is thereby preserved.

13. Amendments and Waivers. Except as set forth in Section 5 hereof, neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of each Debtor and Agent. Neither party shall, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of each Debtor and Agent. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by either party of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which such party would otherwise have on any future occasion, whether similar in kind or otherwise.

14. Remedies. If any Event of Default exists, Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein, in the Loan and Security Agreement, in any of the other Financing Agreements or otherwise available to Agent, all of the rights and remedies of a secured party under the Uniform Commercial Code (the "UCC") whether or not the UCC applies to the affected Collateral, and also may (i) require each Debtor, and each Debtor hereby agrees that it will upon the request of Agent, forthwith, (A) execute and deliver an assignment, substantially in the form of Exhibit B

hereto (unless the grant of security interest hereunder would render an "intent to use" trademark application void) of all right, title and interest in and to the Collateral, and (B) take such other action as Agent may reasonably request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Agent deems commercially reasonable. Each Debtor agrees that at least ten (10) days' prior notice to such Debtor of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. 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. Agent may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may setoff the amount of such price against the Secured Obligations. The proceeds realized from the sale of any Collateral shall be applied in the manner set forth in the Loan and Security Agreement. If any deficiency shall arise, each Debtor shall remain liable to Agent therefor. The commencement of any action, legal or equitable, or the rendering of any judgment or decree for deficiency shall not affect Agent's security interest in the Collateral until the Secured Obligations are fully paid. Each Debtor agrees that Agent has no obligation to preserve rights to Collateral against any other parties.

15. Cumulative Remedies; Power of Attorney; Effect on the Other Financing Agreements. All of Agent's rights and remedies with respect to the Collateral, whether established hereby, by the Security Agreement, by any other Financing Agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Debtor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as such Debtor's true and lawful attorney-in-fact, with power, during the existence of an Event of Default to (a) endorse such Debtor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Collateral including, without limitation, if such Debtor fails to execute and deliver within three (3) Business Days of Agent's written request therefor the assignment substantially in the form of Exhibit B hereto, (b) take any other actions with respect to the Collateral as Agent reasonably deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to anyone. Each Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Secured Obligations shall have been paid indefeasibly in full in cash and the Loan and Security Agreement and the other Financing Agreements have been terminated. Each Debtor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Loan and Security Agreement or the other Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies.

16. Notice. All notices, requests and demands hereunder shall be in writing and (a) made to Agent at the address set forth in Section 13.3 of the Loan and Security Agreement and to Debtor by delivering such notices in care of Borrower at the address set forth

in Section 13.3 of the Loan and Security Agreement, or to such other address as either party may designate by written notice to the other in accordance with this provision, and (b) deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next Business Day, one (1) Business Day after sending; and if by certified mail, return receipt requested, five (5) days after mailing.

17. Continuing Security Interest; Transfer of Obligations. This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until payment in full of the Secured Obligations and termination of the Financing Agreements, (ii) be binding upon each Debtor, its successors and assigns, and (iii) inure, together with the rights and remedies of Agent hereunder, to the benefit of Agent and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii) and subject to the provisions of the Loan and Security Agreement and the other Financing Agreements, Agent may assign or otherwise transfer any of the Secured Obligations and/or the "Obligations" as defined in the Loan and Security Agreement to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to Agent herein or otherwise.

18. Authority of Agent. Agent shall have and be entitled to exercise all powers hereunder which are specifically delegated to Agent in accordance with the terms hereof. Agent may perform any of its duties hereunder or in connection with the Collateral by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of counsel concerning all such matters. Agent and its directors, officers, employees, attorneys and agents shall be entitled to rely on any communication, instrument or document believed by it or them to be genuine and correct and to have been signed or sent by the proper person or persons. Each Debtor agrees to indemnify and hold harmless Agent and any other person acting on behalf of Agent from and against any and all costs, expenses, including reasonable fees and expenses of attorneys and paralegals (including charges of inside counsel), claims or liability incurred by Agent or such person hereunder, unless such claim or liability shall be due to willful misconduct or gross negligence on the part of Agent or such person.

