

12-01-2004



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

RECC
TK 102893096

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

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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):

KLLM, INC. 11-26-04

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

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

3. Nature of conveyance:

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

Execution Date: 10/29/2004

2. Name and address of receiving party(ies)

Name: LaSalle Bank National Association

Internal Address: 135 South LaSalle Street

Street Address:

City: Chicago State: IL Zip: 60603

- Individual(s) citizenship
- Association National Association
- General Partnership
- Limited Partnership
- Corporation-State
- 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

OFFICE OF PATENT RECORDS
FINANCE SECTION
2004 NOV 26 AM 11:30

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

A. Trademark Application No.(s) 76/571,837 76/571,836

B. Trademark Registration No.(s) 2,150,158 1,456,863

Additional number(s) attached Yes No

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

Name: Tammy S. Settle

Internal Address: Vedder Price Kaufman

Kammholz, P.C.

Street Address: 222 North LaSalle Street

City: Chicago State: IL Zip: 60601

6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41).....\$ 115.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

22-0259

DO NOT USE THIS SPACE

9. Signature.

Tammy S. Settle

Name of Person Signing

Tammy S. Settle
Signature

November 22, 2004

Date

Total number of pages including cover sheet, attachments, and document: 8

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

11/30/2004 GTOW11 00000199 220259 76571837

01 FC:8521 40.00 DA
02 FC:8522 75.00 DA

TRADEMARK
REEL: 003086 FRAME: 0122

SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Trademarks, Trademark Applications and Trademark Licenses

<u>Trademark</u>	<u>Application Number</u>	<u>Filing Date</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Country</u>
KLLM Transport Services	75-126329	6/28/96	2150158	4/14/98	U.S.A.
KLLM	73-595403	4/24/86	1456863	9/8/87	U.S.A.
VSI Division of KLLM	76-571837	1/26/04	Pending	Pending	U.S.A.
Vernon Sawyer	76-571836	1/26/04	Pending	Pending	U.S.A.
	681526	10/11/04	Pending	Pending	Mexico
	681525	10/11/04	Pending	Pending	Mexico
	681524	10/11/04	Pending	Pending	Mexico

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents, Patent Applications and Patent Licenses

None

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of October 29, 2004, by KLLM, INC., a Texas corporation (the "Grantor"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

RECITALS

A. The Grantor has entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with KLLM Transport Services, Inc., a Delaware corporation ("KLLM Transport"), various financial institutions and the Administrative Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of, Grantor.

B. The Grantor and KLLM Transport have entered into a Guaranty and Collateral Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Collateral Agreement") with the Administrative Agent pursuant to which certain obligations owed to the Lenders are secured.

C. Pursuant to the Guaranty and Collateral Agreement, the Grantor is required to execute and deliver to the Administrative Agent, for the ratable benefit of the Lenders, this Agreement.

D. Pursuant to the terms of the Guaranty and Collateral Agreement, Grantor has granted to the Administrative Agent, for the benefit of the Lenders, a security interest in substantially all the assets of the Grantor, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantor under the Credit Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, the Grantor does hereby grant to the Agent, for the benefit of the Lenders, a continuing security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;

- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");
- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Administrative Agent pursuant to the Guaranty and Collateral Agreement and subject to limitations set forth therein. The Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and Guaranty and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Guaranty and Collateral Agreement.

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(SIGNATURE PAGE FOLLOWS)

Patent and Trademark Security Agreement Signature Page

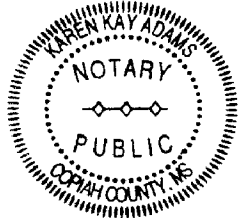
The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

KLLM, INC.

By: K. William Goethe
Name: K. William Goethe Jr.
Title: President & CEO

STATE OF Ms)
COUNTY OF Rankin) SS

On this 29th day of October, 2004, before me personally appeared the person whose signature is set forth above, to me known, who, being duly sworn, did depose and say that he is the above-indicated officer of the Grantor, and which executed the above instrument; and that he signed his name thereto by authority of the board of directors or similar governing of said entity.



MY COMMISSION EXPIRES:
December 9, 2004

Karen L. Adams
Notary Public

NOTARY PUBLIC STATE OF MISSISSIPPI AT LARGE
MY COMMISSION EXPIRES: Dec 9, 2004
BONDED THRU NOTARY PUBLIC UNDERWRITERS

Patent and Trademark Security Agreement Signature Page

Acknowledged:

**LASALLE BANK NATIONAL
ASSOCIATION, as Administrative Agent**

By: 

Name: Nick T. Weaver

Title: Senior Vice President

CHICAGO/#1275623

**TRADEMARK
REEL: 003086 FRAME: 0129**

November 22, 2004

Assignment Recordation Services
Director of the United States Patent
Trademark Office
P.O. Box 1450
Alexandria, Virginia 22313-1450

Re: Trademark Security Agreement
Reference No. 27941.00.0105

Dear Sir:

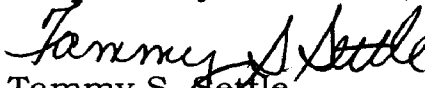
Attached please find the Trademark Security Agreement between KLLM, Inc. and LaSalle Bank National Association for recordation in the Assignment Branch of the United States Patent and Trademark Office.

Please charge the recordation filing fee of \$115.00 and any additional fees to our Deposit Account No. 22-0259.

Please direct all correspondence regarding this matter to:

Tammy S. Settle
Vedder, Price, Kaufman & Kammholz
222 North LaSalle Street
Chicago, Illinois 60601
(312) 609-7838

Respectfully submitted,


Tammy S. Settle
Legal Assistant

Enclosures

cc: Catherine Ho (encs.)