

1/25/06

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



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

103181394

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

1. Name of conveying party(ies): ACCIS Acquisition, LLC.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, Other AL-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: 11/30/05

2. Name and address of receiving party(ies)

Name: AmSouth Bank Internal Address:

Street Address: 315 Deaderick Street, 3rd Floor City: Nashville State: TN Zip: 37237-0310

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

B. Trademark Registration No.(s) 2,845,287; 1,710,939; 76/614,447

Additional number(s) attached Yes No

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

Name: Mary Ward

Internal Address: Boulton Cummings Connors & Berry

Street Address: 1600 Division Street, Ste 700

City: Nashville State: TN Zip: 37203

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41) \$ 90.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Mary Ward Name of Person Signing

Mary Ward Signature

1/24/06 Date

Total number of pages including cover sheet, attachments, and document: 9

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40.00 OP 50.00 OP

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: 003295 FRAME: 0946

SECURITY AGREEMENT

Debtor:

ACCIS ACQUISITION, LLC
3401 West End Avenue, Suite 685
Nashville, TN 37203
Attn: Richard Oliver

Lender/Secured Party:

AMSOUTH BANK
315 Deaderick Street, 3rd Floor
Nashville, TN 37237-0310
Attn: Monty Trimble

THIS SECURITY AGREEMENT is entered into this 30th day of November, 2005, by and between ACCIS ACQUISITION, LLC, an Alabama limited liability company with its principal place of business located at the address set forth above ("Debtor"), and AMSOUTH BANK, an Alabama banking corporation with its principal offices located at the address set forth above ("Lender").

1. **Security Interest and Indebtedness.** Debtor hereby grants Lender a security interest in all Debtor's assets and personal property, whether presently existing or hereafter acquired or arising and wherever located, including without limitation, all accounts, chattel paper, deposit accounts, documents, electronic chattel paper, equipment, fixtures, general intangibles, intellectual property (including without limitation the registered intellectual property described on Exhibit B attached hereto), goods, health-care-insurance receivables, instruments, inventory, investment property, letter-of-credit rights, payment intangibles, promissory notes, software, any commercial tort claims hereafter identified by Debtor in any authenticated record delivered to Lender and all supporting obligations, products and proceeds of any of the foregoing (collectively, the "Collateral"), to secure prompt and full performance and payment of (a) all obligations, liabilities and indebtedness evidenced by that certain Loan Agreement of even date herewith by and between Debtor and Lender, as such may be amended and/or restated from time to time (the "Loan Agreement"), along with the \$1,200,000 Non-Revolving Line of Credit Note issued by Borrowers to the order of Lender, jointly and severally, in connection therewith, and the other Loan Documents, as such term are defined in the Loan Agreement; (b) all amounts that Lender may now or hereafter pay or advance at any time for taxes, levies, insurance, repairs, maintenance or other protection with respect to the Collateral; and (c) all costs and expenses that Lender may incur in enforcing or protecting its rights with respect to the Collateral or the indebtedness secured by the Collateral, including attorneys' fees (all of the foregoing, collectively, the "Indebtedness").

2. **Representations and Warranties.** Debtor hereby represents and warrants to Lender that (a) Exhibit A correctly identifies Debtor's legal name, type of organization, state of organization, and chief executive offices and principal place(s) of business, and the location of the collateral; (b) Debtor is the sole, true and lawful owner of the Collateral, and has the right to grant a security interest in the Collateral; (c) there are no advances, claims, liens, security interests or encumbrances against the Collateral except in favor of Lender, except for a second lien in favor of American College of Computer and Information Services, Inc., an Alabama corporation; (d) Debtor is legally formed and validly existing, and the execution and performance of this Agreement has been authorized by all necessary company and membership action; (e) the Indebtedness is incurred only for, and the Collateral is to be used only for, commercial purposes and not for personal, family or household purposes; and (f) Debtor has no registered intellectual property other than as set forth on Exhibit B attached hereto.

3. **Debtor's Covenants.** Until the Indebtedness has been paid in full, Debtor shall (a) keep the Collateral free from any other lien, security interest or encumbrance, maintain the Collateral in good order and repair (ordinary wear and tear excepted), use the Collateral in accordance with all laws, regulations and orders, safeguard and protect all Collateral, and not sell, lease, license, transfer, or dispose of any of the Collateral (except for sales or leases of inventory or licenses of general intangibles in the

ordinary course of business or transfers between Debtor and ACCIS Acquisition, LLC); (b) promptly advise Lender of any event or circumstance materially adversely affecting the Collateral, including without limitation the registering of any intellectual property; (c) pay when due all taxes and similar obligations that could reasonably be expected to result in a lien on the Collateral if not paid; and (d) execute additional documents and take such other actions (at its expense) as Lender may reasonably request from time to time to implement or evidence the terms of this Agreement.

