

11-02-1998

U.S. Department of Commerce
Patent and Trademark Office

WRD 10.28.98

RECORDED



100865754

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

1. Name of conveying party(ies):
Pizza World Supreme, Inc.

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

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

2. Name and Address of-receiving party(ies)
Name: Finova Capital Corporation

Address: 115 West Century Road
Paramus, New Jersey 07652

Individual(s) citizenship
 Association _____ General
 Partnership _____ Limited Partnership
 Corporation-State DELAWARE _____ 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: June 24, 1998

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

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) 1,918,219, 1,945,147, 1,952,416, 1,958,376, 1,963,746 and 995,305

Additional numbers attached? Yes No

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

Baila H. Celedonia
Cowan, Liebowitz & Latman, P.C.
1133 Avenue of the Americas
New York, NY 10036-6799

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41)..... \$ 165.00

Enclosed

Any deficiency is authorized to be charged to Deposit Account No. 03-3415.

8. Deposit Account No. 03-3415

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Baila H. Celedonia *Baila Celedonia 10/28/98*
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 17

Mail to: Commissioner of Patents & Trademarks, Box Assignments, Washington, D.C. 20231

10/30/1998 SSMITH 00000112 1918219

01 FC:481 40.00 OP
02 FC:482 125.00 OP

TRADEMARK COLLATERAL SECURITY AGREEMENT

THIS AGREEMENT is made this 24th day of June, 1998 between **PIZZA WORLD SUPREME, INC.** d/b/a Me-N-Ed's Pizza Parlors, a Nevada corporation having its principal place of business at 5701 N. West Avenue, Fresno, California 93711 (the "Borrower"), and **FINOVA CAPITAL CORPORATION**, a Delaware corporation ("**Lender**"), having a place of business at 115 West Century Road, Paramus, New Jersey 07652 (together with its successors and assigns, "Lender").

W I T N E S S E T H

WHEREAS, the Borrower desires to obtain loans from Lender pursuant to a certain Loan and Security Agreement dated of even date herewith, by and between the Borrower and Lender (hereinafter referred to, together with all riders, exhibits, schedules and amendments thereto, as the "Loan Agreement"); and

WHEREAS, Lender is willing to make loans to the Borrower from time to time, in Lender's discretion, provided, among other things, the Borrower executes this Agreement to in part secure its obligations to Lender.

WHEREAS, the Borrower has contemporaneously herewith, pursuant to the Loan Agreement, granted to Lender a lien upon and security interest in the Borrower's now existing and hereafter acquired franchises, furniture, fixtures, machinery, equipment, manufacturing procedures, quality control procedures and product specifications relating to products sold and business operated under the Trademarks (as hereinafter defined);

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, and in consideration of the premises, the Borrower hereby agrees with Lender as follows:

1. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed to them in the Loan Agreement.

2. To secure the payment and performance by the Borrower of its obligations under the Loan Agreement and the payment of the loan to Lender, the Borrower hereby grants to Lender a continuing security interest in and lien upon all of the right, title and interest of the Borrower in the following property, whether now owned or existing or hereafter acquired (collectively, the "Collateral");

a) all trademarks, trade names, trademark registrations, and trademark applications, and all renewals

thereof, including, without limitation, the trademark registrations and applications listed on Schedule A attached hereto and made a part hereof (as the same may be amended from time to time), together with all trademarks, trade names, trademark registrations and trademark applications which are hereafter adopted or acquired by the Borrower, including without limitation all New Marks (as defined below), as well as the goodwill of the Borrower's business connected with and symbolized by such trademarks, trade names, trademark registrations and trademark applications; and all rights corresponding thereto throughout the world (hereinafter collectively referred to as the "Trademarks");

(b) all income, royalties, damages and payments now or hereafter due or payable with respect to the Trademarks, including, without limitation, damages and payments for past or future infringements thereof; and

(c) all Proceeds of the foregoing. "Proceeds" shall have the meaning assigned to it under Section 9-306 of the Code (as defined below), and in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guarantee payable to Borrower from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to Borrower 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 body, authority, bureau or agency (or any person acting under color of governmental authority), and (iii) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

3. The Borrower represents and warrants to Lender that:

(a) each of the registrations for the Trademarks as shown on Schedule A is subsisting and has not been adjudged invalid or unenforceable;

