

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

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

1. Name of conveying party(ies):
Sager Electrical Supply Company Inc.
Sager Sales Corporation

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

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

2. Name and address of receiving party(ies)
Name: Wells Fargo Foothill, Inc.
Internal
Address: 18th Floor

Street Address: One Boston Place
City: Boston State: MA Zip: 02108

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

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: 9/23/03

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s) 76/255,081

Additional number(s) attached Yes No

B. Trademark Registration No.(s) _____
 2,115,263; 2,075,381

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Eileen Sullivan
 Internal Address: Bingham McCutchen LLP

Street Address: 150 Federal Street

City: Boston State: MA Zip: 02110

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 90.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
 500927

DO NOT USE THIS SPACE

9. Signature.

Elizabeth Doherty *Elizabeth A. Doherty* September 30, 2003
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 22

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

CH \$90.00 500927 76255081

EXECUTION COPY

**TRADEMARK COLLATERAL
SECURITY AND PLEDGE AGREEMENT**

TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT dated as of September 23, 2003, among **SAGER ELECTRICAL SUPPLY COMPANY INC.**, a Massachusetts corporation, having its principal place of business at 97 Libbey Industrial Parkway, Weymouth, Massachusetts 02189, and **SAGER SALES CORPORATION**, a Massachusetts corporation having its principal place of business at 97 Libbey Industrial Parkway, Weymouth, Massachusetts 02189 (each individually, an "Assignor" and collectively, the "Assignors"), and **WELLS FARGO FOOTHILL, INC.**, having an office at One Boston Place, 18th Floor, Boston, Massachusetts 02108, as arranger and administrative agent (hereinafter, in such capacity, the "Agent") for itself and other lenders (hereinafter, collectively, the "Lenders") which are, or may in the future become, parties to a Loan and Security Agreement, dated as of September 23, 2003 (as amended and in effect from time to time, the "Loan and Security Agreement"), among the Assignors, the Lenders and the Agent.

WHEREAS, it is a condition precedent to the Lenders' making any loans or otherwise extending credit to the Assignors under the Loan and Security Agreement that each Assignor execute and deliver to the Agent, for the benefit of the Lenders and the Agent, a trademark collateral security and pledge agreement in substantially the form hereof;

WHEREAS, each Assignor has executed and delivered to the Agent, for the benefit of the Lenders and the Agent, the Loan and Security Agreement, pursuant to which each Assignor has granted to the Agent, for the benefit of the Lenders and the Agent, a security interest in certain of such Assignor's personal property, including without limitation the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations (as defined in the Loan and Security Agreement); and

WHEREAS, this Trademark Agreement is supplemental to the provisions contained in the Loan and Security Agreement;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Loan and Security Agreement. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Trademark Agreement referred to below:

Assignment of Marks. See §2.1.

Associated Goodwill. All goodwill of any Assignor and its respective business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

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Pledged Trademarks. All of any Assignor's right, title and interest in and to all of its Trademarks, Trademark Registrations, Trademark License Rights, Trademark Rights, Associated Goodwill, Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

PTO. The United States Patent and Trademark Office.

Related Assets. All assets, rights and interests of any Assignor that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of such Assignor, or subject to its demand for possession or control, related to the production, delivery, provision and sale by such Assignor, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of such Assignor in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of such Assignor, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address, credit, payment, discount, delivery and other sale terms, and history, pattern and total of purchases by brand, product, style, size and quantity;

(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by such Assignor (or any of its affiliates, franchisees, licensees or contractors) of

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products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark Agreement. This Trademark Collateral Security and Pledge Agreement, as amended and in effect from time to time.

Trademark License Rights. Any and all past, present or future rights and interests of any Assignor pursuant to any and all past, present and future franchising or licensing agreements in favor of such Assignor, or to which such Assignor is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of such Assignor or the Agent to enforce, and sue and recover for, any breach or violation of any such agreement to which such Assignor is a party.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of any Assignor or the Agent, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of any Assignor or the Agent for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of any Assignor, that (i) are set forth on Schedule A hereto, or (ii) have been adopted, acquired, owned, held or used by such Assignor or are now owned, held or used by such Assignor, in such Assignor's business, or with such Assignor's products and services, or in which such Assignor has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and used by such Assignor in the Assignor's business or with such Assignor's products and services, or in which such Assignor in the future acquires any right, title or interest.

use. With respect to any Trademark, all uses of such Trademark by, for or in connection with the applicable Assignor or its business or for the direct or indirect benefit of the Assignor or its business, including all such uses by the Assignor itself, by any of the affiliates of the Assignor, or by any franchisee, licensee or contractor of the Assignor.