19. Waiver. To the fullest extent it may lawfully so agree, each Debtor agrees that it will not at any time insist upon, claim, plead, or take any benefit or advantage of any appraisalment, valuation, stay, extension, moratorium, redemption or similar law now or hereafter in force in order to prevent, delay, or hinder the enforcement hereof or the absolute sale of any part of the Collateral. Each Debtor for itself and all who claim through it, so far as it or they now or hereafter lawfully may do so, hereby waives the benefit of all such laws, and all right to have the Collateral marshalled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose this Agreement may order the sale of the Collateral as an entirety. Without limiting the generality of the foregoing, each Debtor hereby: (i) authorizes Agent in its good faith discretion and without notice to or demand upon such Debtor and without otherwise affecting the obligations of such Debtor hereunder from time to time to take and hold other collateral (in addition to the Collateral) for payment of the Secured Obligations, or any part thereof, and to exchange, enforce or release such other collateral or any part thereof and to accept and hold any endorsement or guarantee of payment of the Secured Obligations, or any part

thereof and to release or substitute any endorser or guarantor or any other person granting security for or in any other way obligated upon any Secured Obligations or any part thereof, and (ii) waives and releases any and all right to require Agent to collect any of the Secured Obligations from any specific item or items of the Collateral or from any other party liable as guarantor or in any other manner in respect of any of the Secured Obligations or from any collateral (other than the Collateral) for any of the Secured Obligations.

20. Interpretation of Agreement. Time is of the essence of each provision of this Agreement of which time is an element. All terms not defined herein shall have the meaning set forth in the UCC, except where the context otherwise requires.

21. Reinstatement. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by Agent in respect of the Secured Obligations is rescinded or must otherwise be restored or returned by Agent upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Debtor or upon the appointment of any intervenor or conservator of, or trustee or similar official for, such Debtor or any substantial part of its assets, or otherwise, all as though such payments had not been made.

22. Final Expression. This Agreement, together with the Loan and Security Agreement and the other Financing Agreements to which any Debtor is a party, is intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

23. Survival of Provisions. All representations, warranties and covenants of the Debtors contained herein shall survive the execution and delivery of this Agreement, and shall terminate only upon the full and final payment and performance by the Debtors of the Secured Obligations and termination of the Loan and Security Agreement and the Financing Agreements.

24. Termination of Agreement. This Agreement shall terminate upon the indefeasible payment in full in cash of the Secured Obligations and termination of the Commitments, the Loan and Security Agreement and the other Financing Agreements. At such time, Agent shall, at the request of each Debtor, reassign and redeliver to such Debtor all of the collateral of such Debtor hereunder which has not been sold, disposed of, retained or applied by Agent in accordance with the terms hereof. Such reassignment and redelivery shall be without warranty by or recourse to Agent, except as to the absence of any prior assignments by Agent of its interest in the Collateral, and shall be at the expense of the Debtors.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement.

26. Governing Law; Submission To Jurisdiction; Waiver Of Jury Trial; Waiver Of Damages.

(a) The validity, interpretation and enforcement of this Agreement and any dispute arising out of the relationship between any of the Debtors and Agent, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of Illinois.

(b) Each Debtor hereby irrevocably consents and submits to the non-exclusive jurisdiction of the state and federal courts located in Cook County, City of Chicago, Illinois and waives any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or in any way connected with or related or incidental to the dealings of such Debtor and Agent in respect of this Agreement or the transactions related hereto, in each case whether now existing or hereafter arising and whether in contract, tort, equity or otherwise, and agrees that any dispute with respect to such matters shall be heard in the courts described above (except that Agent on behalf of Lenders shall have the right to bring any action or proceeding against such Debtor or its property in the courts of any other jurisdiction which Agent deems necessary or appropriate in order to realize on any Collateral at any time granted by such Debtor to Agent or to otherwise enforce its rights against such Debtor or its property).

(c) Each Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified mail (return receipt requested) directed to Borrower at Borrower's address set forth in Section 13.3 of the Loan and Security Agreement and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Agent's option, by service upon such Debtor in any other manner provided under the rules of any such courts. Within thirty (30) days after such service, such Debtor shall appear in answer to such process, failing which such Debtor shall be deemed in default and judgment may be entered by Agent on behalf of Lenders against such Debtor for the amount of the claim and other relief requested.

