

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Watermill-C&M Acquisition, Inc.		04/09/2008	CORPORATION: DELAWARE
C&M Technologies Group, Inc.		04/09/2008	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Steel City Capital Funding, LLC, as Administrative Agent		
<b>Street Address:</b>	1600 Market Street		
<b>City:</b>	Philadelphia		
<b>State/Country:</b>	PENNSYLVANIA		
<b>Postal Code:</b>	19103		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: DELAWARE		
<b>PROPERTY NUMBERS Total: 3</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2480503	C&M DURALON	
Registration Number:	2474148	DURALON	
Registration Number:	2518086	QUAD CLEAR	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(617)248-4000		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	6172485000		
<b>Email:</b>	kschoff@choate.com		
<b>Correspondent Name:</b>	Choate, Hall & Stewart LLP		
<b>Address Line 1:</b>	Two International Place		
<b>Address Line 2:</b>	Kell L. Schoff		
<b>Address Line 4:</b>	Boston, MASSACHUSETTS 02110		
<b>ATTORNEY DOCKET NUMBER:</b>	2008486-0001		
<b>NAME OF SUBMITTER:</b>	Kell L. Schoff		

OP \$90.00 2480503

Signature:	/Kell L. Schoff/
Date:	04/11/2008
<p><b>Total Attachments: 11</b></p> <p>source=IP Security Agreement SCCF CM#page1.tif source=IP Security Agreement SCCF CM#page2.tif source=IP Security Agreement SCCF CM#page3.tif source=IP Security Agreement SCCF CM#page4.tif source=IP Security Agreement SCCF CM#page5.tif source=IP Security Agreement SCCF CM#page6.tif source=IP Security Agreement SCCF CM#page7.tif source=IP Security Agreement SCCF CM#page8.tif source=IP Security Agreement SCCF CM#page9.tif source=IP Security Agreement SCCF CM#page10.tif source=IP Security Agreement SCCF CM#page11.tif</p>	

Notwithstanding anything herein to the contrary, the liens and security interest granted to Steel City pursuant to this Agreement and the exercise of any right or remedy by Steel City hereunder are subject to the provisions of that certain Intercreditor Agreement, dated as of the date hereof (the "Intercreditor Agreement"), among PNC Bank, National Association and Steel City Capital Funding, LLC; and each holder of the Obligations hereunder, by its acceptance hereof, irrevocably agrees to be bound by the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control."

### INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of April 9, 2008, is entered into by and among **WATERMILL-C&M ACQUISITION, INC.**, a Delaware corporation (the "**Initial Borrower**") **C&M TECHNOLOGIES GROUP, INC.**, a Delaware corporation (the "**C&M**", and together with the Initial Borrower, and their respective successors in title and assigns, the "**Grantors**"), and **STEEL CITY CAPITAL FUNDING, LLC**, as administrative agent for the benefit of the Lenders (hereinafter, together with its successors and assigns, including any successor administrative agent for the Lender, the "**Administrative Agent**").

#### Statement of Facts

A. Pursuant to the Term Loan and Security Agreement, dated as of the date hereof, by and among the Initial Borrower, Watermill-C&M Holdings, Inc., the sole shareholder of the Initial Borrower (the "**Parent**"), the several financial institutions from time to time party to the Credit Agreement as Lenders thereunder, and the Administrative Agent (as amended, amended and restated, modified, supplemented or restated and in effect from time to time, the "**Credit Agreement**"), the Lenders have agreed to make Loans and other extensions of credit to the Initial Borrower.

B. On or about the date of the Credit Agreement, the Initial Borrower shall merge with C&M pursuant to that certain Agreement and Plan of Merger dated as of the date hereof among Initial Borrower and C&M (as the same may be hereafter amended, modified, extended, restated or supplemented from time to time, the "**Merger Agreement**"). C&M shall be the surviving corporation of such merger. Pursuant to the Merger Agreement, immediately upon the Merger Effective Time, each issued and outstanding share of the common stock of Initial Borrower shall automatically be converted into one share of the common stock of C&M as the surviving corporation, and C&M shall automatically assume and succeed to all Obligations under the Credit Agreement and each of the Other Documents. In connection with the merger, C&M has entered into that certain Ratification Agreement dated as of the date hereof among the Borrower, C&M, Lenders and the Administrative Agent, pursuant to which C&M has agreed to assume, become liable for and become bound with respect to all of Initial Borrower's obligations, liabilities, covenants, undertakings and duties under the Credit Agreement and all of the Other Documents.

C. In order to induce the Lenders to make Loans and other extensions of credit to the Initial Borrower upon the terms and subject to the conditions contained in the Credit Agreement, the Grantors have agreed to grant to the Administrative Agent, for the benefit of the Lenders, continuing security interests in and Liens upon all Intellectual Property, as defined hereafter, of the Grantors in order to secure all of the Obligations.