(b) upon filing of this Agreement in the United States Patent and Trademark office (hereinafter "USPTO") against each U.S. Trademark registration and pending application, and the filing of a UCC-1 Financing Statement in compliance with the Uniform Commercial Code ("Code") as in effect in the States of California and Texas in the offices of the Secretary of State of California and the Secretary of State of Texas covering all general intangibles now owned or hereafter acquired by the Borrower, Lender will have a legal, valid and perfected lien upon and security interest in the Collateral (other than foreign trademark registrations and trademark applications), enforceable against the Borrower and all third persons in accordance with its terms;

(c) the Borrower is not aware of any claim that the use of any of the Trademarks does or may violate the rights of any third person; and

(d) the Borrower has the unqualified right to enter into this Agreement and to perform its terms.

4. The Borrower covenants and agrees with Lender that:

(a) The Borrower owns all beneficial and ownership rights, title and interest in and to all of the Trademarks, including without limitation all applications and registrations listed on Schedule A, and the rights conferred by those applications and registrations.

(b) Except for the interests of licensees under Permitted Licenses (as hereinafter defined), the Borrower is and will remain the sole and exclusive owner, of the entire right, title and interest in and to the Collateral, free and clear of any liens, charges, claims, rights and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by the Borrower not to sue third persons;

(c) The Borrower will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement;

(d) The Borrower will not lower the quality of the products associated with the Trademarks without Lender's prior written consent;

(e) The Borrower has used, and will continue to use for the duration of this Agreement, required statutory notice in connection with its use of the Trademarks; and

(f) The Borrower shall not abandon any of the Trademarks without Lender's prior written consent, including, without limitation, by failure to file an affidavit of use with the USPTO during the sixth year of a United States registration as required by law. Borrower will not do any act, or omit to do any act, whereby the Trademarks or any registration or application appurtenant thereto, may become abandoned, invalidated, unenforceable, avoided, avoidable, or will otherwise diminish in value, and shall notify Lender immediately if it knows of any reason or has reason to know of any ground under which this result may occur. The Borrower shall take appropriate action at its expense to halt the infringement of the Trademarks and shall properly exercise its duty to control the nature and quality of the goods offered by any licensees in connection with any Permitted Licenses.

5. The Borrower hereby grants to Lender and Lender's employees and agents, the right upon not less than twenty-four hours notice, to visit the Borrower's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. The Borrower shall do any and all acts reasonably required by Lender to ensure the Borrower's compliance with paragraph 4(c) of this Agreement.

6. Until all of the Obligations have been satisfied in full and the Loan Agreement has been terminated, the Borrower shall not sell any of the Trademarks, grant or assign any security or other interest in any of the Trademarks, or enter into any license agreement with respect to any of the Trademarks other than Permitted Licenses. As used herein, the term "Permitted Licenses" shall mean and include such licenses as the Borrower shall enter into which are either (i) on a commercially reasonable and an arms length basis subject to Lender's security interest or (ii) approved hereafter by Lender in writing in its sole discretion. The Borrower shall give to Lender written notice within fifteen (15) days of the Borrower's entering into a Permitted License, the Trademarks to be the subject of such license, and the terms of such license, and shall provide Lender with a copy of the duly executed license agreement promptly after execution thereof by the Borrower and the licensee.

7. If, before the Obligations have been satisfied in full and the Loan Agreement has terminated, the Borrower shall obtain rights to any new trademark or trade names, whether registered or at common law, or become the owner of or entitled to the benefit of any trademark application or trademark registration (collectively, the "New Marks"), the provisions of paragraph 2 hereof shall automatically apply to such New Marks and such New Marks shall automatically become included in the definition of Trademarks. The Borrower shall give Lender prompt notice of any application to register any New Mark, or the acquisition of any registration for any New Mark in the United States or Canada in writing, but in no event later than sixty (60) days after the filing of the application or the acquisition of the registration of such New Mark; and shall periodically update Schedule A and provide a copy to the Lender of any applications for or registration of New Marks elsewhere in the world.

8. The Borrower authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are or become Trademarks under Paragraph 2 or Paragraph 7 hereof. Lender shall provide to Borrower a copy of such amended Schedule A within thirty (30) days after making such amendment.

