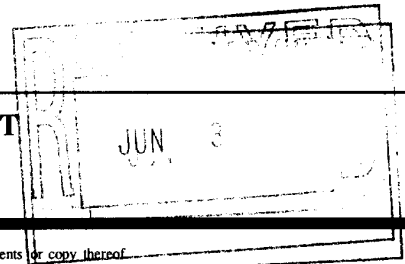


06-05-1998



100729128

RECORDATION FORM COVER SHEET  
TRADEMARKS



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

<p>1. Name of conveying party(ies):</p> <p>Janitex Rug Service Corp. 11900 Old Baltimore Pike Beltsville, MD 20705</p> <p><input type="checkbox"/> Individual(s)                      <input type="checkbox"/> Association  <input type="checkbox"/> General Partnership              <input type="checkbox"/> Limited Partnership  <input checked="" type="checkbox"/> Corporation-State  <input type="checkbox"/> Other _____</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <hr/> <p>3. Nature of conveyance:</p> <p><input type="checkbox"/> Assignment                              <input type="checkbox"/> Merger  <input type="checkbox"/> Security Agreement                      <input type="checkbox"/> Change of Name  <input checked="" type="checkbox"/> Other <u>collateral</u></p> <p>Execution Date: <u>May 29, 1998</u></p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: <u>Fleet National Bank</u></p> <p>Internal Address: _____</p> <p>Street Address: <u>One Federal Street</u></p> <p>City: <u>Boston</u>                      State: <u>MA</u>                      ZIP: <u>02110</u></p> <p><input type="checkbox"/> Individual(s) citizenship _____</p> <p><input type="checkbox"/> Association _____</p> <p><input type="checkbox"/> General Partnership _____</p> <p><input type="checkbox"/> Limited Partnership _____</p> <p><input type="checkbox"/> Corporation State _____</p> <p><input checked="" type="checkbox"/> Other <u>national banking association</u></p> <p>If assignee is not domiciled in the United States a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(Designation must be a separate document from Assignment)  Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>4. Application number(s) or registration number(s):</p> <p>A. Trademark Application No.(s)</p>	<p>B. Trademark Registration No.(s)</p> <p>1,085,760 1,201,562</p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: <u>Jodie E. Salasny, Legal Assistant</u></p> <p>Internal Address: _____</p> <p>Street Address: <u>Palmer &amp; Dodge LLP</u> <u>One Beacon Street</u></p> <p>City: <u>Boston</u>                      State: <u>MA</u>                      ZIP: <u>02108</u></p>	<p>6. Total number of applications and registrations involved: <span style="border: 1px solid black; padding: 2px;">2</span></p> <p>7. Total fee (37 CFR 3.41) ..... \$ <u>65.00</u></p> <p><input checked="" type="checkbox"/> Enclosed  <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____</p> <p>(Attach duplicate copy of this page if paying by deposit account)</p> <p style="text-align: right;">00000208 1085760 40.00 DP 25.00 DP</p>
<p>9. Statement and signature.  To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.</p> <p><u>Jodie Salasny</u>    <u>Jodie Salasny</u>    <u>June 2, 1998</u>  Name of Person Signing    Signature    Date</p> <p style="text-align: right;">Total number of pages comprising attachments and documents: <span style="border: 1px solid black; padding: 2px;">29</span></p> <p style="text-align: center;">TRADEMARK REEL: 1735 FRAME: 0870</p>	

---

---

INTELLECTUAL PROPERTY SECURITY AGREEMENT

BETWEEN

JANITEX RUG SERVICE CORP.

AND

FLEET NATIONAL BANK

---

Dated as of May 29, 1998

---

---

TABLE OF CONTENTS

Title

<u>Section</u>	<u>Page</u>
RECITALS . . . . .	1
AGREEMENT . . . . .	1
Section 1. <u>Pledge</u> . . . . .	1
Section 2. <u>Secured Obligations</u> . . . . .	3
Section 3. <u>No Release</u> . . . . .	3
Section 4. <u>Supplements; Further Assurances</u> . . . . .	3
Section 5. <u>Representations and Warranties of Pledgor</u> . . . . .	4
Section 6. <u>Covenants</u> . . . . .	5
Section 7. <u>Transfers and Other Liens</u> . . . . .	8
Section 8. <u>Remedies upon Default</u> . . . . .	8
Section 9. <u>Application of Proceeds</u> . . . . .	9
Section 10. <u>Expenses</u> . . . . .	10
Section 11. <u>No Waiver; Cumulative Remedies</u> . . . . .	10
Section 12. <u>Right of Secured Party to Perform; Appointment as Attorney-in-Fact</u> . . . . .	10
Section 13. <u>Indemnity</u> . . . . .	11
Section 14. <u>Litigation</u> . . . . .	11
Section 15. <u>Modifications in Writing</u> . . . . .	11
Section 16. <u>Termination; Release</u> . . . . .	12
Section 17. <u>Reinstatement</u> . . . . .	12
Section 18. <u>Credit Agreement</u> . . . . .	12

<u>Section</u>	<u>Page</u>
Section 20. <u>Continuing Security Interest; Assignment</u> . . . . .	12
SECTION 21. <u>GOVERNING LAW; TERMS</u> . . . . .	13
SECTION 22. <u>CONSENT TO JURISDICTION AND SERVICE OF PROCESS</u> . . . . .	13
Section 23. <u>Severability of Provisions</u> . . . . .	13
Section 24. <u>Execution in Counterparts</u> . . . . .	14
Section 25. <u>Headings</u> . . . . .	14
Section 26. <u>Obligations Absolute</u> . . . . .	14
Section 27. <u>Waiver of Single Action</u> . . . . .	14
Section 28. <u>Future Advances</u> . . . . .	15

SCHEDULES

- Schedule A Patents
- Schedule B Trademarks & Service Marks
- Schedule C Copyrights
- Schedule D Liens
- Schedule E Required Consents & Licenses
- Schedule F Claims, Litigation, Etc.

