

CH \$140.00 160752 78355387

TRADEMARK
REEL: 002879 FRAME: 0804

SCHEDULE 1

Trademarks

Trademarks:

1. MODERATION & Design registered in United States Patent and Trademark Office under Reg. No. 2,617,423.
2. MODERATION registered in United States Patent and Trademark Office under Reg. No. 2,584,841.
3. FIVE STAR FOOD SERVICE, registered in United States Patent and Trademark Office under Reg. No. 2,768,626.
4. FIVE STAR EXPRESS, registered in United States Patent and Trademark Office under Reg. No. 2,502,432.
5. SOHO SUBS, trademark application Serial No. 78/355,387, filed January 22, 2004 in United States Patent & Trademark Office.

Domain Names:

1. 4FIVESTAR.COM
2. FIVESTAR-CORP.COM
3. 5STAR-FOOD.COM
4. FIVESTAR-FOOD.ORG
5. FIVESTAR-FOOD.NET
6. FIVESTAR-CORP.ORG
7. FIVESTAR-CORP.NET
8. 4FIVESTAR.ORG
9. 5STAR-FOOD.ORG
10. 5STAR-FOOD.NET
11. 4FIVESTAR.NET
12. FIVESTAR-FOOD.COM

Tradenames:

None

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this “Agreement”), entered into as of the 24th day of June, 2004, by and between FIVE STAR FOOD SERVICE, INC., a Delaware corporation (the “Grantor”) and WELLS FARGO FOOTHILL, INC., a California corporation, as administrative agent (“Agent”) for the Lenders (as defined below).

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the “Loan Agreement”), by and among the Grantor as borrower, Five Star Service Group, Inc., a Delaware corporation and parent of the Grantor, the lenders identified on the signature pages thereof (such lenders, together with their respective successors and assigns, are hereinafter referred to, collectively, as the “Lenders”) and Agent, the Lenders have agreed to make certain loans and other financial accommodations to the Grantor from time to time pursuant to the terms and conditions thereof; and

WHEREAS, it is a condition precedent to the extension of credit under the Loan Agreement that the Grantor shall have granted the security interest contemplated by this Agreement;

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

1. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms herein without definition shall have the respective meanings ascribed those terms in the Loan Agreement.
2. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, the Grantor hereby grants to Agent, for the benefit of the Lender Group, a security interest, in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of the Grantor’s now owned or existing and hereafter acquired or arising: (a) trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and domain names including, without limitation, the trademarks, trade names, registered trademarks,

trademark applications, service marks, registered service marks, service mark applications and domain names, all of which are listed on Schedule 1 attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of the Grantor's business symbolized by the foregoing and connected therewith, (v) all general intangibles (as defined in the Code) related to or arising out of any of the foregoing, and (vi) all of the Grantor's rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and domain names, together with the items described in clauses (i)-(vi) in this paragraph 2(a), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"; and (b) the goodwill of the Grantor's business connected with and symbolized by the Trademarks.

3. The Grantor agrees that it will not enter into any agreement, including without limitation any license agreement, that is inconsistent with this Agreement, and the Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including without limitation licensees, or fail to take any action, that would in any material respect affect the validity or enforcement of the rights transferred to Agent under this Agreement or the rights associated with the Trademarks.

4. The Grantor agrees that if, prior to the termination of this Agreement, the Grantor shall (a) obtain rights to any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications or domain names or (b) become entitled to the benefit of any trademarks, trade names, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications or domain names, the provisions of paragraph 2 above shall automatically apply thereto. The Grantor shall give to Agent written notice of events described in clauses (a) and (b) of the preceding sentence promptly (but in no event later than 15 days) after the occurrence thereof. The Grantor authorizes Agent to modify this Agreement by amending Schedule 1 to include any future trademarks, service marks, trademark, service mark applications or registrations or domain names that are or may become Trademarks hereunder and to record such modifications (or notice thereof) in the United States Patent and Trademark Office or with other applicable recording or filing office within the United States or any state thereof at the expense of the Grantor as Agent shall determine in its Permitted Discretion. The Grantor agrees to execute any and all instruments (including individual security agreements) necessary to confirm such amendment or to enable such recording.

5. The Grantor agrees (a) not to abandon any Trademark without the prior written consent of Agent, and (b) to take all action necessary to maintain in force any registration of the Trademarks in the United States Patent and Trademark Office and in any other jurisdiction within the United States or any state thereof in which it is registered, including (without limitation) any filing, to the extent permitted and authorized by law, any declarations under Sections 8 and 15 of the Trademark Act of 1946 (Lanham Act) and any renewals thereunder, with respect to the Trademarks. Any expense with regard to the foregoing shall be borne and paid by the Grantor.