9. The Borrower agrees to execute and deliver to Lender such further papers and to do such other acts as may be necessary and proper to accomplish the purposes of this Agreement, including without limitation, in order to perfect or continue the perfection of Lender's security interest in all of the Collateral. At any time and from time to time, upon the written request of Lender, the Borrower will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Lender may reasonably deem necessary or desirable in obtaining the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Code with respect to the liens and security interests granted hereby. Borrower also hereby authorizes Lender to file any such financing or continuation statement without the signature of Borrower to the extent permitted by applicable law. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged to Lender hereunder, duly endorsed in a manner satisfactory to Lender.

10. Upon or after the occurrence of an Event of Default and the acceleration of the Loans (or either of them), Lender shall have, in addition to all other rights and remedies given it by this Agreement and the Loan Agreement, all rights and remedies under applicable law and all rights and remedies of a secured party under the Uniform Commercial Code as adopted and then in force in the State of Arizona. Without limiting the generality of the foregoing, Lender may immediately, without notice or demand, each of which the Borrower hereby waives, collect directly any payments due the Borrower in respect of the Collateral, including without limitation the right of the Lender under any Permitted Licenses, to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose collecting any and all such moneys due under any Permitted License, whenever payable. Additionally, the Lender may sell at public or private sale or otherwise realize from time to time upon all or, any of the Collateral. Upon the occurrence and continuance of an Event of Default the Lender may also (A) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (B) defend any suit, action or proceeding brought against Borrower with respect to any Collateral; (C) settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Lender may deem appropriate; and (D) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do,

at Lender's option all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as Borrower might do. The Borrower hereby agrees that fifteen (15) days written notice to the Borrower of any public or private sale or other disposition of any of the Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Lender may, to the extent permitted by law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Borrower, which right the Borrower hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Collateral all reasonable costs and expenses incurred by Lender in enforcing its rights hereunder (including, without limitation, all brokers' fees, auctioneers' fees and attorneys' fees actually incurred), Lender shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as Lender in its sole discretion may determine. All payments received by Borrower under or in connection with any of the Collateral shall be held by Borrower in trust for Lender, shall be segregated from other funds of Borrower and shall forthwith upon receipt by Borrower, be turned over to Lender, in the same form as received by Borrower (duly indorsed by Borrower to Lender, if required) and such payments so received by Lender (whether from Borrower or otherwise) shall be applied against the Obligations in accordance with Section 2.7.4 of the Loan Agreement. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Borrower. If any deficiency shall arise, the Borrower and each guarantor of the Obligations shall remain jointly and severally liable to Lender therefor.

11. The Borrower hereby irrevocably makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select, with full power of substitution, as the Borrower's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse the Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other person or entity, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any other person or entity. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof unless any act or omission results from such attorney's gross negligence or willful misconduct. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated. The powers conferred on Lender hereunder are solely to protect its interests in the Collateral and shall not impose any

duty upon it to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act, except for its own willful misconduct. Concurrently with the execution and delivery hereof, Borrower is executing and delivering to Lender, in the form of Schedule B hereto, original Powers of Attorney, in sufficient quantities, for the implementation of the assignment, sale or other disposal of the Trademarks pursuant to paragraphs 10 and/or 11 hereof.

12. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including attorneys' fees and legal expenses, actually incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, 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 fees, encumbrances or otherwise protecting, maintaining, or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by the Borrower (it being the intent of the Borrower and Lender that the Borrower shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all reasonable governmental fees with respect to the Trademarks) or, if paid by Lender, shall be paid by the Borrower on demand by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate per annum in effect from time to time under the Loan Agreement. The Borrower assumes all responsibility and liability arising from the use of the Trademarks, and Borrower hereby indemnifies and holds Lender harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of Borrower's operations of its business from the use of the Trademarks.

13. The Borrower shall use reasonable efforts to detect any infringers of the Trademarks and shall notify Lender in writing of infringements detected. The Borrower shall have the duty, through counsel reasonably acceptable to Lender, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make application for registration in the USPTO or equivalent governmental office outside the United States of registrable but unregistered Trademarks in such jurisdictions, for such goods and services, and at such times as the Borrower deems necessary in its reasonable business judgment, to file and prosecute opposition and cancellation proceedings as are deemed reasonable and necessary in the Borrower's reasonable business judgment, to file

and prosecute lawsuits to enforce the Trademarks as are deemed reasonable and necessary in the Borrower's reasonable business judgment, and to do any and all acts which are deemed reasonably necessary by Lender to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Borrower.

