

06-18-2003



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

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

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Tab settings

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

1. Name of conveying party(ies):

Ready Staffing Network, LLC

6-16-03

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other Kentucky Limited Liability Company

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 05/01/2003

2. Name and address of receiving party(ies)

Name: Capital Tempfunds, Inc.

Internal Address: One Brixham Green

Street Address: 15800 John J. Delaney Drive

City: Charlotte State: NC Zip: 28277

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State North Carolina 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 registration number(s):

A. Trademark Application No.(s) 76/407,929

B. Trademark Registration No.(s) 2498627; 2433861; 2459625; 2465514

Additional number(s) attached Yes No

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

Name: Julie Ann Gregory, Esq.

Internal Address: Middleton Reutlinger

Street Address: 2500 Brown & Williamson Tower

City: Louisville State: KY Zip: 40202

6. Total number of applications and registrations involved:

5

7. Total fee (37 CFR 3.41) \$ 140.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

OFFICE OF PUBLIC RECORDS 2003 JUN 16 PM 4: 24

DO NOT USE THIS SPACE

9. Signature.

Julie Ann Gregory Name of Person Signing

Julie Gregory Signature

6/16/03 Date

8

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

06/18/2003 LNUELLER 00000002 76407929

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

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TRADEMARK REEL: 002756 FRAME: 0285

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") made as of the 1st day of May, 2003 is entered into between the undersigned, **READY STAFFING NETWORK, LLC**, a Kentucky limited liability company with its principal place of business and chief executive office at c/o Middleton Reutlinger, 2500 Brown & Williamson Tower, Louisville, Kentucky 40202 ("Grantor") and **CAPITAL TEMPFUNDS, INC.**, a North Carolina corporation with an office at One Brixham Green, 15800 John J. Delaney Drive, Suite 300, Charlotte, NC 28277-2843 ("Grantee").

WHEREAS, Grantor and Grantee have entered into a certain Loan and Security Agreement of even date herewith whereby Grantee has lent and has agreed to lend funds to Grantor on the terms and conditions set forth in said Loan and Security Agreement and other financing documents (hereinafter collectively referred to as the ("Security Agreements")); and

WHEREAS, Grantor is the record owner of the trademarks listed on Schedule A annexed hereto (the "Trademarks"), which Trademarks are registered with the United States Patent and Trademark Office; and

WHEREAS, Grantor hereby grants Grantee a security interest in the Trademarks on the terms set forth herein.

NOW, THEREFORE, for and in consideration of the terms and conditions set forth in the Security Agreements and set forth herein, the parties agree as follows:

1. Grant of Security: As security for the full, prompt and complete payment and performance of all obligations owed by Grantor to Grantee under the Security Agreements (the "Obligations"), Grantor hereby grants to Grantee a continuing security interest in and a pledge of and to the Trademarks and Trademark Applications listed on Schedule A attached hereto (collectively the "Trademarks"). Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement is intended to be, or may be construed to be, an assignment of any Trademarks prior to an event of default under the Security Agreement (an "Event of Default") or of any application to register any trademark or service mark based on an intent to use filed by, or on behalf of, the Grantor, and any "intent to use" applications are specifically excluded from the Trademarks for purposes of this Agreement.

2. Use and Ownership Prior to Default: Unless and until an Event of Default shall occur, the Grantor shall retain the legal and equitable title to the Trademarks, and shall have the right to use and register the Trademarks in the ordinary course of business of the Grantor, but shall not be permitted to sell, assign, transfer or otherwise encumber the Trademarks or any part thereof; provided however, that nothing herein shall prohibit Grantor from failing to renew or otherwise abandon any Trademark if, in Grantor's good faith judgment, the retention of such Trademark is not material to the proper conduct of Grantor's business, except that the Grantor shall not permit the expiration of registrations of Trademarks with the United States Patent and Trademark Office, listed

in Schedule A hereto, without the prior written consent of the Grantee, which consent shall not be unreasonably withheld. Grantor shall provide notice of such planned action to Grantee on or before sixty (60) days prior to the date the Trademark registration expires. In the event Grantor does not receive authorization from Grantee at least ten (10) days before any action must be taken to maintain registration for the Trademark, Grantee will be deemed to have acquiesced in and authorized Grantor to take appropriate action for the sole purpose of maintaining registration of the Trademark.