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

Dated as of May 29, 1998

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), is made as of May 29, 1998, by and between JANITEX RUG SERVICE CORP., a Maryland corporation having its principal place of business at 11900 Old Baltimore Pike, Beltsville, MD 20705 ("Pledgor"), in favor of FLEET NATIONAL BANK (the "Bank"), having an office at One Federal Street, Boston, Massachusetts 02110. The Bank is herein referred to from time to time as the "Secured Party."

### RECITALS

A. Pursuant to that certain Revolving Credit Agreement dated as of the date hereof (as amended or otherwise modified from time to time in accordance with the terms thereof and in effect, the "Credit Agreement") by and among Janitex Rug Service Corp. (the "Borrower") and the Secured Party, the Secured Party agreed to make certain Loans (as defined in the Credit Agreement) to the Borrower. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

B. Pledgor is the owner of the Collateral (as defined herein).

C. It is a condition precedent to the Secured Party's obligation to make the Loans that Pledgor shall execute and deliver the applicable Loan Documents, including this Agreement.

D. This Agreement is given by Pledgor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined in Section 2).

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor and the Secured Party hereby agree as follows:

Section 1. Pledge. Pledgor hereby pledges and grants to the Secured Party a continuing first priority security interest in all of Pledgor's right, title and interest, whether now existing or hereafter acquired, in and to the following property (collectively, the "Collateral") to secure all of the Secured Obligations:

(a) Patents issued or assigned to and all patent applications made by Pledgor and all exclusive licenses to Pledgor from third parties or rights to use patents owned by such third parties, including, without limitation, the patents, patent applications and exclusive licenses listed on Schedule A hereto, along with any and all (1) inventions and improvements described and claimed therein, (2) reissues, divisions, continuations,

extensions and continuations-in-part thereof, (3) income, royalties, damages, claims and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (4) rights to sue for past, present and future infringements thereof, and (5) any other rights corresponding thereto throughout the world (collectively, "Patents");

(b) Trademarks (including service marks), federal and state trademark registrations and applications made by Pledgor (including Federal Intent To Use Applications), common law trademarks and trade names owned by or assigned to Pledgor, all registrations and applications for the foregoing and all exclusive licenses from third parties of the right to use trademarks of such third parties, including, without limitation, the registrations, applications, unregistered trademarks, service marks and exclusive and non-exclusive licenses listed on Schedule B hereto, along with any and all (1) renewals thereof, (2) income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages, claims and payments for past or future infringements thereof, (3) rights to sue for past, present and future infringements thereof, and (4) trademarks, trademark registrations, and trade name applications for any thereof and any other rights corresponding thereto throughout the world (collectively, "Trademarks");

(c) Copyrights, whether statutory or common law, owned by or assigned to Pledgor, and all exclusive and non-exclusive licenses to Pledgor from third parties to use copyrights owned by such third parties, including, without limitation, the registrations, applications and exclusive and non-exclusive licenses listed on Schedule C hereto, along with any and all (1) renewals and extensions thereof, (2) income, royalties, damages, claims and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past, present or future infringements thereof, (3) rights to sue for past, present and future infringements thereof, and (4) copyrights and any other rights corresponding thereto throughout the world (collectively, "Copyrights");

(d) The entire goodwill of Pledgor's business and other general intangibles (including know-how, trade secrets, customer lists, proprietary information, inventions, methods, designs, procedures and formulae) connected with the use of and symbolized by Trademarks of Pledgor; and

(e) All Proceeds (as defined under the Uniform Commercial Code as in effect in any relevant jurisdiction (the "UCC") or other relevant law) of any of the foregoing, and in any event including, without limitation, any and all (1) proceeds of any insurance, indemnity, warranty or guaranty payable to the Secured Party or to Pledgor from time to time with respect to any of the Collateral, (2) payments (in any form whatsoever) made or due and payable to Pledgor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any person acting on behalf of a Governmental Authority), (3) instruments representing amounts receivable in respect of any Patents, Trademarks or Copyrights, (4) products of the Collateral and (5) other

amounts from time to time paid or payable under or in connection with any of the Collateral;

Section 2. Secured Obligations. The security interest hereby granted shall secure the due and punctual payment and performance of the following liabilities and obligations of the Debtor (herein called the "Secured Obligations"):

- (1) Principal of and premium, if any, and interest on the Loans;
- (2) Any and all other obligations of the Borrower or any Subsidiary or Guarantor to the Secured Party under the Credit Agreement, the Loan Documents or under any agreement or instrument relating thereto, all as amended from time to time; and
- (3) Any and all other Guaranteed Obligations (as defined in any Guaranty).