Unless otherwise provided herein, the rules of construction set forth in §1.4 of the Loan and Security Agreement shall be applicable to this Trademark Agreement.

2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, each Assignor hereby unconditionally grants to the Agent, for the benefit of the Lenders and the Agent, a continuing security interest in and first priority lien on such Assignor's Pledged Trademarks, and pledges and mortgages (but does not transfer title to) such Pledged Trademarks to the Agent for the benefit of the Lenders and the Agent. In addition, each Assignor has executed in blank and delivered to the Agent an assignment of federally registered trademarks in substantially the form of Exhibits 1 and 2 hereto (the "Assignment of Marks"). Each Assignor hereby authorizes the Agent to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Agent's remedies under this Trademark Agreement and the Loan and Security Agreement.

2.2. Conditional Assignment. In addition to, and not by way of limitation of, the grant, pledge and mortgage of the Pledged Trademarks provided in §2.1, each Assignor grants, assigns, transfers, conveys and sets over to the Agent, for the benefit of the Lenders and the Agent, such Assignor's entire right, title and interest in and to the Pledged Trademarks; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (i) upon or after the occurrence and during the continuance of an Event of Default and (ii) either (A) upon the written demand of the Agent at any time during such continuance or (B) immediately and automatically (without notice or action of any kind by the Agent) upon an Event of Default for which acceleration of the Obligations is automatic under the Loan and Security Agreement or upon the sale or other disposition of or foreclosure upon the Borrower Collateral pursuant to the Loan and Security Agreement and applicable law (including the transfer or other disposition of the Borrower Collateral by such Assignor to the Agent or its nominee in lieu of foreclosure).

2.3. Supplemental to Loan and Security Agreement. Pursuant to the Loan and Security Agreement, each Assignor has granted to the Agent, for the benefit of the Lenders and the Agent, a continuing security interest in and lien on the Borrower Collateral (including the Pledged Trademarks). The Loan and Security Agreement, and all rights and interests of the Agent in and to the Borrower Collateral (including the Pledged Trademarks) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Trademark Agreement, the grant, assignment, transfer and conveyance of the Pledged Trademarks hereunder, or the recordation of this Trademark Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Loan and Security Agreement, the security interest of the Agent in the Borrower Collateral (including the Pledged Trademarks) pursuant to the Loan and Security Agreement and this Trademark Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code (including the security interest in the Pledged Marks), or any present or future rights and interests of the Agent in and to the Borrower Collateral under or in connection with the Loan and Security Agreement, this Trademark Agreement or the Uniform Commercial Code. Any and all rights and interests of the Agent in and to the Pledged Trademarks (and any and all obligations of any Assignor with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Agent (and the obligations of any