3. Grantor covenants and warrants that:

a. To its actual knowledge, the Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

b. To Grantor's actual knowledge, each of the Trademarks is valid and enforceable;

c. To Grantor's actual knowledge, Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, registered user agreements, licenses, shop rights and covenants by Grantor not to sue third persons;

d. To Grantor's actual knowledge, Grantor has the unqualified right to enter into this Security Agreement and perform its terms;

e. Other than as disclosed to Grantee, Grantor has received no written claim that the use of any of the Trademarks does or may violate the rights of any third person;

f. Grantor has used and will use commercially reasonable efforts to continue to use for the duration of this Security Agreement proper statutory notice in connection with its use of the Trademarks; and

g. Grantor has used and will use commercially reasonable efforts to continue to use for the duration of this Security Agreement consistent standards of quality in the providing of services under the Trademarks.

4 Grantor hereby grants to Grantee and its employees and agents the right to visit Grantor's facilities which provide any services under any of the Trademarks, and to inspect the quality control records relating thereto at reasonable times during regular business hours. Grantor shall do any and all acts reasonably required by Grantee to ensure Grantor's compliance with Paragraph 3.G. above.

5. If, before the Obligations shall have been satisfied in full, Grantor shall obtain rights to any new trademarks, the provisions of Paragraph 1 hereof shall automatically apply thereto and Grantor shall give to Grantee prompt notice thereof in writing.

6. Grantor authorizes Grantee to modify this Agreement by amending Schedule A to include any trademarks, which would otherwise be defined as Trademarks under Paragraphs 1 or 5 hereof.

7. This Security Agreement will continue in effect until the Obligations have been paid in full. Within ten calendar days after the Obligations have been paid in full, Grantee shall use its best efforts to execute and deliver to Grantor a termination of this Security Interest and a release of Grantee's interests in the Trademarks. At any time or from time to time after the Obligations have been finally paid, upon Grantor's written request, Grantee shall execute and deliver to Grantor such further documents and do such other acts and things as Grantor may reasonably request in order further to effect the termination of this Security Agreement and the release by Grantee of Grantee's interests in the Trademarks, including, without limitation, the filing or recording of a termination of this Security Agreement or any schedule, amendment or supplement hereto, or the termination of a financing or continuation statement with respect hereto in accordance with the laws of any applicable jurisdictions.

8. If demand has been made or an event of default shall have occurred and be continuing, Grantee shall have, in addition to all other rights and remedies given it by this Security Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located and, without limiting the generality of the foregoing, the Grantee may immediately, without demand of performance and without notice whatsoever to Grantor, all of which are hereby expressly waived, sell at public or private sale or otherwise realize upon, in North Carolina or elsewhere, the whole or from time to time any part of the Trademarks, or any interest which Grantor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations immediately shall be paid over to Grantor. Notice of any sale or other disposition of the Trademarks shall be given to Grantor at least ten (10) days before the time of any intended public or private sale or other disposition of the Trademarks, which Grantor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Grantee or any holder of any note may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Grantor, which right is hereby waived and released.

9. Grantor assumes all responsibility and liability arising from the use of the Trademarks and Grantor hereby indemnifies, defends and holds Grantee harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of (i) any alleged defect in any product manufactured, services provided, promoted or sold by Grantor bearing any of the Trademarks, or (ii) the manufacture, provision of services, promotion, labeling, sale or advertisement of any such product by Grantor.

10. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Grantee in connection with (i) the

preparation of this Security Agreement and all other documents relating hereto and to the consummation of this transaction, (ii) the filing or recording of any documents (including all taxes in connection therewith) in public offices, (iii) the payment or discharge of any taxes, counsel fees, maintenance fees or encumbrances, (iv) defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, or (v) otherwise protecting, maintaining or preserving the Trademarks, shall be borne and paid by Grantor on demand by Grantee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the applicable rate prescribed in the Security Agreements.

11. Grantor shall retain the right, through legal counsel reasonably acceptable to Grantee, to prosecute in Grantor's name any trademark applications for the Trademarks pending as of the date of this Security Agreement or any registrable but unregistered Trademarks, to file and prosecute in Grantor's name opposition and cancellation proceedings, and to do all acts necessary or desirable to preserve and maintain all rights in the Trademarks that Grantor, in exercise of its reasonable business judgment determines have value or are necessary in Grantor's business. Any expenses incurred in connection with such an applications shall be borne by Grantor.