Section 3. No Release. Nothing set forth in this Agreement shall relieve Pledgor from the performance of any term, covenant, condition or agreement on Pledgor's part to be performed or observed under or in respect of any of the Collateral or from any liability to any Person under or in respect of any of the Collateral or impose any obligation on the Secured Party to perform or observe any such term, covenant, condition or agreement on Pledgor's part to be so performed or observed or impose any liability on the Secured Party for any act or omission on the part of Pledgor relating thereto or for any breach of any representation or warranty on the part of Pledgor contained in this Agreement or any other Loan Document or under or in respect of the Collateral or made in connection herewith or therewith. The obligations of Pledgor contained in this Section 3 shall survive the termination of this Agreement and the discharge of Pledgor's other obligations hereunder and under the other Loan Documents.

Section 4. Supplements; Further Assurances. Pledgor (1) agrees that it will join with the Secured Party in executing and, at its own expense, will file and refile, or permit the Secured Party to file and refile, such financing statements, continuation statements and other documents (including, without limitation, this Agreement and exclusive licenses to use software and other property protected by copyright), in such offices (including, without limitation, the United States Patent and Trademark Office, appropriate state trademark offices and the United States Copyright Office), as the Secured Party may reasonably deem necessary or appropriate, wherever required or permitted by law in order to perfect and preserve the rights and interests granted to the Secured Party hereunder, and (2) hereby authorizes the Secured Party, upon the refusal of Pledgor, to file financing statements and amendments necessary or advisable to perfect the Secured Party's interest in all or any part thereof, without the signature of Pledgor where permitted by law and agrees to do such further acts and things, and to execute and deliver to the Secured Party such additional assignments, agreements, powers and instruments, as the Secured Party may reasonably require to carry into effect the purposes of this Agreement or better to assure and confirm unto the Secured Party its respective rights, powers and remedies hereunder. Pledgor shall, upon the reasonable request of the Secured Party, and hereby authorizes the Secured Party to, take any and all such actions as may be deemed advisable by the Secured Party to perfect and preserve the rights and interests granted to the Secured Party with respect to the

Collateral wherever located. All of the foregoing shall be at the sole cost and expense of Pledgor.

Section 5. Representations and Warranties of Pledgor. Pledgor hereby represents and warrants to the Secured Party as follows:

(a) Pledgor is, and, as to Collateral acquired by it from time to time after the date hereof, Pledgor will be, the sole and exclusive owner or, as applicable, licensee of all Collateral, other than pursuant to transfers and dispositions permitted by the Credit Agreement. Pledgor's rights to use its registered service marks as currently used in its business are, however, subject to the acceptance of the Pledgor's Application for Renewal of the service mark "Janitex Rug Service Corporation" by the United States Patent and Trademark Office filed on May 13, 1998 and subject to the terms of Reg. No. 1201562 for the service mark "the mat works" and the terms of the Agreement of May 15, 1998 between the Pledgor and Mat Works, Ltd., a Georgia corporation. The pledge and security interest created by this Agreement shall not at any time be subject to any prior lien, pledge, security interest, encumbrance, license, assignment, collateral assignment or charge of any kind, including, without limitation, any filing or agreement to file a financing statement as debtor under the UCC or any similar statute or any subordination arrangement in favor of any party other than Pledgor (collectively, "Liens"), except for those Liens set forth on Schedule D hereto (collectively, "Prior Liens") and except as expressly permitted hereunder and under the Credit Agreement. Pledgor further represents and warrants to the Secured Party that Schedules A, B and C hereto, respectively, are true, correct and complete lists as of the date hereof of all registered (including registrations pending or for which an application has been filed) Patents, Trademarks and Copyrights owned by Pledgor and that Schedules D, E and F hereto are true and correct with respect to the matters set forth therein as of the date hereof.

(b) Pledgor has full corporate power, authority and legal right to pledge and grant a security interest in the Collateral in accordance with the terms of this Agreement and this Agreement has been duly and validly executed and delivered by Pledgor, constitutes the legal, valid and binding obligation of Pledgor, enforceable against Pledgor in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Except as set forth on Schedule E hereto and except for filings with the Patent and Trademark Office, under the UCC and under applicable foreign law, no authorization, consent, approval, license, qualification or formal exemption from, nor any filing, declaration or registration with, any court (other than in connection with the exercise of judicial remedies), governmental agency or regulatory authority, or with any securities exchange or any other Person (other than a licensor, whose consent Pledgor shall use reasonable efforts to obtain) is required in connection with (1) the pledge by Pledgor of the Collateral pursuant to this Agreement, or the execution, delivery or performance by Pledgor of this Agreement, (2) the grant of a security interest (including



the priority thereof when the appropriate filings have been made and accepted) in, the Collateral by Pledgor in the manner and for the purpose contemplated by this Agreement or (3) the exercise of the rights and remedies of the Secured Party created hereby.

