

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Prime Health Services, Inc.		09/29/2006	CORPORATION: TENNESSEE
RECEIVING PARTY DATA			
Name:	Middle Tennessee Bank & Trust		
Street Address:	1915 Glen Echo Road		
City:	Nashville		
State/Country:	TENNESSEE		
Postal Code:	37215		
Entity Type:	Banking Corporation: TENNESSEE		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Serial Number:	78546560	RENOVO SYSTEM	
Registration Number:	3116141	PRIME HEALTH SERVICES, INC	
CORRESPONDENCE DATA			
Fax Number:	(615)238-6301		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	615.238.6300		
Email:	nrose@bonelaw.com		
Correspondent Name:	Natalya L. Rose		
Address Line 1:	511 Union Street		
Address Line 2:	Suite 1600		
Address Line 4:	Nashville, TENNESSEE 37219		
ATTORNEY DOCKET NUMBER:	002279/061012		
NAME OF SUBMITTER:	Natalya L. Rose		
Signature:	/Natalya L. Rose/		

OP \$65.00 78546560

900060685

TRADEMARK
REEL: 003413 FRAME: 0267

Date:

10/20/2006

Total Attachments: 14

source=00172796#page1.tif

source=00172796#page2.tif

source=00172796#page3.tif

source=00172796#page4.tif

source=00172796#page5.tif

source=00172796#page6.tif

source=00172796#page7.tif

source=00172796#page8.tif

source=00172796#page9.tif

source=00172796#page10.tif

source=00172796#page11.tif

source=00172796#page12.tif

source=00172796#page13.tif

source=00172796#page14.tif

459733

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (as may be amended, supplemented and otherwise modified from time to time, "IP Security Agreement") is made and effective as of September 29th, 2006, by **PRIME HEALTH SERVICES, INC.** (including any successor or permitted assignee thereof, the "Borrower"), in favor of **MIDDLE TENNESSEE BANK & TRUST**, a Greene County Bank Office, Greeneville, Tennessee, a Tennessee banking corporation (including any successor, participant, assignee or transferee thereof, the "Lender").

RECITALS

WHEREAS, the Borrower has executed and delivered to the Lender a Term Promissory Note dated of even date herewith (the "Term Note"), evidencing the Borrower's obligations to repay a loan in the amount of \$300,000.00 (the "Term Loan"); and

WHEREAS, the Borrower has executed and delivered to the Lender a Line of Credit Promissory Note dated of even date herewith (the "Line of Credit Note"; the Term Note and the Line of Credit Note are collectively referred to herein as the "Note"), evidencing the Borrower's obligations to repay a loan in the amount of up to \$600,000.00 (the "Line of Credit Loan; the Term Loan and the Line of Credit Loan are collectively referred to herein as the "Loan"); and

WHEREAS, the Note is secured by that certain (i) Term Loan and Security Agreement, of even date herewith (the "Term Loan Agreement"); and (ii) Line of Credit Loan and Security Agreement, of even date herewith (the "Line of Credit Loan Agreement"; the Term Loan Agreement and the Line of Credit Loan Agreement are collectively referred to as the "Loan Agreement"), pursuant to which the Borrower granted a security interest in all of its Collateral (as defined in the Loan Agreement), including encumbering all of Borrowers' tangible and intangible personal property assets in favor of the Lender; and

WHEREAS, under the terms of the Loan Agreement, Borrower has agreed to assign certain intellectual property to Lender for purposes of securing the obligations to the Lender under the Note and related Loan Documents; and

WHEREAS, Borrower has determined that it is in the Borrower's best interest to execute this IP Security Agreement inasmuch as the Borrower will derive substantial direct and indirect benefits from the advancement of the Loan by the Lender;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Borrower and the Lender hereby agree as follows:

1. **Defined Terms.** Unless otherwise defined herein, terms which are defined in the Loan Agreement and used herein are so used as so defined, and the following terms shall have the following meanings:

“IP Security Agreement” means this Intellectual Property Security Agreement, as amended, supplemented or otherwise modified from time to time.

“Collateral” has the meaning assigned to it in Section 2 of this IP Security Agreement.

“Copyrights” means all types of rights, interests and privileges afforded to any work that constitutes subject matter protected under copyright or related laws, including without limitation, literary works, musical works, dramatic works, pictorial, graphic and sculptural works, motion pictures and other audio-visual works, sound recordings and architectural works, in any country of the world, whether or not the subject of registration or application for registration and including, without limitation, any works referred to in Schedule A hereto.

“Copyright License” means any agreement material to the operation of Borrower's business, whether written or oral, providing for the grant by or to Borrower of any right to reproduce a copyrighted work, to prepare derivative works based on a copyrighted work, to distribute copies of a copyrighted work, to perform a copyrighted work or to display a copyrighted work, or to engage in any other legally protected activity with respect to a copyrighted work including, without limitation, any thereof referred to in Schedule A hereto.

“Domain Names” means all Internet domain names owned or controlled by Borrower or used by Borrower in connection with its business including, without limitation, any thereof referred to in Schedule A hereto.

“Intellectual Property” means all Copyrights, Copyright Licenses, Domain Names, Inventions, Know-how, Patent Applications, Patents, Patent Licenses, Trademark Applications, Trademarks, Trademark Licenses, Trade Secrets and other proprietary property or technology, and agreements relating thereto, including, without limitation, any and all future improvements, developments and revisions thereto or derivative works based thereon, all as defined herein and/or referred to in Schedule A hereto.

“Invention” means any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof that is material to the operation of Borrower's businesses and developed by Borrower, its employees or agents, whether or not the subject of Patent(s) or Patent Application(s).