(d) EACH DEBTOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF EITHER OF SUCH DEBTOR AND AGENT IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS RELATED HERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. EACH DEBTOR 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 SUCH DEBTOR OR AGENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH DEBTOR AND AGENT TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) Agent shall not have any liability to the Debtors (whether in tort, contract, equity or otherwise) for losses suffered by any Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-

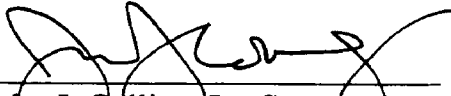
appealable judgment or court order binding on Agent that the losses were the result of acts or omissions by Agent constituting gross negligence or willful misconduct. In any such litigation, Agent shall be entitled to the benefit of the rebuttable presumption that they acted in good faith and with the exercise of ordinary care in the performance by it of the terms of the Loan and Security Agreement and the other Financing Agreements.

27. Further Assurances. At any time and from time to time, upon the written request of Agent and at the sole expense of the Debtors, each Debtor shall promptly and duly execute and deliver any and all such further instruments, schedules and documents and take such further actions as Agent may reasonably request to obtain the full benefits of this Agreement and of the rights and powers herein granted, including (i) using commercially reasonable efforts to secure all consents and approvals necessary or appropriate for the assignment to or for the benefit of Agent of any Collateral held by such Debtor or in which such Debtor has any rights not heretofore assigned, and (ii) filing any additional security agreements with the United States Patent and Trademark Office.

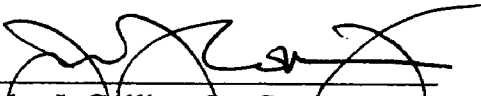
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IN WITNESS WHEREOF, each Debtor and Agent has caused this Agreement to be duly executed as of the day and year first above written.

EACH DEBTOR LISTED ON ANNEX A
ATTACHED HERETO

By: 
John J. Collins, Jr., Secretary

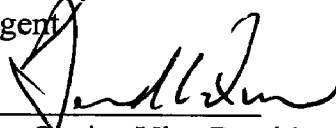
CHAMPION HOME BUILDERS CO.

By: 
John J. Collins, Jr., Secretary

By acceptance as of the day and year just above written, Agent on behalf of itself and the other Lenders agrees to be bound by the provisions hereof.

AGENT AND LENDER:

CONGRESS FINANCIAL CORPORATION
(CENTRAL), as Agent

By: 
David C. Quon, Senior Vice President

Address:
150 South Wacker Drive
Chicago, IL 60606

ANNEX A
Debtors

A-1 Champion GP, Inc.
A-1 Homes Group, L.P. (as Secretary of General Partner, A-1 Champion G.P., Inc.)
Alpine Homes, Inc.
AT Liquidating Corp.
Art Richter Insurance, Inc.
Auburn Champ, Inc.
Builders Credit Corporation
CAC Funding Corporation
Care Free Homes, Inc.
Champion Enterprises Management Co.
Champion Financial Corporation
Champion GP, Inc.
Champion Home Communities, Inc.
Champion Motor Coach, Inc.
Champion Retail, Inc.
Chandeleur Homes, Inc.
CHI, Inc.
Cliff Ave. Investments, Inc.
CRH Liquidating Corp.
Crestpointe Financial Services, Inc.
Dutch Housing, Inc.
FHA Liquidating Corp.
Fleming County Industries, Inc.
Gateway Acceptance Corp.
Gateway Mobile & Modular Homes, Inc.
Gateway Properties Corp.
Gem Homes, Inc.
Genesis Home Centers, Limited Partnership (as Secretary of General Partner, Champion, GP, Inc.)
GM Liquidating Corp.
HH Liquidating, L.P. (as Secretary of General Partner, Champion, GP, Inc.)
HAF Liquidating Corp.