D. Upon the terms contained in the Credit Agreement and the Security Agreement, the Grantors have agreed to execute and deliver to the Administrative Agent, for the benefit of the Lenders, this Intellectual Property Security Agreement, which is supplemental to the Credit Agreement and shall constitute an Other Document.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors jointly and severally hereby absolutely, unconditionally and irrevocably agree with the Administrative Agent as follows:

1. **Definitions.** All capitalized terms used (including in the Preamble and the Statement of Facts) but not otherwise defined herein shall have the meanings given to them in the Credit Agreement, and the following terms shall have (unless otherwise provided elsewhere in this Intellectual Property Security Agreement) the following respective meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

(a) **"Intellectual Property"** shall mean all of the rights, title and interests of the Grantors in, to and under all of the following, whether presently existing or at any time or from time to time hereafter created, arising or acquired:

(i) all of its Marks, including all of its trademarks and all trademark licenses to which it is a party, including, without limitation, all of those referred to in Schedule I hereto;

(ii) all of its Patents and all Patent licenses to which it is a party, including, without limitation, all of those referred to in Schedule II hereto;

(iii) all of its Copyrights and all Copyright licenses to which it is a party, including, without limitation, all of those referred to in Schedule III hereto;

(iv) all goodwill of the businesses of the Grantors connected with the use of, or otherwise symbolized by, each Mark (including each trademark and trademark license), Patent, Patent license, Copyright and Copyright License;

(v) all Trade Secret Rights, all Works, Imprints, Manuscripts, URLs and all other Intellectual Property; and

(vi) all income, products and proceeds of each of the foregoing, including, without limitation, all claims by the Grantors against third parties for past, present or future (A) infringement or dilution of any Mark, including any trademark or trademark licensed under any trademark license, (B) injury to any goodwill associated with any Mark, including any trademark or any trademark licensed under any trademark license, (C) infringement of any Patent or any Patent licensed under any Patent license, (D) injury to any goodwill associated with any Patent or any Patent licensed under any Patent license, (E) infringement of any Copyright or any Copyright licensed under any Copyright license, (F) injury to any goodwill associated with any Copyright or any Copyright licensed under any Copyright license, or (G) violation of any Trade Secret Rights or any other Intellectual Property.

(b) **“Credit Agreement”** shall have the meaning given to such term in the Statement of Facts above.

(c) **“UCC”** shall mean the Uniform Commercial Code, as enacted and in effect from time to time in the Commonwealth of Massachusetts.

All other terms contained in this Intellectual Property Security Agreement shall, unless the context shall indicate otherwise, have the meanings provided for by the UCC, to the extent that such other terms are used or defined therein. References to the Credit Agreement include any amendment, amendment and restatement, modification, supplement, restatement, replacement or refinancing (in whole or in part) thereof, whether by way of increase or reduction to any of the commitments or the principal amount of any of the Advances, addition or elimination of any credit facilities thereunder, extension of any term, addition or deletion of any party thereto, or otherwise.

2. **Grant of Security Interests.** To secure the prompt and complete payment and performance of all and each of the Obligations, as and when the same shall become due and payable, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due and payable but for the operation of the automatic stay under the Bankruptcy Code), the Grantors hereby grant to the Administrative Agent, for the benefit of the Lenders, a continuing security interest in and Lien upon all of the rights, title and interests of the Grantors to, in and under all of the Intellectual Property.

3. **Representations and Warranties; Covenants.** The Grantors represent and warrant to the Administrative Agent that, as of the Closing Date, the Grantors do not have any ownership interest in, or title to, any registered Mark, Mark application, Patent, Patent application, registered Copyright or Copyright application, except as set forth in Schedule I, Schedule II and Schedule III hereto. This Intellectual Property Security Agreement is effective to create valid and continuing security interests in and Liens upon, and, upon the recording hereof with the United States Patent and Trademark Office and the United States Copyright Office (and Administrative Agent is hereby empowered and authorized to so record this Agreement with the United States Patent and Trademark

Office and the United States Copyright Office), and the filing of appropriate financing statements in the State of organization of the applicable Grantor, perfected Liens in favor of the Administrative Agent on, the Grantors' Marks, Patents, and Copyrights. The Grantors hereby covenant and agree that promptly upon the acquisition by, registration of, issuance to or filing by Grantors of any new registered Mark, Mark application, Patent, Patent application, registered Copyright or Copyright application, Grantors shall promptly deliver written notice of such event to Administrative Agent, which such notice shall include an amended and restated Schedule I, Schedule II and Schedule III (as applicable). All such newly acquired, registered, issued and/or filed Intellectual Property shall automatically become part of the Intellectual Property hereunder, and Administrative Agent shall be empowered and authorized to record a further copy of this Agreement together with such amended and restated Schedule I, Schedule II and Schedule III (as applicable) with the United States Patent and Trademark Office and/or United States Copyright Office without further consent of or signatures from Grantors, and there shall be no need to re-execute, amend or restate this Agreement in connection therewith.