4. **Perfection and Protection of Collateral.** Debtor hereby authorizes Lender to file any financing statements describing the Collateral in all applicable filing offices. Debtor shall execute, obtain, deliver and (if applicable) file or record all financing statements, consents, notices, control agreements, landlords' waivers, acknowledgments and other documents, and take all other actions, that Lender may deem necessary or advisable to perfect or protect Lender's security interest in the Collateral against the interests of third parties. Debtor shall mark all chattel paper with a conspicuous legend stating that the chattel paper has been assigned to Lender. Debtor agrees to pay, on demand, all costs, taxes and fees payable in connection with any such filings; recordings, notices or other actions. Debtor shall give Lender at least thirty (30) days prior written notice before changing its name or structure or the location of its chief executive offices, principal place of business, or state of organization, or moving any Collateral from the locations listed on Exhibit A, and in each case shall (at Debtor's expense) promptly take all steps necessary or advisable to preserve continuously the perfection and priority of Lender's security interests in the Collateral.

5. **Records; Inspection.** Upon Lender's request, Debtor will deliver to Lender copies of financial statements and such other reports and information as to Collateral as Lender may request. Debtor shall maintain adequate books and records pertaining to the Collateral and shall permit Lender (during regular business hours) to visit and inspect any of the Collateral and to examine Debtor's books of record and accounts with respect to the Collateral and the Indebtedness, at Debtor's expense (and all Lender's costs and expenses in connection therewith will be part of the Indebtedness).

6. **Insurance.** Debtor shall maintain insurance satisfactory to Lender, insuring all of the Collateral against loss from fire, flood, theft, and any other risks required by Lender, and shall provide Lender with satisfactory evidence of such insurance and the timely renewal thereof. All liability insurance policies shall name Lender as an additional insured, and all casualty insurance policies shall contain a lender's or mortgagee's loss payable provision acceptable to Lender (including provision for ten (10) days prior written notice to Lender of any assignment, cancellation, modification, non-renewal, reduction in amount or adverse change in coverage). If Debtor fails to furnish or maintain such insurance, Lender may pay premiums or obtain insurance of its interest only, and any amounts paid by Lender will become part of the Indebtedness.

7. **Events of Default.** Any of the following events or conditions will be an "Event of Default" hereunder (and will be a "Default" pending any required notice, passage of time or other condition): (a) an Event of Default, as defined therein, shall occur under either the Loan Agreement; or (b) Debtor breaches any covenant or promise made in this Agreement; or (c) any representations made herein were untrue or misleading in any material respect when made; (d) any of the Collateral is sold, transferred, assigned, encumbered or otherwise disposed of without the prior written consent of Lender (except as expressly permitted herein or in the Loan Agreement), or is lost or destroyed and is not fully insured and promptly replaced; or (e) any termination statements or correction statements are filed by Borrower, or upon direction or authorization of Borrower (implied or direct), with respect to Lender's financing statements without Lender's consent.

8. **Remedies.** Upon and during the continuance of any Event of Default, and at any time thereafter, at Lender's option, the Indebtedness shall become immediately due and payable (with interest thereon from the date of demand at the Default Rate as defined in the Loan Agreement) without presentment or demand or any notice to Debtor or any other person obligated thereon, and Lender shall be entitled to exercise any or all of the rights and remedies available at law or in equity, including the rights and remedies of a secured party under the Uniform Commercial Code as in effect from time to time in the State of Tennessee (the "**UCC**"). These remedies include the right and power to take possession of the Collateral, wherever it may be found, and the right and power to sell, at public or private sale or sales, or otherwise collect, enforce, dispose of or use all or any portion of the Collateral in any manner authorized or permitted under the UCC, in such order or manner as Lender may elect in its sole discretion. Lender shall not be required to prepare or process Collateral before disposition, or to make any warranties of title or otherwise to any person acquiring any of the Collateral. Upon Lender's demand, Debtor agrees to assemble the Collateral at its usual place of business, or at such other location as Lender may reasonably designate, and make it available to Lender. To the extent that notice of sale is required by applicable law, Debtor agrees that notice given as provided herein, at least ten (10) days before the date of the proposed public sale or disposition or the date after which a private sale may be made shall be deemed reasonable and shall fully satisfy any requirement of giving of notice. Lender may, at its option, dispose of Collateral on credit terms, and, in such event, shall credit Debtor only with the amounts of cash proceeds actually received by from time to time thereafter by Lender and applied to the Indebtedness.

9. **General Authority.** Lender shall be under no obligation or duty to exercise any of the powers hereby conferred upon Lender; and shall have no liability for any act or failure to act in connection with any of the Collateral (including any diminution in the value of the Collateral from any cause whatsoever). Lender shall be under no duty to collect any amount that may be or become due on any of the Collateral, to redeem or realize on Collateral, to make any presentments, demands or notices of protest in connection with any of the Collateral, to take any steps necessary to preserve rights in any instrument, contract or lease against third parties or to preserve rights against prior parties, to remove any liens or to do anything for the enforcement, collection or protection of Collateral, except to the extent, if any, that the UCC requires Lender to use reasonable care with respect to Collateral while in its possession.