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Assignor) in, to or with respect to the Borrower Collateral (including the Pledged Trademarks) provided in or arising under or in connection with the Loan and Security Agreement and shall not be in derogation thereof.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Each Assignor represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademarks and Trademark Registrations now owned, licensed, controlled or used by such Assignor; (ii) the Trademarks and Trademark Registrations are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks or Trademark Registrations; (iii) to the best of such Assignor's knowledge, each of the Trademarks and Trademark Registrations is valid and enforceable; (iv) to the best of such Assignor's knowledge, there is no infringement by others of the Trademarks, Trademark Registrations or Trademark Rights; (v) no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person, and to the best of such Assignor's knowledge, there is no infringement by such Assignor of the trademark rights of others; (vi) such Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that such Assignor is licensed to use), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by such Assignor not to sue third persons, other than the security interest and assignment created by the Loan and Security Agreement, this Trademark Agreement and the liens and security interests granted by the Assignors in favor of Fleet National Bank ("Fleet"), in its capacity as administrative agent on behalf of itself and the other lenders from time to time party to that certain Amended and Restated Credit Agreement dated September 23, 2003, as the same may be amended, restated, modified or supplemented from time to time (including, without limitation, as such liens and security interests may be evidenced from time to time by financing agreements, financing statements, security agreements, a separate trademark security agreement or otherwise between Fleet and the Assignor(s), but in each case subject to the terms and provisions of that certain Intercreditor Agreement dated September 23, 2003 among Agent, Fleet and the Assignor(s); (vii) such Assignor has the unqualified right to enter into this Trademark Agreement and to perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees that will enable them to comply with the covenants herein contained; (viii) such Assignor has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use of its Trademarks; (ix) such Assignor has used, and will continue to use for the duration of this Trademark Agreement, consistent standards of quality in its manufacture and provision of products and services sold or provided under its Trademarks; (x) this Trademark Agreement, together with the Loan and Security Agreement, will create in favor of the Agent a valid and perfected first priority security interest in the Pledged Trademarks upon making the filings referred to in clause (xi) of this §3; and (xi) except for the filing of financing statements with the Secretary of State of the Commonwealth of Massachusetts under the Uniform Commercial Code and the recording of this Trademark Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (A) for the grant by Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Trademark Agreement by such Assignor, or (B) for the perfection of or the exercise by the Agent of any of its rights and remedies hereunder.

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4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Agent's prior written consent, no Assignor will (other than as permitted by §3 above) (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with such Assignor's obligations under this Trademark Agreement or the Loan and Security Agreement.

5. AFTER-ACQUIRED TRADEMARKS, ETC.

5.1. After-acquired Trademarks. If, before the Obligations shall have been finally paid and satisfied in full, any Assignor shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Registrations or Trademark Rights, the provisions of this Trademark Agreement shall automatically apply thereto and such Assignor shall promptly provide to the Agent notice thereof in writing and execute and deliver to the Agent such documents or instruments as the Agent may reasonably request further to implement, preserve or evidence the Agent's interest therein.

5.2. Amendment to Schedule. The Assignors authorize the Agent to modify this Trademark Agreement and the Assignment of Marks, without the necessity of their Assignor's further approval or signature, by amending Schedule A hereto and the Annexes to the Assignment of Marks to include any future or other Trademarks, Trademark Registrations or Trademark Rights under §2 or §5.

6. TRADEMARK PROSECUTION.

6.1. Assignors Responsible. Each Assignor shall assume full and complete responsibility for the reasonable prosecution, defense, enforcement or any other necessary or desirable actions in connection with such Assignor's Pledged Trademarks, and shall hold each of the Agent and the Lenders harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Agent or any Lender in connection with the Agent's interest in the Pledged Trademarks or any other action or failure to act in connection with this Trademark Agreement or the transactions contemplated hereby. In respect of such responsibility, such Assignor shall retain trademark counsel acceptable to the Agent.

6.2. Assignor's Duties, etc. Each Assignor shall have the right and the duty, through trademark counsel reasonably acceptable to the Agent, to prosecute diligently any trademark registration applications of such Assignor's Trademarks pending as of the date of this Trademark Agreement or thereafter, to preserve and maintain all rights in such Assignor's Trademarks and Trademark Registrations, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks or Trademark Registrations. Any expenses incurred in connection with such applications and actions shall be borne by such Assignor. No Assignor shall abandon any filed trademark registration application, or any Trademark Registration or Trademark, without the consent of the Agent, which consent shall not be unreasonably withheld.

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6.3. Assignors' Enforcement Rights. Each Assignor shall have the right and the duty to bring reasonable suit or other reasonable action in such Assignor's own name to maintain and enforce such Assignor's Trademarks, Trademark Registrations and Trademark Rights. Such Assignor may require the Agent to join in such suit or action as necessary to assure such Assignor's ability to bring and maintain any such suit or action in any proper forum if (but only if) the Agent is completely satisfied that such joinder will not subject the Agent or any Lender to any risk of liability. Such Assignor shall promptly, upon demand, reimburse and indemnify the Agent for all damages, costs and expenses, including reasonable legal fees, incurred by the Agent pursuant to this §6.3.