12. Upon the failure or inability of Grantor to take actions required under Paragraph 11 above, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name (but on behalf of Grantor) to enforce or protect the Trademarks and any license thereunder, in which event Grantor shall at the request of Grantee do any and all lawful and commercially reasonable acts and execute any and all proper documents reasonably required by Grantee in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all reasonable costs and expenses incurred by Grantee in the reasonable exercise of its rights hereunder.

13. In the event of the occurrence of event of default under the Security Agreements, Grantor hereby authorizes and empowers Grantee to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, documents, papers and instruments necessary for Grantee to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the life of this Security Agreement. Notwithstanding the foregoing, Grantor alone shall have the foregoing rights prior to the occurrence of an event of default under the Security Agreements during every period of time in which no uncured event of default exists.

14. No course of dealing between Grantor and Grantee, nor any failure to exercise, nor any delay in exercising, on the part of Grantee or Grantor, any right, power or privilege hereunder or under the Security Agreements 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.

15. All of Grantee's rights and remedies with respect to the Trademarks, whether established hereby or by the Security Agreements, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable, and if any clause or provision hereof 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 this Agreement in any jurisdiction.

17. This Agreement is subject to modification only in writing signed by both the parties, except as provided in Paragraph 6 hereof.

18. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

19. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of North Carolina.

20. This Agreement is made in order to grant Grantee a security interest in the property set forth on Schedule A annexed hereto, and upon satisfaction of the Obligations secured hereby, this Agreement shall be void and of no further effect.

WITNESS the execution hereof under seal as of the day and year first above written.

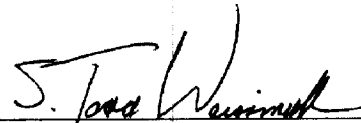
WITNESS:

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WITNESS:

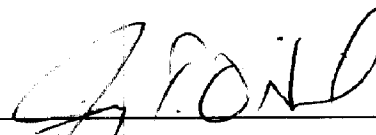
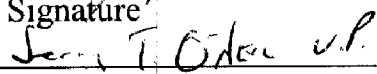
Grantor:

READY STAFFING NETWORK, LLC, a
Kentucky limited liability company

By  _____
S. Todd Weissmueller, Manager

Grantee:

CAPITAL TEMPFUNDS, INC.,
a North Carolina corporation

By  _____
Signature

Name and Title

COMMONWEALTH OF KENTUCKY)

) SS:

COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this 22 day of May, 2003 by S. Todd Weissmueller, as Manager of READY STAFFING NETWORK, LLC, a Kentucky limited liability company, on behalf of the limited liability company. He is personally known to me.

Brenda L. Hites

Notary Public,

Print Name: Brenda L. Hites

Commission Number: _____

My Commission Expires:

10/28/04

[NOTARIAL SEAL]

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

Terry O'Neil The foregoing instrument was acknowledged before me this 23rd day of May, 2003 by ~~Michael J. Sullivan~~, a ~~Senior~~ Vice President of CAPITAL TEMPFUNDS, INC, a North Carolina corporation, on behalf of the corporation. He [] is personally known to me or [] has produced _____, as identification.

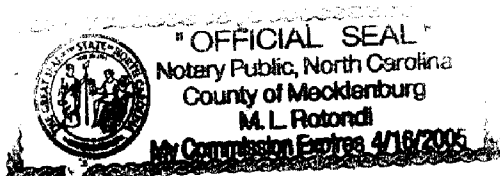
M. L. Rotondi

Notary Public, State of NC

Print Name: M. L. ROTONDI

Commission Number: _____

My Commission Expires:



[NOTARIAL SEAL]

SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT

List of Trademarks

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Expiration Date</u>
Ready Staffing®	2,498,627	October 16, 2001	October 16, 2011
R Ready Staffing & Design®	2,433,861	March 6, 2001	March 6, 2011
All Trades Direct®	2,459,625	June 12, 2001	June 12, 2011
All Trades Direct Tradespeople for Construction & Design®	2,465,514	July 3, 2001	July 3, 2011

List of Trademark Applications

<u>Mark</u>	<u>Application No.</u>	<u>Filing Date</u>
R Ready Staffing Network & Design	76/407,929	June 26, 2002