14. Lender shall have the right, but shall in no way be obligated, to defend any suit or counterclaim in its own name in order to defend the Trademarks and any license hereunder, in which event the Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such defense and the Borrower shall promptly, upon demand, reimburse and indemnify Lender for all reasonable costs and expenses incurred by Lender in the exercise of its rights under this paragraph 14.

15. If the Borrower fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Lender may do so in the Borrower's name or in Lender's name, but at the Borrower's expense, and the Borrower agrees to reimburse Lender in full for all reasonable expenses, including reasonable attorney's fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

16. No course of dealing between the Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Loan 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.

17. All of Lender's rights and remedies with respect to the Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

18. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of his Agreement in any jurisdiction.

19. Except as otherwise provided herein, all notices and other communications required under the terms and provisions of this Agreement, the Note or the other Loan Documents shall be in writing and shall become effective when delivered by hand or

received by overnight courier, telex, facsimile, telegram or registered first class mail, postage prepaid, addressed as follows:

If to Lender, at:

FINOVA Capital Corporation
115 West Century Road
Paramus, New Jersey 07652
Facsimile No. 201-712-3712
Attention: William J. McKinney
Senior Vice President

with a copy to: Winick & Rich, P.C.
919 Third Avenue
New York, New York 10022
Facsimile No. 212-308-5945
Attention: Felicia P. Buebel, Esq.

If to Borrower, at:

Pizza World Supreme, Inc.
5701 N. West Avenue
Fresno, California 93711
Facsimile No. 209-432-0398
Attention: John Ferdinandi

with a copy to: Basic Capital Management, Inc.
10670 North Central Expressway
Suite 600
Dallas, Texas 75231
Facsimile No. 214-373-0740
Attention: General Counsel

with a copy to: Andrews & Kurth L.L.P.
1717 Main Street
Suite 3700
Dallas, TX 75201
Facsimile No. 214-659-4401
Attention: Thomas Popplewell, Esq.

or at such other address as either party may, from time to time, designate in writing to the other party hereto.

20. This Agreement is subject to modification only by a writing signed by the parties hereto except as provided in paragraph 8 hereof.

21. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns

of Lender and upon the successors of the Borrower. The Borrower shall not assign its rights or delegate its duties hereunder without the prior written consent of Lender.

22. Time is of the essence of this Agreement. No person or entity, other than the parties hereto, shall be deemed to be a beneficiary hereof or have the right to enforce any of the provisions of this Agreement.


23. At such time as all Obligations have indefeasibly been paid in full and all financing and other facilities of Lender to Borrower terminated, Lender shall cooperate with Borrower in releasing its security interests in the Trademarks.

24. THIS AGREEMENT, THE NOTE, THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO AND THERETO SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW JERSEY.

25. BORROWER IRREVOCABLY CONSENTS THAT ANY LEGAL ACTION OR PROCEEDING AGAINST BORROWER UNDER, ARISING OUT OF, OR IN ANY MANNER RELATING TO THIS AGREEMENT, THE NOTE OR THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN ANY STATE COURT OF THE STATE OF NEW JERSEY LOCATED IN BERGEN COUNTY OR IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY. BORROWER, BY ITS EXECUTION AND DELIVERY OF THIS AGREEMENT, EXPRESSLY AND IRREVOCABLY CONSENTS AND SUBMITS TO THE PERSONAL JURISDICTION OF ANY OF SUCH COURTS IN ANY SUCH ACTION OR PROCEEDING. BORROWER FURTHER AGREES THAT ANY LEGAL ACTION OR PROCEEDING BORROWER MAY BRING, ARISING OUT OF OR IN ANY MANNER RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, SHALL ONLY BE BROUGHT IN ANY STATE COURT OF THE STATE OF NEW JERSEY LOCATED IN BERGEN COUNTY OR IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY. BORROWER ALSO IRREVOCABLY CONSENTS TO THE SERVICE OF ANY COMPLAINT, SUMMONS, NOTICE OR OTHER PROCESS RELATING TO SUCH ACTION OR PROCEEDING BY DELIVERY THEREOF TO BORROWER IN THE MANNER PROVIDED FOR NOTICES IN THIS AGREEMENT. BORROWER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY CLAIM OR DEFENSE IN ANY SUCH ACTION OR PROCEEDING BASED ON ANY ALLEGED LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS OR ANY SIMILAR BASIS. NOTHING HEREIN SHALL AFFECT OR IMPAIR IN ANY MANNER OR TO ANY EXTENT THE RIGHT OF LENDER TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST BORROWER IN ANY OTHER JURISDICTION OR TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW.