HAA Liquidating Corp.
HAC Liquidating Corp.
HAO Liquidating Corp.
HAU Liquidating Corp.
HAW Liquidating Corp.
Homes of Kentuckiana, LLC (as Secretary of Sole Member, Trading Post Mobile Homes, Inc.)
Homes of Legend, Inc.
Homes of Merit, Inc.
I.D.A., Incorporated
Iseman Corp.
Lamplighter Homes, Inc.
Lamplighter Homes (Oregon), Inc.
Moduline International, Inc.
Northstar Corporation
Prairie Ridge, Inc.
Redman Business Trust
Redman Homes Management Company, Inc.
Redman Homes, Inc.
Redman Industries, Inc.
Redman Investment, Inc.
Redman Management Services Business Trust
Redman Retail, Inc.
Regency Supply Company, Inc.
San Jose Advantage Homes, Inc.
Service Contract Corporation
Southern Showcase Finance, Inc.
Southern Showcase Housing, Inc.
Star Fleet, Inc.
The Okahumpka Corporation
Trading Post Mobile Homes, Inc.
USAMH Liquidating Corp.
Victory Investment Co.
Western Homes Corporation
WM Liquidating Corp.

The mailing address for each of the Debtors is:

2701 Cambridge Court, Suite 300
Auburn Hills, Michigan 48326

SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT

Dated as of January 17, 2003

Owner	Mark	Status	Country	Class	Appl. No	Filing Date	Regis. No	Regis. Date	Next Renewal
A-1 Homes Group, L.P.	A-1	Registered	USA	42	73/427805	27-May-83	1313998	08-Jan-85	08-Jan-05
	HOMES AMERICA	Inactive	USA	42	75/186345	18-Oct-96			
	HOMES OF AMERICA & Design	Registered	USA	42	75/073368	15-Mar-96	2110382	04-Nov-97	04-Nov-07
	A-1 HOMES & Design	Filed	USA	35	76/185544	21-Dec-00			
Accent Mobile Homes, Inc.	ACCENT MOBILE HOMES	Registered	USA	42	75/092928	23-Apr-96	2042011	04-Mar-97	04-Mar-07
	CREATIVE HOUSING	Registered	USA	42	75/092929	23-Apr-96	2042012	04-Mar-97	04-Mar-07
	FOXWOOD HOME CENTER	Registered	USA	42	75/093135	23-Apr-96	2043622	11-Mar-97	11-Mar-07
Auburn Champ, Inc.	CHAMPION WORLD'S LARGEST HOME BUILDER 5-POINT PLEDGE & Design	Filed	USA	35	76/245528	24-Apr-01			
	WORLD'S LARGEST HOMEBUILDER	Registered	USA	19	76/023026	11-Apr-00			
	THERMORIZED	Filed	USA	19	75/642700	18-Feb-99			
	ALLIANCE OF CHAMPIONS & Design	Filed	USA	41	76/023025	11-Apr-00			
	GENESIS AFFORDABLE HOUSING	Filed	USA	35	76/257797	16-May-01			
	GENESIS HOMES & Design	Registered	USA	19	76/203726	01-Feb-01			
	BUILD BETTER. BUILD FASTER.	Inactive	USA	19	76/203974	01-Feb-01			
	BUILD BETTER. BUILD FASTER.	Filed	USA	37	78/143067	11-Jul-02			
	HOMEMARK	Filed	USA	19	75/799595	15-Sep-99			

Schedule A - 1

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TRADEMARK
REEL: 003028 FRAME: 0282