(d) Pledgor has made and will continue to make all necessary filings and recordations from time to time and use appropriate statutory notice to protect its interests in the Collateral, including, without limitation, appropriate recordations of its interests in the Patents and Trademarks in the United States Patent and Trademark Office and in corresponding offices wherever it does business using such Patents and Trademarks throughout the world and its claims to Copyrights in the United States Copyright Office, in each case including exclusive licenses and as otherwise requested from time to time by the Secured Party, but in any event all in a manner consistent with prudent and commercially reasonable business practices.

(e) Pledgor owns or has rights to use all the Collateral and all rights with respect to any of the foregoing used in, necessary for or material to Pledgor's business as currently conducted and as contemplated to be conducted pursuant to the Loan Documents. Pledgor's rights to use its registered service marks as currently used in its business are, however, subject to the acceptance of the Pledgor's Application for Renewal of the service mark "Janitex Rug Service Corporation" by the United States Patent and Trademark Office filed on May 13, 1998 and subject to the terms of Reg. No. 1201562 for the service mark "the mat works" and the terms of the Agreement of May 15, 1998 between the Pledgor and Mat Works, Ltd., a Georgia corporation. To Pledgor's best knowledge, the use of such Collateral and all rights with respect to the foregoing by Pledgor does not infringe on the rights of any Person and, except as set forth on Schedule F attached hereto, no material claim has been made and remains outstanding that Pledgor's use of the Collateral does or may violate the rights of any third person.

(f) Upon filings and the acceptance thereof in the appropriate offices under the UCC and in the United States Patent and Trademark Office and the United States Copyright Office, this Agreement will create a valid and duly perfected first priority lien and security interest in the United States in the Collateral, subject to no Liens other than Prior Liens.

Section 6. Covenants. (a) On a continuing basis, Pledgor will, at the expense of Pledgor, subject to any prior licenses, Liens and restrictions, make, execute, acknowledge and deliver, and file and record in the proper filing and recording offices, all such instruments or documents, including, without limitation, appropriate financing and continuation statements, exclusive licenses and collateral agreements, and take all such action (limited, as aforesaid, if applicable) as may reasonably be deemed necessary or appropriate by the Secured Party (1) to carry out the intent and purposes of this Agreement, (2) to assure and confirm to the Secured Party the grant or perfection of a security interest in the Collateral for the benefit of the Secured Party, and (3) during the continuation of an Event of Default, to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Pledgor:

(A) will not enter into any agreement that would impair or conflict with Pledgor's obligations hereunder;

(B) will, from time to time, upon the Secured Party's request, cause its books and records to be marked with such legends or segregated in such manner as the Secured Party may specify and take or cause to be taken such other action and adopt such procedures as the Secured Party may specify to give notice or to perfect the security interest in the Collateral intended to be conveyed hereby;

(C) will, promptly following its becoming aware thereof, notify the Secured Party of

(i) any materially adverse determination in any proceeding in the United States Patent and Trademark Office or United States Copyright Office with respect to any Patent, Trademark or Copyright material to Pledgor's business; or

(ii) any written claim received, the institution of any proceeding or any materially adverse determination in any federal, state, local or foreign court or administrative bodies regarding Pledgor's claim of ownership in or right to use any of the Collateral, its right to register the Collateral, or its right to keep and maintain such registration in full force and effect, but in each case only if an adverse outcome to such claim or proceeding or such adverse determination could reasonably be expected to have a Material Adverse Effect;

(D) will properly maintain and protect the Collateral to the extent necessary or appropriate for the conduct of Pledgor's business (as presently conducted and as contemplated by the Loan Documents) and consistent with Pledgor's current practice in accordance with applicable statutory requirements;

(E) will not grant or permit to exist any Lien upon or with respect to the Collateral or any portion thereof except Liens in favor of the Secured Party or as permitted under this Agreement and Liens permitted by Section 7 hereof, and will not execute any security agreement or financing statement covering any of the Collateral except in the name of the Secured Party or as permitted under this Agreement;

(F) except in accordance with prudent and commercially reasonable business practices, will not permit to lapse or become abandoned, settle or compromise any pending or future litigation or administrative proceeding with respect to the Collateral without the consent of the Secured Party, or contract for sale or otherwise dispose of the Collateral or any portion thereof except pursuant to Section 7 hereof;

(G) upon Pledgor obtaining knowledge thereof, will promptly notify the Secured Party in writing of any levy or threat of levy or any legal process against the Collateral or any portion thereof or any other event which may reasonably be expected to materially adversely affect the value or utility of the Collateral or any material portion thereof, the ability of Pledgor or the Secured Party to dispose of the Collateral or any portion thereof or the rights and remedies of the Secured Party in relation thereto;

(H) until the Secured Party exercises its rights to make collection, will diligently keep adequate records respecting the Collateral;

(I) subject to the first sentence of this Section 6(a), hereby authorizes the Secured Party, in its reasonable discretion and upon the refusal by Pledgor to do so, to file one or more financing or continuation statements and amendments thereto, relative to all or any part of the Collateral without the signature of Pledgor where permitted by law;

(J) will furnish to the Secured Party from time to time statements and amended schedules further identifying and describing the Collateral and such other materials evidencing or reports pertaining to the Collateral as the Secured Party may from time to time reasonably request, all in reasonable detail;

(K) will pay when due any and all taxes, levies, maintenance fees, charges, assessments, royalties, license fees and similar taxes or impositions payable in respect of the Collateral, that, if not paid, could result in a Material Adverse Effect (as defined in the Credit Agreement), before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) Pledgor has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect;

(L) will comply in all material respects with all laws, rules and regulations applicable to the Collateral; and

(M) will deposit with the Secured Party, at such times as the Secured Party shall reasonably request, copies of all source code of all software, if any, owned by Pledgor as the Secured Party shall reasonably request which is material to the operation of Pledgor's business and such source code copy shall be of the most current version of all software and shall include all modifications and enhancements thereto.

