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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94)

Tab settings

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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):

NEDS, INC.

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Stock Purchase Agreement
- Merger
- Change of Name

Execution Date: December 19, 1997

2. Name and address of receiving party(ies)

Name: ZURICH PAYROLL OPERATIONS LIMITED

Internal Address:

Street Address: 2 Research Way

City: Princeton State: NJ ZIP: 08540

- 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

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

A. Trademark Application No.(s)

Serial No. 74/427,345

Filed August 20, 1993

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Alfred A. Fressola

Internal Address: WARE, FRESSOLA, VAN DER SLUYS

& ADOLPHSON LLP

Street Address: 755 Main Street, Bldg. 5

City: Monroe State: CT ZIP: 06468

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6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

23-0442 for any deficiencies

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

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(40.00 DP)

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.

Alfred A. Fressola
Name of Person Signing

Signature

10/28/99
Date

Total number of pages including cover sheet, attachments, and document: 4

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK

REEL: 001984 FRAME: 0329

STOCK PURCHASE AGREEMENT, dated as of December 19, 1997, among ZURICH PAYROLL OPERATIONS LIMITED, a Delaware corporation ("Buyer"), COMPUTER OUTSOURCING SERVICES, INC., a New York corporation ("Seller"), DATON PAY USA, INC., a California corporation ("Daton"), PAY USA OF NEW JERSEY, INC., a New York corporation ("Pay USA"), NEDS, INC., a New York corporation ("NEDS") and KEY-ACA, INC., a New York corporation ("Key-ACA," and together with Daton, Pay USA and NEDS, the "Companies").

INTRODUCTION

Daton, Pay USA, NEDS and Key-ACA each own and operate a payroll service business located in California, New York, Rhode Island and Massachusetts, respectively. Seller desires to sell all of the issued and outstanding shares of capital stock of the Companies (the "Shares"), and Buyer desires to purchase the Shares, upon the terms and subject to the conditions set forth herein.

The parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.01. *Definitions.* (a) The following terms, as used this Agreement, shall have the following meanings:

"Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person.

"Code" means the Internal Revenue Code of 1986.

"Contract" means any agreement, note, bond, arrangement, understanding, lease, license, option, indenture, mortgage, deed of trust, plan, commitment or instrument.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"GAAP" means generally accepted accounting principles.

1.02. *Defined Terms.* (a) Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP as in effect from time to time.

(b) All references in this Agreement to "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Agreement. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement and not to any particular Article, Section or other subdivision.

(c) In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

(d) All references to "including" in this Agreement shall mean including without limitation.

(e) A reference to a law in this Agreement includes any amendment or modification to such law and any rules or regulations issued thereunder.


(f) A reference to a Person in this Agreement includes its successors and permitted assigns (if any).

PURCHASE AND SALE OF SHARES

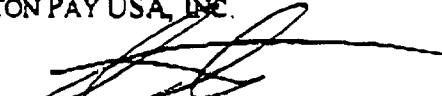
2.01. *Purchase and Sale of Shares.* (a) At the Closing, upon the terms and subject to the conditions set forth in this Agreement, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase and acquire from Seller, all of the Shares.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.


COMPUTER OUTSOURCING SERVICES, INC.

By: 
Zach Lonstein
Chairman of the Board of Directors


DATON PAY USA, INC.

By: 
Zach Lonstein
President


PAY USA OF NEW JERSEY, INC.

By: 
Zach Lonstein
President

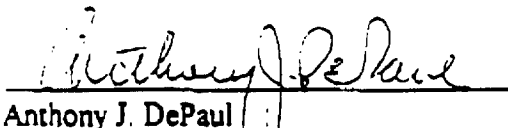
NEDS, INC.

By: 
Zach Lonstein
President

KEY-ACA, INC.

By: 
Zach Lonstein
President

ZURICH PAYROLL OPERATIONS LIMITED

By: 
Anthony J. DePaul
Chief Executive Officer and President