10. **Debtor Waivers.** Except as expressly provided herein, and to the fullest extent permitted by law, Debtor hereby waives (a) presentment, demand and protest and notice of presentment, protest, default, non payment, maturity, release, compromise, settlement, extension or renewal of any or all accounts, contract rights, documents, instruments, general intangibles, chattel paper and guaranties at any time held by Lender on which Debtor may in any way be liable and hereby ratifies and confirms whatever Lender may do in this regard; (b) notice prior to taking possession or control of the Collateral or any bond or security that might be required by any court before allowing Lender to exercise any of Lender's remedies, and any right to require Lender to prepare the Collateral for sale; (c) any marshalling of assets, or any right to compel Lender to resort first or in any particular order to any other collateral or other persons before enforcing its rights as to the Collateral or pursuing Debtor for payment of the Indebtedness; (d) the benefit of all valuation, appraisal and exemption laws; and (e) any claims and defenses based on principles of suretyship or impairment of collateral.

11. **General Provisions.**

(a) **Notices.** All notices hereunder shall be provided in accordance with the terms of the Loan Agreement.

(b) Successors and Assigns. Debtor shall not assign its rights or delegate its duties under this Agreement. Debtor's covenants and agreements herein shall bind Debtor's successors and assigns, and those who become bound to this Agreement, and shall inure to the benefit of Lender and its successors and assigns. Lender may assign the Indebtedness to one or more assignees on such terms and conditions as Lender shall deem advisable. As to any such assignee, Debtor waives and will not assert any claims, setoffs, recoupments, or defenses that Debtor may have against Lender.

(c) Amendments and Waivers. This Agreement may not be modified or amended except in writing signed by Debtor and Lender, and none of its provisions may be waived except in writing signed by Lender. No waivers shall be implied, whether from any custom or course of dealing or any delay or failure in Lender's exercise of its rights and remedies hereunder or otherwise. Any waiver granted by Lender shall not obligate Lender to grant any further, similar, or other waivers.

(d) Remedies. All remedies provided to Lender herein are cumulative, in addition to all other remedies available to Lender under this Agreement or any other agreement, at law or in equity or otherwise, and the exercise or partial exercise of any such right or remedy shall not preclude the exercise of any other right or remedy.

(e) Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Tennessee (without regard to its rules on conflicts of laws).

(f) Usury. The parties intend that the interest charged, paid or collected hereunder or on the Indebtedness shall not in any event exceed the maximum permissible rate under applicable law. Any excess interest will be applied to reduce the principal amount of the Indebtedness or repaid to Debtor.

(g) Defined Terms; UCC Terms. In addition to other words and terms defined in this Agreement (including the Exhibits), the following terms have the following meanings herein, unless the context expressly requires otherwise. The term "**business day**" means any day other than a Saturday, Sunday or day on which commercial banks are authorized to close under the laws of the State of Tennessee. The term "**person**" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization, government, or any agency or political subdivision thereof, or any other form of entity. The terms "**includes**" and "**including**" and words of similar import are inclusive and not exclusive terms, and are not intended to create any limitation. All defined terms apply to both singular and plural forms, and all references to any gender include all other genders. Terms used in this Agreement that are defined in Article 9 of the UCC (as in effect on the date hereof) shall have the same meanings herein, except as otherwise expressly provided or amplified (but not limited) herein. If Debtor is a partnership or an unincorporated association of more than one person, the term "**Debtor**" refers to each partner and/or each such person, jointly, severally and individually. All defined terms and references as to any agreements, notes, instruments, certificates or other documents shall be deemed to refer to such documents as they may from time to time be amended, modified, renewed, extended, replaced, restated, supplemented or substituted. Unless otherwise provided, all references to statutes and related regulations shall include any amendments thereof and any successor statutes and regulations.

(h) Captions; Exhibits; Severability. The captions in this Agreement are for convenience only, and in no way limit or amplify the provisions hereof. All Exhibits and Schedules attached hereto are by reference made a part hereof, and this Agreement governs in case of any conflict. This Agreement is severable, and the invalidity of any provision shall not affect any other provision hereof.

(i) Entire Agreement. This Agreement represents the entire agreement between Lender and Debtor with respect to the subject matter hereof, superseding any and all other agreements, promises or representations.

ENTERED INTO as of the date first written above.

Lender:

AMSOUTH BANK

By 

Print Name: MONTY R. TRUMBIE

Title: Gen. Vpn. President

Debtor:

ACCIS ACQUISITION, LLC

By 

Print Name: _____

Title: _____

EXHIBIT A

Debtor And Collateral Information

Debtor's Legal Name: ACCIS Acquisition, LLC

Debtor's form of entity: Limited Liability Company

Debtor's State of Organization: Alabama

Chief Executive Offices: 3401 West End Avenue, Suite 685, Nashville, TN 37203

Principal Places of Business in other States: None

Other Location(s) of Collateral: None

EXHIBIT B

Registered Intellectual Property

U.S. Registration #2845287, AMERICAN COLLEGE OF COMPUTER AND INFORMATION SCIENCES, INC.

U.S. Registration #1710939, AMERICAN INSTITUTE FOR COMPUTER SCIENCES

Serial #76614447, THE EDUCATION YOU NEED...THE FUTURE YOU WANT.