(b) If, before the Secured Obligations shall have been paid and satisfied in full in cash or cash equivalents and the Secured Party shall cease to be obligated to make Loans under the Credit Agreement, Pledgor shall, (1) obtain any rights to any additional Collateral or (2) become entitled to the benefit of any additional Collateral or any renewal or extension thereof, including any reissue, division, continuation, or continuation-in-part of any Patent, or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and any item enumerated in clause 6(b)(1) or clause 6(b)(2) with respect to Pledgor shall automatically constitute Collateral if such would have constituted Collateral at the time of execution of this Agreement, and be subject to the assignment, Lien and security interest created by this Agreement without further action by any party. Pledgor shall promptly provide to the Secured Party written notice of any of the foregoing. Pledgor shall, at least once in each calendar quarter in which any such application is made, provide written notice to the Secured Party of all applications for Patents and all applications for registration of Trademarks or Copyrights made during the preceding calendar quarter. Pledgor agrees, promptly following the written request by the Secured Party, to confirm the attachment of the lien and security interest created

by this Agreement to any rights described in clause 6(b)(1) or clause 6(b)(2) above if such would have constituted Collateral at the time of execution of this Agreement by execution of an instrument in form acceptable to the Secured Party.

(c) Pledgor authorizes the Secured Party to modify this Agreement by amending Schedules A, B and/or C annexed hereto to include any future Collateral of Pledgor, including, without limitations any of the items listed in Section 6(b).

(d) Pledgor shall, consistent with Pledgor's current practice, file and prosecute diligently all applications for Patents, Trademarks or Copyrights now or hereafter pending that would be useful or beneficial to the businesses of Pledgor to which any such applications pertain, and to do all acts necessary to preserve and maintain all rights in the Collateral unless such Collateral has become obsolete to Pledgor's business, as reasonably determined by Pledgor consistent with prudent and commercially reasonable business practices. Any and all costs and expenses incurred in connection with any such actions shall be borne by Pledgor. Except in accordance with prudent and commercially reasonable business practices, Pledgor shall not abandon any right to file a Patent, Trademark or Copyright application or any pending Patent, Trademark or Copyright application or any Patent, Trademark or Copyright without the consent of the Secured Party.

Section 7. Transfers and Other Liens. Pledgor will not (a) sell, convey, assign or otherwise dispose of, or grant any option with respect to, any of the Collateral except for licensing in the ordinary course of business and such other transactions as may be permitted under the Credit Agreement or (b) create or permit to exist any Lien upon or with respect to any of the Collateral, except for Liens for taxes, assessments or government charges or claims the payment of which is not at the time required and inchoate Liens imposed by law (each of which shall, except to the extent otherwise required by law, be subordinate to the lien created by this Agreement) and the lien granted to the Secured Party under this Agreement.

Section 8. Remedies upon Default.

(a) If any Event of Default shall have occurred and be continuing, the Secured Party may to the full extent permitted by law, (1) exercise any and all rights as beneficial and legal owner of the Collateral, including, without limitation, perfecting assignment of any and all contractual rights and powers with respect to the Collateral and (2) sell or assign or grant a license to use, or cause to be sold or assigned or a license granted to use any or all of the Collateral (in the case of Trademarks, along with the goodwill associated therewith) or any part thereof, in each case, free of all rights and claims of Pledgor therein and thereto. In accordance with such rights, the Secured Party shall have (A) the right to cause any or all of the Collateral to be transferred of record into the name of the Secured Party or its nominee and (B) the right to impose (i) such limitations and restrictions on the sale or assignment of the Collateral as the Secured Party may deem to be necessary or appropriate to comply with any law, rule or regulation (federal, state or local) having applicability to the sale or assignment, and (ii) any necessary or appropriate requirements for any required governmental approvals or consents.

(b) Except as provided in this Section 8 and other express notice provisions of the Loan Documents, Pledgor hereby expressly waives, to the fullest extent permitted by applicable

law, any and all notices, advertisements, hearings or process of law in connection with the exercise by the Secured Party of any of its rights and remedies hereunder.

(c) Pledgor agrees that, to the extent notice of sale shall be required by law, ten (10) days' notice from the Secured Party of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place shall be commercially reasonable notification of such matters. In addition to the rights and remedies provided in this Agreement and in the other Loan Documents, the Secured Party shall have all the rights and remedies of a secured party under the UCC.