Auburn Champ, Inc.	GENESIS	Filed	USA	19	76/054174	23-May-00			
	5-POINT PLEDGE	Filed	USA	35	76/244247	20-Apr-01			
	ALLIANCE OF CHAMPIONS & Design	Registered	USA	35	75/642701	18-Feb-99	2523088	25-Dec-01	25-Dec-11
	HOMEPRIDE	Registered	USA	36	75/659080	12-Mar-99	2424003	23-Jan-01	23-Jan-11
	HOMEPRIDE	Inactive	USA	41	75/642702	18-Feb-99		18-Feb-99	
	CHAMPION	Registered	USA	12	72/082482	01-Oct-59	696685	26-Apr-60	26-Apr-10
	HOMEPRIDE & Design	Registered	USA	36	76/023027	11-Apr-00	2430060	20-Feb-01	20-Feb-11
	MANATEE	Registered	USA	12	72/170294	04-Jun-93	774432	04-Aug-94	04-Aug-04
	ATLANTIC	Registered	USA	12	72/176779	12-Sep-63	775658	25-Aug-94	25-Aug-04
	TAMARACK	Registered	USA	12	72/295218	09-Apr-68	865235	25-Feb-99	25-Feb-09
	SEQUOIA	Registered	USA	12	72/445749	11-Jan-73	981878	09-Apr-94	09-Apr-04
	TITAN	Registered	USA	12	73/636916	22-Dec-86	1540378	23-May-89	23-May-09
	CHAMPION	Registered	USA	19	72/415722	16-Feb-72	978385	12-Feb-94	12-Feb-04
	GENWAY	Filed	USA	19	78/099462	21-Dec-01			
	GENWAY HOME BUILDING CENTER & Design	Filed	USA	19	78/099481	21-Dec-01			
Champion Home Builders Co.	SUMMIT CREST	Registered	USA	19	74/618225	05-Jan-95	2019761	26-Nov-96	26-Nov-06
	DESIGN: (Flaming Torch In Circle)	Registered	USA	12	72/247772	10-Jun-66	839054	21-Nov-97	21-Nov-07
	CONCORD	Inactive	USA	12	72/299649	04-Jun-68	867437	01-Apr-69	01-Apr-89
	METAMORA [STYLIZED]	Inactive	USA	12	72/464011	26-Jul-73	990026	06-Aug-74	06-Aug-94
	HANDI-VAN	Inactive	USA	12	73/013968	21-Feb-74	1005789	04-Mar-75	04-Mar-95
	CHAMPION [DESIGN]	Inactive	USA	12	73/224972	26-Jul-79	1252839	04-Oct-83	04-Oct-03
Champion Motor Coach, Inc.	CONTENDER	Registered	USA	12	74/656404	05-Apr-95	2037715	11-Feb-97	11-Feb-07
	COMMODORE	Registered	USA	12	74/656403	05-Apr-95	2037714	11-Feb-97	11-Feb-07
	EUROCOACH	Inactive	USA	12	73/675359	30-Jul-87	1590756	11-Apr-90	11-Apr-00

Champion Retail, Inc.	CHAMPION HOME CENTER	Inactive	USA	35	75/842160	05-Nov-99			
	CHAMPION HOME CENTER & Design	Registered	USA	35	75/387936	10-Nov-97	2510796	20-Nov-01	20-Nov-11
Dutch Housing, Inc.	COMMANDER	Filed	USA	19	75/686558	19-Apr-99			
	COMMANDER HOUSING & Design	Filed	USA	19	75/724151	08-Jun-99			
	DUTCH	Registered	USA	19	75/726833	08-Sep-95	2050361	08-Apr-97	08-Apr-07
	BLUEGRASS	Registered	USA	19	75/560397	28-Sep-98	2601463	30-Jul-02	30-Jul-12
	FORTUNE	Registered	USA	19	75/560391	28-Sep-98	2462213	19-Jun-01	19-Jun-11
	VALUE IN QUALITY-THE DUTCH TOUCH	Registered	USA	19	74/731801	21-Sep-95	2148076	31-Mar-98	31-Mar-08
	DUCHESS	Registered	USA	19	75/016118	01-Nov-95	2242987	04-May-99	04-May-09
Homes of Merit, Inc.	HOMES OF MERIT & Design	Registered	USA	19	75/602313	07-Dec-98	2370233	25-Jul-00	25-Jul-10
Moduline International, Inc.	MODULINE HOME	Inactive	USA	19	73/016387	19-Mar-74	1156279	02-Jun-81	
	MODULINE INTERNATIONAL Design	Registered	USA	12	73/016386	19-Mar-74	1042219	29-Jun-76	29-Jun-96
Redman Homes, Inc.	NEW MOON	Registered	USA	12	72/119548	08-May-61	726680	23-Jan-02	23-Jan-12
	THE GREAT AMERICAN HOMEMAKER	Registered	USA	42	73/759243	24-Oct-88	1575727	02-Jan-90	02-Jan-10
	THE GREAT AMERICAN HOMEMAKER REDMAN HOMES (& Design)	Registered	USA	37; 42	73/365462	19-May-82	1273869	10-Apr-84	10-Apr-04
	SOUTHWOOD	Registered	USA	12	72/264245	08-Feb-67	844904	27-Feb-88	27-Feb-08
	KIRKWOOD	Registered	USA	12	72/249180	28-Jun-66	835826	26-Sep-87	26-Sep-07
Western Homes Corporation	SILVERCREST	Registered	USA	19	75/409192	22-Dec-97	2367429	18-Jul-00	18-Jul-10