6.4. Protection of Trademarks, etc. In general, each Assignor shall take any and all such actions (including institution and maintenance of suits, proceedings or actions) as may be reasonably necessary or appropriate to properly maintain, protect, preserve, care for and enforce such Assignor's Pledged Trademarks. No Assignor shall take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Pledged Trademarks.

6.5. Notification by Assignors. Promptly upon obtaining knowledge thereof, an Assignor will notify the Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of such Assignor's Trademarks or Trademark Registrations or such Assignor's rights, title or interests in and to the Pledged Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Pledged Trademarks, the ability of such Assignor or the Agent to dispose of any of the Pledged Trademarks or the rights and remedies of the Agent in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks).

7. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Agent shall have, in addition to all other rights and remedies given it by this Trademark Agreement (including, without limitation, those set forth in §2.2, the Loan and Security Agreement and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts, and, without limiting the generality of the foregoing, the Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Assignors, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks, or any interest that any Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks all expenses incurred by the Agent in attempting to enforce this Trademark Agreement (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in or by reference in the Loan and Security Agreement. Notice of any sale, license or other disposition of the Pledged Trademarks shall be given to the Assignors at least five (5) days before the time that any intended public sale or other public disposition of the Pledged Trademarks is to be made or after which any private sale or other private disposition of the Pledged Trademarks may be made, which each Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Agent may, to the

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extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or interests therein sold, licensed or otherwise disposed of.

8. COLLATERAL PROTECTION.

If any Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of such Assignor shall be breached, the Agent, in its own name or that of such Assignor (in the sole discretion of the Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and such Assignor agrees promptly to reimburse the Agent for any cost or expense incurred by the Agent in so doing.

9. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, each Assignor does hereby make, constitute and appoint the Agent (and any officer or agent of the Agent as the Agent may select in its exclusive discretion) as such Assignor's true and lawful attorney-in-fact, with full power of substitution and with the power to endorse such Assignor's name on all applications, documents, papers and instruments necessary for the Agent to use the Pledged Trademarks, or to grant or issue any exclusive or nonexclusive license of any of the Pledged Trademarks to any third person, or to take any and all actions necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of any of the Pledged Trademarks or any interest of such Assignor therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts that such Assignor is obligated to execute and do hereunder. Each Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and releases each of the Agent and the Lenders from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Agent under this power of attorney (except for the Agent's gross negligence or willful misconduct). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Trademark Agreement.

10. FURTHER ASSURANCES.

Each Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Agent may request or as may be reasonably necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Trademark Agreement, or to assure and confirm to the Agent the grant, perfection and priority of the Agent's security interest in the Pledged Trademarks.

11. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Trademark Agreement shall terminate and the Agent shall, upon the written request and at the expense of the Assignors, execute and deliver to the Assignors all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the applicable Assignor the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Agent by such Assignor pursuant to this

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Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Agent pursuant hereto or the Loan and Security Agreement. Nothing contained in this §11 shall be deemed to impact, modify or otherwise impair any liens ad security interests granted by Assignor(s) in favor of Fleet.

12. COURSE OF DEALING.

No course of dealing between any Assignor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under the Loan and Security Agreement or any other 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.

13. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and expenses incurred by the Agent in connection with the preparation of this Trademark Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance or renewal fees, encumbrances, or otherwise protecting, maintaining or preserving the Pledged Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Trademarks, shall be borne and paid by each Assignor.

14. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by any Assignor hereunder shall be a debt secured by the Pledged Trademarks and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Loan and Security Agreement.

15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER THE AGENT NOR ANY LENDER ASSUMES ANY LIABILITIES OF ANY ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR ANY USE, LICENSE OR SUBLICENSE THEREOF, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY THE RESPONSIBILITY OF THE ASSIGNORS, AND THE ASSIGNORS SHALL INDEMNIFY THE AGENT AND THE LENDERS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE AGENT OR ANY LENDER WITH RESPECT TO SUCH LIABILITIES.

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16. NOTICES.