(d) Except as otherwise provided herein, Pledgor hereby waives, to the fullest extent permitted by applicable law, notice or judicial hearing in connection with the Secured Party's taking possession or the Secured Party's disposition of any of the Collateral, including, without limitation, any and all prior notice and rights to a hearing for any prejudgment remedy or remedies and any such right which Pledgor would otherwise have under law, and Pledgor hereby further waives to the extent not prohibited by applicable law and to the extent the Secured Party acts with commercial reasonableness: (1) all damages occasioned by any such taking of possession; (2) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of the Secured Party's rights hereunder; and (3) all rights of redemption, appraisal, valuation, stay, extension or moratorium now or hereafter in force under any applicable law. Any sale of, or the grant of options to purchase, or any other realization upon, any Collateral shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of Pledgor therein and thereto, and shall be a perpetual bar both at law and in equity against Pledgor and against any and all Persons claiming or attempting to claim the Collateral so sold, optioned or realized upon, or any part thereof, from, through or under Pledgor.

Section 9. Application of Proceeds. The proceeds of any Collateral obtained pursuant to the exercise of any remedy set forth in Section 8 shall be applied, together with any other sums then held by the Secured Party pursuant to this Agreement, promptly by the Secured Party:

First, to the payment of all reasonable costs and expenses, fees, commissions and taxes of such sale, collection or other realization, including, without limitation, reasonable reimbursement to the Secured Party and its agents and counsel for all reasonable expenses, fees, liabilities and advances made or incurred by them in connection therewith and all expenses, liabilities and advances made or incurred by the Secured Party in connection therewith, together with interest on each such amount at the rate then in effect under the Credit Agreement;

Second, to the payment of all other reasonable costs and expenses of such sale, collection or other realization, including, without limitation, reasonable reimbursement to the Secured Party and its agents and counsel for all reasonable expenses, fees, liabilities and advances made or incurred by them in connection therewith and all reasonable costs, liabilities and indebtedness made or incurred by the Secured Party in connection therewith together with interest on each such amount at a rate 2% per annum higher than the per annum rate for Base Rate Loans then in effect (not including any 2%

added in connection with a default under the Credit Agreement) under the Credit Agreement;

Third, to the payment in full in cash of the Secured Obligations, ratably according to the unpaid amounts thereof, in such order of priority as is set forth in Section 2.17 of the Credit Agreement; and

Fourth, to Pledgor, or its successors or assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, of any surplus then remaining from such Proceeds.

Section 10. Expenses. Pledgor will pay on demand all reasonable expenses of the Secured Party in connection with the preparation, waiver or amendment of this Agreement or other Loan Documents executed in connection therewith, or the administration, default or collection of the Loans or administration, default, collection in connection with the Secured Party's exercise, preservation or enforcement of any of its rights, remedies or options thereunder, including, without limitation, reasonable fees and disbursements of outside legal counsel or accounting, consulting, brokerage or other similar professional fees or expenses, and any reasonable fees or expenses associated with any travel or other costs relating to any appraisals or examinations conducted in connection with the Secured Obligations or any Collateral therefor, and the amount of all such expenses shall, until paid, bear interest at the rate applicable to principal hereunder (including any default rate).

Section 11. No Waiver; Cumulative Remedies. (a) No failure on the part of the Secured Party to exercise, no course of dealing with respect to, and no delay on the part of the Secured Party in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and are not exclusive of any remedies provided by law.

(b) In the event the Secured Party shall have instituted any proceeding to enforce any right, power or remedy under this instrument by foreclosure, sale, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Secured Party, then and in every such case, Pledgor and the Secured Party shall, to the extent permitted by applicable law, be restored to their respective former positions and rights hereunder with respect to the Collateral, and all rights, remedies and powers of the Secured Party shall continue as if no such proceeding had been instituted.

Section 12. Right of Secured Party to Perform; Appointment as Attorney-in-Fact. If Pledgor shall fail to do any act or thing that it has covenanted to do hereunder or any warranty on the part of Pledgor contained herein shall be breached, the Secured Party may (but shall not be obligated to) do the same or cause it to be done or remedy any such breach, and may expend funds for such purpose. Any and all reasonable amounts so expended by the Secured Party shall be paid by Pledgor promptly upon demand therefor, with interest at a rate 2% per annum higher than the per annum rate for Base Rate Loans then in effect (not including any 2% added in connection with a default under the Credit Agreement) under the Credit Agreement during the

period from and including the date on which such funds were so expended to the date of repayment. Pledgor's obligations under this Section 12 shall survive the termination of this Agreement and the discharge of Pledgor's other obligations hereunder. Pledgor hereby appoints the Secured Party its attorney-in-fact with an interest, with full authority in the place and stead of Pledgor and in the name of Pledgor, or otherwise, from time to time in the Secured Party's reasonable discretion, upon refusal of Pledgor, to take any action and to execute any instruments consistent with the terms of this Agreement and the other Loan Documents which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement. The foregoing grant of authority is a power of attorney coupled with an interest and such appointment shall be irrevocable for the term of this Agreement. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

Section 13. Indemnity. Pledgor hereby agrees to indemnify, reimburse and hold harmless the Secured Party and its successors, assigns, employees, agents and servants in accordance with Section 10.3 of the Credit Agreement.