4. **Credit Agreement.** The security interests and Liens granted by the Grantors to the Administrative Agent pursuant to this Intellectual Property Security Agreement are granted in conjunction with, and as a supplement to, the security interests and Liens granted by the Grantors to the Administrative Agent pursuant to the Credit Agreement and the Other Documents, and are not intended in any way to limit such security interests and Liens under the Credit Agreement and the Other Documents. The rights and remedies of Administrative Agent under this Agreement, the Credit Agreement, the Other Documents and under Applicable Law (including the UCC) with respect to the Intellectual Property Security shall be cumulative and not alternative, and the exercise of any such rights or remedies shall not preclude the exercise of any other such rights or remedies, all of which may be exercised independently, in such order and from time to time, all as Administrative Agent may elect in its discretion.

5. **Additional Grantors.** Additional Subsidiaries of the Borrower ("Additional Grantors") may from time to time hereafter become parties to and bound by this Intellectual Property Security Agreement by executing a counterpart hereof, or (alternatively) by executing a supplement to this Agreement or a joinder agreement, (in each case) in form and substance reasonably satisfactory to the Administrative Agent, and there shall be no need to re-execute, amend or restate this Agreement in connection therewith. Upon such execution and delivery of this Agreement by any Additional Grantor, such Additional Grantor shall be deemed to have granted the security interests and Liens in its Intellectual Property and to have made the representations and warranties set forth in this Agreement, and shall be bound by all of the terms, covenants and conditions hereof to the same extent as if such Additional Grantor had executed this Agreement as of the date hereof, and the Administrative Agent shall be entitled to all of the benefits of such Additional Grantor's Obligations hereunder.

6. **Reinstatement.** This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective in the event that any petition shall be filed by or against the Grantors for liquidation or reorganization, should the

Grantors become insolvent or make an assignment for the benefit of any creditor or creditors should a receiver or trustee be appointed for all or any significant part of the Grantors' assets or should any other event or circumstance of the types described in Section 10.7, 10.8 or 10.9 of the Credit Agreement occur with respect to Grantors, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to Applicable Law, rescinded or reduced in amount, or must otherwise be restored or returned, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and shall be deemed reduced only by such amount paid in cash and not so rescinded, reduced, restored or returned.

7. **Notices.** Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties hereto by any other party hereto, or whenever any of the parties hereto desires to give and serve upon any other party hereto any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the notice provisions of the Credit Agreement.

8. **Termination; Release.** Notwithstanding any contrary term contained in Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon indefeasible payment in full in cash of all of the Obligations and termination of the Credit Agreement and any and all commitments of any Lender to make loans or otherwise extend credit to Grantors thereunder. Upon any termination of the Liens created hereunder in accordance with the foregoing sentence, the Administrative Agent shall, at the sole cost and expense of the Grantors, promptly execute and deliver to the Grantors such documents as the Grantors shall reasonably request to evidence the termination of the Liens created hereby.

9. **Power of Attorney.** Without limiting the generality of any power of attorney granted to Administrative Agent under the Credit Agreement or any Other Document, each Grantor hereby authorizes Administrative Agent, its successors and assigns (including any successor administrative agent for Lenders), and any officer, employee, attorney or agent thereof, as such Grantor's true and lawful attorney-in-fact, with the power (i) to execute and endorse on behalf of and in the name of Grantor any supplement to this Agreement or other security agreement or similar document or instrument which Administrative Agent may deem necessary or desirable in order to create, protect, perfect or enforce the security interest in the Intellectual Property of Grantors provided for herein and (ii) after the occurrence and during the continuance of an Event of Default, to execute and endorse on behalf of and in the name of such Grantor any assignment, bill of sale, license or similar document or instrument which Administrative Agent may deem necessary or desirable in order for Administrative Agent to assign, sell, transfer title in, license or otherwise dispose of any of the Intellectual Property of such Grantor, and in each case under clauses (i) or (ii) to file with the United

States Patent and Trademark Office in the name of and on behalf of such Grantor any such supplements, agreement, document, instrument, assignment or bill of sale executed by Administrative Agent, its successors and assigns (including any successor administrative agent for Lenders), and any officer, employee, attorney or agent thereof under this power of attorney. Each Grantor hereby unconditionally ratifies all that any person authorized under this power of attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms of hereof and of the Credit Agreement. This power of attorney is coupled with an interest and is and shall be irrevocable.