All notices and other communications made or required to be given pursuant to this Trademark Agreement shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as Administrative Borrower or Agent, as applicable, may designate to each other in accordance with the Loan and Security Agreement), or telefacsimile to Assignors in care of Administrative Borrower or to Agent, as the case may be, at its address set forth in Section 12 of the Loan and Security Agreement. All notices or demands sent in accordance with this Section 16, other than notices by Agent in connection with enforcement rights against the Pledged Trademarks under the provisions of the Uniform Commercial Code, shall be deemed received on the earlier of the date of actual receipt or three (3) Business Days after the deposit thereof in the mail. Each Assignor acknowledges and agrees that notices sent by the Lender Group in connection with the exercise of enforcement rights against the Pledged Trademarks under the provisions of the Uniform Commercial Code shall be deemed sent when deposited in the mail or personally delivered, or, where permitted by law, transmitted by telefacsimile or any other method set forth above.

17. AMENDMENT AND WAIVER.

This Trademark Agreement is subject to modification only by a writing signed by the Agent (with the consent of the Required Lenders) and the Assignors, except as provided in §5.2. The Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Agent and the Required Lenders. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

18. GOVERNING LAW; CONSENT TO JURISDICTION.

THE VALIDITY OF THIS TRADEMARK AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, AND THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS TRADEMARK AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF [SUFFOLK], COMMONWEALTH OF MASSACHUSETTS, PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY PLEDGED TRADEMARKS MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH PLEDGED TRADEMARKS MAY BE FOUND. THE ASSIGNORS WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 18.

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19. WAIVER OF JURY TRIAL.

THE ASSIGNORS HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS TRADEMARK AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. THE ASSIGNORS REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT. Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. Each Assignor (i) certifies that neither the Agent or any Lender nor any representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Loan and Security Agreement and the other Loan Documents to which the Agent or any Lender is a party, the Agent and the Lenders are relying upon, among other things, the waivers and certifications contained in this §19.

20. MISCELLANEOUS.

The headings of each section of this Trademark Agreement are for convenience only and shall not define or limit the provisions thereof. This Trademark Agreement and all rights and obligations hereunder shall be binding upon the Assignors and their respective successors and assigns, and shall inure to the benefit of the Agent, the Lenders and their respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Trademark Agreement and the Loan and Security Agreement, the provisions of the Loan and Security Agreement shall control. If any term of this Trademark Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Trademark Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Each Assignor acknowledges receipt of a copy of this Trademark Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

SAGER ELECTRICAL SUPPLY COMPANY INC.

By: Thomas M. O'Reilly
Name: THOMAS M. O'REILLY
Title: CHIEF FINANCIAL OFFICER

SAGER SALES CORPORATION

By: Thomas M. O'Reilly
Name: THOMAS M. O'REILLY
Title: CHIEF FINANCIAL OFFICER

WELLS FARGO FOOTHILL, INC., as Agent

By: _____
Name:
Title:

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF * MA)
COUNTY OF * Plymouth) ss.

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 19th day of September, 2003, personally appeared THOMAS M. O'REILLY to me known personally, and who, being by me duly sworn, deposes and says that (s)he is the _____ of SAGER ELECTRICAL SUPPLY COMPANY INC. and SAGER SALES CORPORATION, and that said instrument was signed and sealed on behalf of said corporations by authority of its respective Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporations.

Thomas J. Flaherty
Notary Public
My commission expires: _____

BUSDOCS:1248553

Thomas J. Flaherty, NOTARY PUBLIC
My Commission Expires November 28, 2008

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

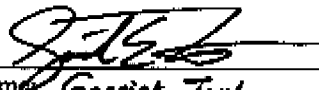
SAGER ELECTRICAL SUPPLY COMPANY INC.

By: _____
Name:
Title:

SAGER SALES CORPORATION

By: _____
Name:
Title:

WELLS FARGO FOOTHILL, INC., as Agent

By: 
Name: Garrick Tan
Title: VP

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF * _____)
COUNTY OF * _____) ss.

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this ___ day of _____, 2003, personally appeared _____ to me known personally, and who, being by me duly sworn, deposes and says that (s)he is the _____ of **SAGER ELECTRICAL SUPPLY COMPANY INC.** and **SAGER SALES CORPORATION**, and that said instrument was signed and sealed on behalf of said corporations by authority of its respective Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporations.