Section 14. Litigation. (a) Pledgor shall have the right to commence and prosecute in its own name, as real party in interest, for its own benefit and at its own expense, such applications for protection of Collateral, suits, proceedings or other actions for infringement, counterfeiting, unfair competition, dilution or other damage as are in its reasonable business judgment necessary to protect the Collateral. Pledgor shall promptly notify the Secured Party in writing as to the commencement and prosecution of any such actions, or threat thereof, but only in each case if the adverse outcome of such action or actions would have a Material Adverse Effect (as defined in the Credit Agreement) on the business of the Pledgor or the value of the Collateral or any material portion thereof, and shall provide to the Secured Party such information with respect thereto as may be reasonably requested. The Secured Party shall provide all reasonable and necessary cooperation in connection with any such suit, proceeding or action, including, without limitation, joining as a necessary party.

(b) Upon the occurrence and during the continuation of an Event of Default, the Secured Party shall have the right but shall in no way be obligated to file applications for protection of the Collateral and/or bring suit in the name of Pledgor or the Secured Party to enforce the Collateral and any license thereunder; in the event of such suit, Pledgor shall, at the request of the Secured Party, do any and all lawful acts and execute any and all documents reasonably required by the Secured Party in aid of such enforcement and Pledgor shall promptly, upon demand, reimburse and indemnify the Secured Party, as the case may be, for all reasonable costs and expenses incurred by the Secured Party in the exercise of its rights under this Section 14. In the event that the Secured Party shall elect not to bring suit to enforce the Collateral, Pledgor agrees to use all measures, whether by action, suit, proceeding or otherwise, to prevent the infringement, counterfeiting or other diminution in value of any of the Collateral by others and for that purpose agrees to diligently maintain any action, suit or proceeding against any person so infringing necessary to prevent such infringement as is in the reasonable business judgment of Pledgor necessary to protect the Collateral and the Secured Party shall provide, at Pledgor's expense, all necessary and reasonable assistance to Pledgor to maintain such action.

Section 15. Modifications in Writing. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, nor consent to any departure

by Pledgor therefrom, shall be effective unless the same shall be in writing and signed by the Secured Party and, except in the case of any such termination, waiver or consent, by the Pledgor. Any amendment, modification or supplement of or to any provision of this Agreement, any waiver of any provision of this Agreement, and any consent to any departure by Pledgor from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. Except where notice is specifically required by this Agreement or any other Loan Document, no notice to or demand on Pledgor in any case shall entitle Pledgor to any other or further notice or demand in similar or other circumstances.

Section 16. Termination; Release. When all the Secured Obligations (other than Secured Obligations in the nature of continuing indemnitees or expense reimbursement obligations not yet due and payable) have been paid in full and have been terminated and the Secured Party is no longer obligated to make any Loan under the Credit Agreement, this Agreement shall terminate. Upon termination of this Agreement or any release of Collateral in accordance with the provisions of the Credit Agreement, the Secured Party shall, upon the request and at the expense of Pledgor, forthwith assign, transfer and deliver to Pledgor against receipt and without recourse to or warranty by the Secured Party, such of the Collateral to be released (in the case of a release) as may be in the possession of the Secured Party and as shall not have been sold or otherwise applied pursuant to the terms hereof, on the order of and at the expense of Pledgor, and proper instruments (including UCC termination statements on Form UCC-3 and documents suitable for recordation in the United States Patent and Trademark Office, the United States Copyright Office or similar domestic or foreign authority) acknowledging the termination of this Agreement or the release of such Collateral, as the case may be.

Section 17. Reinstatement. Notwithstanding the provisions of Section 16, this Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by the Secured Party in respect of the Secured Obligations is rescinded or must otherwise be restored or returned by the Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Pledgor or upon the appointment of any intervenor or conservator of, or trustee or similar official for, Pledgor or any substantial part of its properties, or otherwise, all as though such payments had not been made.

Section 18. Credit Agreement. Notwithstanding any other provision of this Agreement, the rights of the parties hereunder are subject to the provisions of the Credit Agreement, including the provisions thereof pertaining to the rights and responsibilities of the Secured Party.

Section 19. Notices. All notices, consents, approvals, elections and other communications hereunder shall be in writing (whether or not the other provisions of this Agreement expressly so provide) and shall be deemed to have been duly given if delivered in accordance with the terms of Section 9.6 of the Credit Agreement.

Section 20. Continuing Security Interest; Assignment. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the payment in full in cash of all Secured Obligations, (b) be binding upon Pledgor, its successors and assigns, and (c) inure, together with the rights and remedies of the Secured Party hereunder, to the benefit of the Secured Party and its successors, transferees and assigns; no other Persons



(including, without limitation, any other creditor of Pledgor) shall have any interest herein or any right or benefit with respect hereto. Without limiting the generality of the foregoing clause 20(c), the Secured Party may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to the Secured Party, herein or otherwise, subject however, to the provisions of the Credit Agreement.

SECTION 21. GOVERNING LAW; TERMS. THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER IN RESPECT OF ANY PARTICULAR INTELLECTUAL PROPERTY ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE COMMONWEALTH OF MASSACHUSETTS.