6. Upon the occurrence and during the continuance of an Event of Default, Agent shall have the right, but shall not be obligated, to bring suit in its own name and for the benefit of the Lender Group to enforce the Trademarks and, if Agent shall commence any such suit, the Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement. The Grantor shall, upon demand, promptly reimburse Agent for all costs and expenses incurred by Agent in the exercise of its rights under this paragraph 6 (including, without limitation, the reasonable fees and expenses of attorneys and paralegals for Agent that are actually incurred).

7. (a) The Grantor hereby irrevocably designates, constitutes and appoints Agent (and all officers and agents of Agent designated by Agent in its sole and absolute discretion) as such the Grantor's true and lawful attorney-in-fact, and authorizes Agent and any of Agent's designees, in the Grantor's or Agent's name, upon the occurrence and during the continuance of an Event of Default, to take any action and execute any instrument necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse such the Grantor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone, and (iv) take any other actions with respect to the Trademarks as Agent deems in its best interest; provided that the foregoing appointment of Agent as such the Grantor's attorney-in-fact and authorizations shall only be effective upon the occurrence or during the continuation of an Event of Default. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof while such power of attorney is in effect. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. The Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies 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 or deemed located. Upon the

occurrence of an Event of Default and the election by Agent, on behalf of the Lender Group, to exercise any of its remedies under the Code with respect to the Trademarks, the Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks to Agent or any transferee of Agent and to execute and deliver to Agent or any such transferee all such agreements, documents and instruments as may be necessary, in Agent's sole discretion, to effect such assignment, conveyance and transfer. All of Agent's rights and remedies with respect to the Trademarks, whether established hereby, by the Loan Agreement or by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that Agent, on behalf of the Lender Group, may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. The Grantor agrees that any notification of intended disposition of any of the Trademarks required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition provided, however, that Agent may give any shorter notice that is commercially reasonable under the circumstances.

8. Representations and Warranties. The Grantor represents and warrants to the Agent as follows:

(a) Schedule 1 sets forth a true and correct list of all of the existing Trademarks that are registered, or for which any application for registration has been filed with the United States Patent and Trademark Office or any corresponding or similar trademark office of any other U.S. jurisdiction, and that are owned or held (whether pursuant to a license or otherwise) and used by the Grantor.

(b) Each of the Trademarks listed on Schedule 1 is existing and has not been adjudged invalid or unenforceable, in whole or in part, and, to the Grantor's knowledge, each of the Trademarks set forth on Schedule 1 is valid and enforceable.

(c) (i) The Grantor has rights in and good and defensible title to its interests in the existing Trademarks, (ii) with respect to the Trademarks shown on Schedule 1 hereto as owned by it, the Grantor is the sole and exclusive owner thereof, free and clear of any Liens and rights of others (other than Permitted Liens), including licenses, registered user agreements and covenants by the Grantor not to sue third persons, and (iii) with respect to any Trademarks for which the Grantor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademarks, each such license or licensing agreement is in full force and effect, the Grantor is not in default of any of its obligations thereunder and, other than (A) the parties to such licenses or licensing agreements, or (B) in the case of any non-exclusive license or license agreement entered into by the Grantor or any such licensor regarding such Trademarks, the parties to any other such non-exclusive licenses or license agreements entered into by the Grantor or any such licensor with any other Person, no other Person has any rights in or to any of the Trademarks. To the Grantor's knowledge,

the past, present and contemplated future use of the Trademarks by the Grantor has not, does not and will not infringe upon or violate any right, privilege or license agreement of or with any other Person.

(d) To the Grantor's knowledge, (i) no infringement or unauthorized use presently is being made of any of the Trademarks by any Person, and (ii) the past, present, and contemplated future use of the Trademarks by the Grantor has not, does not and will not infringe upon or violate any right, privilege, or license agreement of or with any other Person.