Licenses:

1. The Borrower and its affiliates license the name "Champion Home Centers" to each member of its affiliated company owned and independent retailer network. This license continues for as long as the retailer remains in the "Champion Home Centers" program.
2. The Borrower and its affiliates also license various names among themselves.
3. The Borrower and its affiliates also license the names "Champion Motor Coach" and "Champion Bus" for a perpetual term to Thor Industries, Inc., the purchaser of Champion Motor Coach, Inc.'s bus manufacturing business.
4. The Borrower and its affiliates license the name "Homes America" to the recent purchaser of certain of its Arizona and California retail sales centers.
5. The Borrower and its affiliates allow HomePride Finance Corp. and its subsidiaries to use the name "HomePride".

EXHIBIT B

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of January __, 2003 by and between _____, a _____ ("Assignor"), in favor of CONGRESS FINANCIAL CORPORATION (CENTRAL), as Agent for itself and the other Lenders (as defined in the Agreement referenced below) ("Assignee").

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Trademark Security Agreement dated as of January __, 2003 made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled;

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee for the benefit of Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), and (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks. The Trademarks and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or future assignment or encumbrance of any or all of the Collateral, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

Exhibit B-1

CH\564674.6

4. Binding Effect; Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

By: _____

Name: _____

Title: _____

Exhibit B-2

CH\564674.6

TRADEMARK
REEL: 003028 FRAME: 0287

SCHEDULE I

Debtor	<u>Trademark</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Renewal Date</u>

<u>Debtor</u>	<u>Trademark Application</u>	<u>Application Serial Number</u>	<u>Application Date</u>

Sch I-1

CH564674.6

TRADEMARK
REEL: 003028 FRAME: 0288

TRADEMARK SECURITY AGREEMENT

(Debtor)

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made and entered into as of January 1, 2003 by the parties named as debtors on the signature pages hereto (individually, a "Debtor" and collectively, the "Debtors"), in favor of CONGRESS FINANCIAL CORPORATION (CENTRAL), an Illinois corporation, as agent (together with its successors and assigns, "Agent") for itself and the lenders ("Lenders") from time to time party to the Loan and Security Agreement (as defined below).

WITNESSETH:

WHEREAS, Agent, Lenders, Champion Enterprises, Inc. and Champion Home Builders Co. (the "Borrower") and certain direct and indirect subsidiaries of Borrower have entered or are about to enter into certain financing arrangements pursuant to which Lenders may make loans and advances and provide other financial accommodations to Borrower as set forth in the Loan and Security Agreement, dated of even date herewith, among Borrower, Agent and Lenders (as the same now exists or may hereafter be amended, amended and restated, supplemented or otherwise modified from time to time, the "Loan and Security Agreement"), and other agreements, documents and instruments now or at any time executed and/or delivered in connection therewith, including, but not limited to, this Agreement (all of the foregoing, together with the Loan and Security Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements"). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Loan and Security Agreement.

WHEREAS, certain of Borrower's direct and indirect subsidiaries have executed and delivered or are about to execute and deliver to Agent, for itself and on behalf of Lenders, guarantees (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantees") in favor of Agent pursuant to which, *inter alia*, Debtors, jointly and severally, absolutely and unconditionally, guarantee to Agent the payment and performance of all now existing and hereafter arising obligations, liabilities and indebtedness of Borrower to Agent;

WHEREAS, certain of Borrower's direct and indirect subsidiaries have executed and delivered or are about to execute and deliver to Agent, for itself and on behalf of Lenders, a security agreement (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Security Agreement") in favor of Agent pursuant to which, *inter alia*, such subsidiaries grant a security interest in substantially all of their assets as collateral for the payment and performance of all now existing and hereafter arising obligations, liabilities and indebtedness of Borrower; and

WHEREAS, in order to induce Agent and Lenders to enter into the Loan and Security Agreement and the other Financing Agreements and to make the loans under the Loan and Security Agreement and the other Financing Agreements, and as a condition precedent thereto, Agent requires that each Debtor shall have executed and delivered this Agreement to