SECTION 22. CONSENT TO JURISDICTION AND SERVICE OF PROCESS. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST PLEDGOR WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF MASSACHUSETTS AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT PLEDGOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY THE NONEXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. TO THE EXTENT NOT PROHIBITED BY LAW, THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE TRIAL BY JURY, AND PLEDGOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS. IN THE EVENT THAT PLEDGOR DESIGNATES AND APPOINTS ANY PERSON AS ITS AGENT AND SUCH PERSON IRREVOCABLY AGREES IN WRITING TO SO SERVE AS PLEDGOR'S AGENT TO RECEIVE ON PLEDGOR'S BEHALF, SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDINGS IN ANY SUCH COURT, SUCH SERVICE IS HEREBY ACKNOWLEDGED BY PLEDGOR TO BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. A COPY OF SUCH PROCESS SO SERVED SHALL BE MAILED BY REGISTERED MAIL TO PLEDGOR AS PROVIDED FOR IN SECTION 19 HEREOF. IF ANY AGENT APPOINTED BY PLEDGOR REFUSES TO ACCEPT SERVICE, PLEDGOR HEREBY AGREES THAT SERVICE UPON IT BY MAIL SHALL CONSTITUTE SUFFICIENT NOTICE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF THE SECURED PARTY TO BRING PROCEEDINGS AGAINST PLEDGOR IN THE COURTS OF ANY OTHER JURISDICTION.

Section 23. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the

extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 24. Execution in Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts together shall constitute one and the same agreement.

Section 25. Headings. The Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

Section 26. Obligations Absolute. To the extent permitted by applicable law, all obligations of Pledgor hereunder shall be absolute and unconditional irrespective of:

(a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition liquidation or the like of the Borrower, Pledgor or any other Affiliate or Subsidiary of Pledgor or the Borrower;

(b) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, or any other agreement or instrument relating thereto;

(c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document, or any other agreement or instrument relating thereto;

(d) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to any departure from any guarantee, for all or any of the Secured Obligations; or

(e) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect of this Agreement or any other Loan Document except as specifically set forth in a waiver granted pursuant to the provisions of Section 15 hereof.

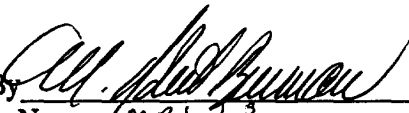
Section 27. Waiver of Single Action. Pledgor hereby waives to the greatest extent permitted under law the right to a discharge of any of the Secured Obligations under any statute or rule of law now or hereafter in effect which provides that the exercise of any particular right or remedy as provided for herein (by judicial proceedings or otherwise) constitutes the exclusive means for satisfaction of the Secured Obligations or which makes unavailable any further judgment or any other right or remedy provided for herein because the Secured Party elected to proceed with the exercise of such initial right or remedy or because of any failure by the Secured Party to comply with laws that prescribe conditions to the entitlement to such subsequent judgment or the availability of such subsequent right or remedy. In the event that, notwithstanding the foregoing waiver, any court shall for any reason hold that such subsequent judgment or action is not available to the Secured Party, Pledgor shall not (a) introduce in any

other jurisdiction any judgment so holding as a defense to enforcement against Pledgor of any remedy in the Credit Agreement or executed in connection with the Credit Agreement or (b) seek to have such judgment recognized or entered in any other jurisdiction, and any such judgment shall in all events be limited in application only to the state or jurisdiction where rendered and only with respect to the collateral referred to in such judgment.


Section 28. Future Advances. This Agreement shall secure the payment of any amounts advanced from time to time pursuant to the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

JANITEX RUG SERVICE CORP.

By   
Name: M. Robert Burmen  
Title: President

FLEET NATIONAL BANK

By   
Name: ~~Richard~~ Eric L. Vander Aalst  
Title: Vice President

COMMONWEALTH OF MASSACHUSETTS

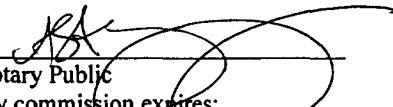
County of Suffolk, ss.

May 28, 1998

Then personally appeared the above-named Eric C. Vander Mel, acting as Vice President of

Fleet National Bank and acknowledged the foregoing instrument to be his free act and deed as

Vice President of said national banking, before me  
association

  
\_\_\_\_\_  
Notary Public  
My commission expires:

ANITA S. AGAJANIAN, Notary Public  
My commission expires May 28, 2004

COMMONWEALTH OF MASSACHUSETTS

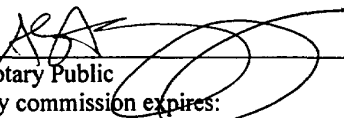
County of Suffolk, ss.

May 28, 1998

Then personally appeared the above-named M. Robert Bormen, acting as President of

Janitex Rug Services Corp., and acknowledged the foregoing instrument to be his free act and deed as

President of said corporation, before me

  
\_\_\_\_\_  
Notary Public  
My commission expires:

ANITA S. AGAJANIAN, Notary Public  
My commission expires May 28, 2004

Schedule A

None.

Schedule B

1. "Janitex Rug Service Corporation" service mark; Reg. No. 1,085,760 - registered on February 14, 1978; renewal application filed on May 13, 1998.
2. "the mat works" service mark; Reg. No. 1,201,562 - registered on July 13, 1982.

Schedule C

None.



Schedule D

None.

Schedule E

None.

Schedule F

None.