10. **Choice of Law And Venue; Jury Trial Waiver.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE ADMINISTRATIVE AGENT AND EACH GRANTOR ACKNOWLEDGES THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF THEM, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL OF THEIR CHOICE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY RELATED INSTRUMENT OR FINANCING DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OF THE OTHER FINANCING DOCUMENTS OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTION OF ANY OF THEM. EACH OF THE PARTIES HERETO HEREBY AGREES TO BE BOUND BY THE PROVISIONS SET FORTH IN SECTION 12.3 OR SECTION 15.1 OF THE CREDIT AGREEMENT, WHICH PROVISIONS ARE HEREBY INCORPORATED HEREIN BY REFERENCE WITH THE SAME FULL FORCE AND EFFECT AS IF SET FORTH HEREIN IN FULL.

11. **Expenses.** In the event that the Grantors shall fail to comply with the provisions of this Intellectual Property Security Agreement or any Other Document, such that the value of any Intellectual Property or the validity, perfection, rank or value of any Liens created hereunder is thereby materially diminished or potentially materially diminished or put at risk, the Administrative Agent may, but shall not be required to, effect such compliance on behalf of the Grantors, and the Grantors shall reimburse the Lenders for all of the reasonable costs and expenses thereof on demand by the Administrative Agent.

12. **Delivery by Facsimile or Electronic Mail.** Delivery of the signature pages to this Intellectual Property Security Agreement by facsimile or electronic mail shall be as effective as delivery of manually executed counterparts of this Intellectual Property Security Agreement.

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IN WITNESS WHEREOF, the Grantors have caused this INTELLECTUAL PROPERTY SECURITY AGREEMENT to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

**GRANTORS:**

**WATERMILL-C&M ACQUISITION, INC.,**  
as the Initial Borrower and a Grantor

By: Stephen Kotler  
Name: Stephen J. Kotler  
Title: Vice President, Secretary and Treasurer

**C&M TECHNOLOGIES GROUP, INC.,**  
as the Borrower, subsequent to the execution  
of the Ratification Agreement and a Grantor

By: Stephen Kotler  
Name: Stephen J. Kotler  
Title: Vice President, Assistant Secretary and  
Assistant Treasurer

**ADMINISTRATIVE AGENT:**

**STEEL CITY CAPITAL FUNDING, LLC,**  
as Administrative Agent

By: \_\_\_\_\_  
Name: Kevin Madigan  
Title: Managing Director

IN WITNESS WHEREOF, the Grantors have caused this INTELLECTUAL PROPERTY SECURITY AGREEMENT to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

**GRANTORS:**

**WATERMILL-C&M ACQUISITION, INC.,**  
as the Initial Borrower and a Grantor

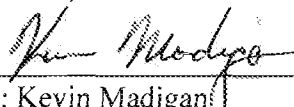
By: \_\_\_\_\_  
Name: Stephen J. Kotler  
Title: Vice President, Secretary and Treasurer

**C&M TECHNOLOGIES GROUP, INC.,**  
as the Borrower, subsequent to the execution  
of the Ratification Agreement and a Grantor

By: \_\_\_\_\_  
Name: Stephen J. Kotler  
Title: Vice President, Assistant Secretary and  
Assistant Treasurer

**ADMINISTRATIVE AGENT:**

**STEEL CITY CAPITAL FUNDING, LLC,**  
as Administrative Agent

By:  \_\_\_\_\_  
Name: Kevin Madigan  
Title: Managing Director

Schedule I

Trademarks; Trademark Licenses

<u>Title:</u>	<u>Filing Date:</u>	<u>App. No.:</u>	<u>Issue Date:</u>	<u>Reg. No.:</u>	<u>Country:</u>
C&M DURALON	3/15/99	75/660,571	08/21/01	2,480,503	USA
DURALON	3/15/99	75/660,574	7/31/01	2,474,148	USA
QUAD CLEAR	5/3/99	75/696,094	12/11/01	2,518,086	USA
C&M Megaflex		Expired			
SPIRALINK		Expired			

Schedule II

Patents; Patent Licenses

<u>Title:</u>	<u>Patent No.:</u>	<u>Issue Date:</u>	<u>Country:</u>
Retractable Multiconductor Coil Cord (this patent has expired)	5,763,836	06/09/98	USA
Method for Producing an Electrical Bond Between Conductors and Electrical Connector Contacts	6,064,026	05/16/00	USA
Method and Apparatus for Producing an Electrical Bond Between Conductors and Electrical Connector Contacts	6,137,075	10/24/00	USA

Schedule III

Copyrights; Copyright Licenses

None.