(e) The Grantor has the unqualified right, power and authority to pledge and to grant to Agent, for the benefit of the Lender Group, a security interest in all of its Trademarks pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

9. The Grantor covenants that so long as this Agreement shall be in effect, the Grantor shall:

(a) Comply, in all material respects, with all applicable statutory and regulatory requirements in connection with any and all of the Trademarks and give such notice of trademark, prosecute such claims, and do all other acts and take all other measures which, in the Grantor's reasonable business judgment, may be necessary or desirable to preserve, protect and maintain such Trademarks and all of the Grantor's rights therein, including diligently prosecute any material trademark application pending as of the date of this Agreement or thereafter;

(b) Comply with each of the terms and provisions of this Agreement, the Loan Agreement, and the other Loan Documents, and not enter into any agreement (for example, a license agreement) which is inconsistent with the obligations of the Grantor under this Agreement without Agent's prior written consent; and

(c) Not permit the inclusion in any contract to which the Grantor becomes a party of any provision that could or might impair or prevent the creation of security interests in favor of Agent, for the benefit of the Lender Group, in the Grantor's rights and interest in the Trademarks, and the Grantor will promptly give Agent written notice of the occurrence of any event that could have a material adverse effect on any of the Trademarks, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Trademarks for which the Grantor is a licensee.

10. Upon the satisfaction of the Obligations and the termination of the credit facility under the Loan Agreement, at the Grantor's expense, Agent shall execute and deliver to the Grantor all instruments as may be necessary or proper to remove and terminate the security interest, and to reassign to the Grantor any and all right, title and

interest in the Trademarks and the goodwill of the business symbolized by the Trademarks, subject to any disposition thereof that may have been made by Agent pursuant hereto.

11. 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 this Agreement in any jurisdiction.

12. This Agreement is subject to modification only by a writing signed by each of the parties hereto.

13. 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.

14. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of an original, executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile shall also deliver an original executed counterpart of this Agreement, but the failure to deliver an original, executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

15. The validity of this Agreement, the construction, interpretation, and enforcement hereof, and the rights of the parties hereto with respect to all matters arising hereunder or related hereto shall be determined under, governed by, and construed in accordance with the laws of the State of New York.

16. THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK, PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. THE GRANTOR AND EACH MEMBER OF THE LENDER GROUP WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO

OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 16.

THE GRANTOR AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. THE GRANTOR AND EACH MEMBER OF THE LENDER GROUP REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

17. Revival and Reinstatement. If the incurrence or payment of the Obligations under this Agreement by Grantor or the transfer by Grantor to Agent of any property of Grantor should for any reason subsequently be declared to be void or voidable under any state or federal law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent conveyances, preferences, or other voidable or recoverable payments of money or transfers of property (collectively, a "Voidable Transfer"), and if the Lender Group is required to repay or restore, in whole or in part, any such Voidable Transfer, or elects to do so upon the reasonable advice of its counsel, then, as to any such Voidable Transfer, or the amount thereof that the Lender Group is required or elects to repay or restore, and as to all reasonable costs, expenses, and attorneys fees of the Lender Group related thereto, the liability of Grantor automatically shall be revived, reinstated, and restored and shall exist as though such Voidable Transfer had never been made.

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IN WITNESS WHEREOF, Agent and the Grantor have caused this Agreement to be duly executed as of the day and year first above written.

AGENT

WELLS FARGO FOOTHILL, INC.

By: *Ruth J. Brooks*
Name: RUTH J. BROOKS
Title: V.P.

GRANTOR

FIVE STAR FOOD SERVICE, INC.

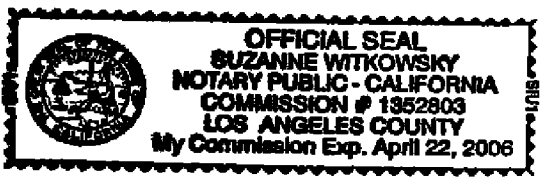
By: _____
Name: _____
Title: _____

NOTARY PUBLIC

Suzanne Witkowski
Sworn to and subscribed before me
this 17th day of June, 2004.
My Commission Expires 4-22-06

NOTARY PUBLIC

Sworn to and subscribed before me
this ____ day of June, 2004.
My Commission Expires _____



IN WITNESS WHEREOF, Agent and the Grantor have caused this Agreement to be duly executed as of the day and year first above written.

AGENT

WELLS FARGO FOOTHILL, INC.

By: _____
Name: _____
Title: _____

GRANTOR

FIVE STAR FOOD SERVICE, INC.

By: [Signature]
Name: Richard D. Dotson
Title: CFO Secretary/Treasure

NOTARY PUBLIC

Sworn to and subscribed before me
this ____ day of June, 2004.

My Commission Expires _____

NOTARY PUBLIC

Katrina D. Shiver
Sworn to and subscribed before me
this ____ day of June, 2004.

My Commission Expires 6/2006

Katrina
Whitfield County
Notary Public



SCHEDULE 1Trademarks

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12. FIVESTAR-FOOD.COM

Tradenames:

None