Notary Public
My commission expires:

BUSDOCS:1248553

SCHEDULE A**Sager Electrical Supply Company Inc.**
Trademarks and Trademark Registrations

Trademark or <u>Service Mark</u>	Registrations -- United States Patent and Trademark Office	
	<u>Registration No.</u>	<u>Registration Date</u>
SAGER ELECTRONICS	2,115,263	11/25/97
DISTRIBUTING	2,075,381	07/01/97
CONFIDENCE		

Trademark or <u>Service Mark</u>	Pending Applications -- United States Patent and Trademark Office	
	<u>Serial No.</u>	<u>Filing Date</u>
SYNERSPEC	76-255081	07/31/03

EXHIBIT 1**ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)**

WHEREAS, SAGER ELECTRICAL SUPPLY COMPANY INC., a corporation organized and existing under the laws of the Commonwealth of Massachusetts, having a place of business at 97 Libbey Industrial Parkway, Weymouth, Massachusetts 02189 (the "Assignor"), has adopted and has used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____, having a place of business at _____ (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

SCHEDULE A

Sager Sales Corporation
Trademarks and Trademark Registrations

Trademark
or
Service Mark

Registrations --
United States Patent and Trademark Office
Registration No. Registration Date

Trademark
or
Service Mark

Pending Applications --
United States Patent and Trademark Office
Serial No. Filing Date

Trademark Security Agreement

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this 19 day of September 2003.

SAGER ELECTRICAL SUPPLY COMPANY INC.

By: [Signature]
Name: THOMAS M. O'KEEFE
Title: CHIEF FINANCIAL OFFICER

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the _____ day of _____, 200_____.

By: _____
Name: _____
Title: _____

COMMONWEALTH OR STATE OF * MA)
COUNTY OF * Plymouth) ss.

On this the 19th day of September, 2002, before me appeared Thomas M. O'Keefe, the person who signed this instrument, who acknowledged that (s)he is the _____ of _____ and that being duly authorized (s)he signed such instrument as a free act on behalf of _____.

[Seal]

[Signature]
Notary Public
My commission expires: _____

Thomas J. Flaherty, NOTARY PUBLIC
My Commission Expires November 28, 2008

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this 19 day of Sept., 2003.

SAGER SALES CORPORATION

By: Thomas M. O'Keilly
Name: THOMAS M. O'KEILLY
Title: CHIEF FINANCIAL OFFICER

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the _____ day of _____, 200_____.

By: _____
Name: _____
Title: _____

COMMONWEALTH OR STATE OF * MA)
COUNTY OF * Plymouth) ss.

On this the 19 day of September, 2003, before me appeared Thomas M. O'Keilly, the person who signed this instrument, who acknowledged that (s)he is the _____ of _____ and that being duly authorized (s)he signed such instrument as a free act on behalf of _____.

Thomas J. Flaherty
Notary Public

My commission expires:

[Seal]
Thomas J. Flaherty, NOTARY PUBLIC
My Commission Expires November 28, 2008

Thomas J. Flaherty, NOTARY PUBLIC
My Commission Expires November 28, 2008

EXHIBIT 2**ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)**

WHEREAS, SAGER SALES CORPORATION, a corporation organized and existing under the laws of [_____], having a place of business at [97 Libbey Industrial Parkway, Weymouth, Massachusetts 02189] (the "Assignor"), has adopted and has used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____, having a place of business at _____ (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

ANNEX

Trademark or <u>Service Mark</u>	Registrations -- United States Patent and Trademark Office	
	<u>Registration No.</u>	<u>Registration Date</u>
SAGER ELECTRONICS	2,115,263	11/25/97
DISTRIBUTING	2,075,381	07/1/97
CONFIDENCE		

Trademark or <u>Service Mark</u>	Pending Applications -- United States Patent and Trademark Office	
	<u>Serial No.</u>	<u>Filing Date</u>
SYNERSPEC	76-255081	07/31/03

ANNEX

Trademark
or
Service Mark

Registrations --
United States Patent and Trademark Office
Registration No. Registration Date

Trademark
or
Service Mark

Pending Applications --
United States Patent and Trademark Office
Serial No. Filing Date

BUSDOCS:1248553.3

RECORDED: 02/06/2004

TRADEMARK
REEL: 002789 FRAME: 0543
** TOTAL PAGE: 23 **