IN WITNESS the execution hereof under seal on the day and year first above written.

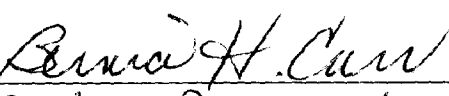
PIZZA WORLD SUPREME, INC.

By: 

Name: JOHN. A. FERDINANDI

Title: PRESIDENT

FINOVA CAPITAL CORPORATION

By: 

Title: Vice President

STATE OF CALIF.

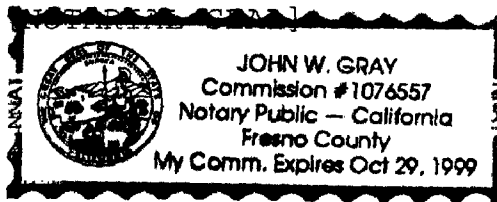
COUNTY OF FRESNO

SEE ATTACHED

BEFORE ME, the undersigned authority, on this day personally appeared JOHN A. FERNANDEZ of PIZZA WORLD SUPREME, INC., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY AND SEAL OF OFFICE on this 23RD day of June, 1998

John W. Gray
Notary Public
My Commission Expires: 10-29-99



STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____ of FINOVA CAPITAL CORPORATION known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN, UNDER MY HAND AND SEAL OF OFFICE on this ____ day of June, 1998.

Notary Public
My Commission Expires:

[NOTARIAL SEAL]

SCHEDULE A

Schedule A to a Trademark Collateral Security Agreement dated as of June 24, 1998, by and between PIZZA WORLD SUPREME, INC. and FINOVA CAPITAL CORPORATION.

Federal Trademarks

Trademark	Registration #	Registration Date	Application #	Application Date
ME-N-ED'S PIZZA PARLORS and Design	1,918,219	9/12/95	74-542,689	6/24/94
DESIGN ONLY	1,945,147	1/2/96	74-542,265	6/24/94
ME-N-ED'S PIZZA and Design	1,952,416	1/30/96	74-542,257	6/24/94
DESIGN ONLY	1,958,376	2/27/96	74-541,749	6/24/94
ME-N-ED'S PIZZA PARLORS and Design	1,963,746	3/26/96	74-541,108	6/22/94
ME-N-ED'S	995,305	10/8/74	72-461,018	6/22/73

California Trademark

Trademark	Registration #	Registration Date
ME-N-ED'S and Design	96,129	6/9/92

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

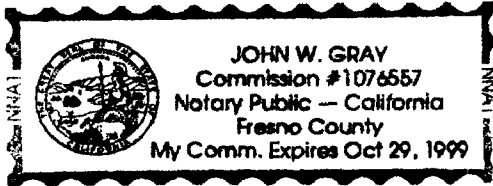
State of CALIFORNIA

County of FRESNO

On JUNE 23, 1998 before me, JOHN W. GRAY, NOTARY PUBLIC

personally appeared JOHN A. FEINENAUER

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature of Notary: John W. Gray

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
CORPORATE OFFICER (checked)
PRESIDENT
PARTNER(S)
LIMITED
GENERAL
ATTORNEY-IN-FACT
TRUSTEE(S)
GUARDIAN/CONSERVATOR
OTHER:

DESCRIPTION OF ATTACHED DOCUMENT

TRADEMARK COLLATERAL SECURITY AGREEMENT
TITLE OR TYPE OF DOCUMENT
15
NUMBER OF PAGES
DATE OF DOCUMENT
SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)
PIZZA WORLD SUPREME,
A NEVADA CORP.