“Know-how” means any knowledge or information that is material to Borrower's business and that enables Borrower to operate its business with the accuracy, efficiency or precision necessary for commercial success.

“Obligations” means (a) loans to be made concurrently or in connection with this IP Security Agreement or the Loan Agreement as evidenced by one or more promissory notes payable to the order of Lender that shall be due and payable as set forth in such promissory notes, and any renewals or extensions thereof, (b) the full and prompt payment and performance of any and all other indebtedness and other obligations of Borrower to Lender, direct or

contingent (including, but not limited to, obligations incurred as endorser, guarantor or surety), however evidenced or denominated, and however and whenever incurred, including but not limited to indebtedness incurred pursuant to any present or future commitment of Lender to Borrower and (c) all future advances made by Lender for taxes, levies, insurance and preservation of the Collateral and all attorneys' fees, court costs and expenses of whatever kind incident to the collection of any of said indebtedness or other obligations and the enforcement and protection of the security interest created under this IP Security Agreement.

"Other Proprietary Property" means all types of protectable intangible property rights other than Patents, Trademarks and Copyrights, including without limitation, Trade Secrets, Know-how, computer software, confidential information and the like.

"Patents" means all types of exclusionary or protective rights granted (or applications therefor) for inventions in any country of the world (including, without limitation, letters patent, plant patents, utility models, breeders' right certificates, inventor's certificates and the like), and all reissues and extensions thereof and all provisionals, divisions, continuations and continuations-in-part thereof, including, without limitation, all such rights referred to in Schedule A hereto.

"Patent License" means any agreement material to the operation of Borrower's business, whether written or oral, providing for the grant by or to Borrower of any right to manufacture, use or sell any Invention covered by a Patent, including, without limitation, any thereof referred to in Schedule A hereto.

"Proceeds" means "proceeds" as such term is defined in Section 9-306(1) of the UCC and, to the extent not included in such definition, shall include, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty, guaranty or letter of credit payable to Borrower, from time to time with respect to any of the Collateral, (b) all payments (in any form whatsoever) paid or payable to Borrower from time to time in connection with any taking of all or any part of the Collateral by any governmental authority or any Person acting under color of governmental authority, (c) all judgments in favor of Borrower in respect of the Collateral and (d) all other amounts from time to time paid or payable or received or receivable by Borrower under or in connection with any of the Collateral.

"Trade Secret" means any scientific or technical information, design, process, pattern, procedure, formula or improvement which is secret and of value.

"Trademarks" means (a) all trademarks, service-marks, slogans, logos, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles and other sources of business identifiers used in any country in the world, whether registered or unregistered, and the goodwill associated therewith, now existing and material to the business of Borrower or hereafter acquired, and (b) all registrations, recordings and renewals thereof, and all applications in connection therewith, issued by or filed in a national, state or local governmental authority of any country, including, without limitation, all such rights referred to in Schedule A hereto.

"Trademark License" means any agreement, material to the businesses of Borrower, written or oral, providing for the grant by or to Borrower of any right to use any Trademark, including, without limitation, any thereof referred to in Schedule A hereto.

"UCC" means the Uniform Commercial Code as from time to time in effect in the State of Tennessee.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, Borrower hereby assigns and grants to Lender for the benefit of Lender a security interest in all of Borrower's right, title and interest in and to the Intellectual Property now owned or at any time hereafter acquired by Borrower or in which Borrower now has or at any time in the future may acquire any right, title or interest that are material to the business of Borrower, including all Proceeds and products of any and all of the Intellectual Property, whether or not included in Schedule A and all goodwill associated therewith (collectively, the "Collateral").

3. Representations and Warranties Concerning the Intellectual Property. Borrower represents and warrants that:

(a). Schedule A hereto includes all Intellectual Property and Other Proprietary Property owned by Borrower in its own name or as to which Borrower has any colorable claim of ownership that are material to the business of Borrower as of the date hereof.

(b). Borrower is the sole legal and beneficial owner of the entire right, title and interest in and to the Intellectual Property and the Other Proprietary Property, and/or has the unrestricted right to use all such Intellectual Property and Other Proprietary Property pursuant to a valid license or other agreement.

(c). Borrower's rights in and to the Intellectual Property and the Other Proprietary Property are valid, subsisting, unexpired, enforceable and have not been abandoned.

(d). All licenses, franchise agreements and other agreements conveying rights in and to the Intellectual Property and Other Proprietary Property are identified on Schedule A hereto and are in full force and effect. To the best knowledge of Borrower, Borrower is not in default under any such agreement, and no event has occurred which might constitute a default by Borrower under any such agreement.

(e). Except as set forth in Schedule A, all of the Intellectual Property and Other Proprietary Property, is free and clear of any and all liens, security interests, options, licenses, pledges, assignments, encumbrances and/or agreements of any kind, and Borrower has not granted any release, covenant not to sue, or non-assertion assurance to any third party with respect to any of the Intellectual Property.

(f). All prior transfers and assignments of the interests of any and all predecessors in the Intellectual Property of Borrower were duly and validly authorized, executed, delivered, recorded and filed as required to vest Borrower with complete, unrestricted ownership rights therein.

(g). Borrower has not, within the three months prior to the date of execution of this IP Security Agreement, executed and/or delivered any assignment, transfer or conveyance of any of the Intellectual Property, or Other Proprietary Property, recorded or unrecorded.

(h). To Borrower's knowledge, no proceedings have been instituted or are pending, or threatened that challenge Borrower's rights to use the Intellectual Property or Other Proprietary Property, or to register or maintain the registration of the Intellectual Property in any material respect. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of any of the Intellectual Property. No action or proceeding is pending (i) seeking to limit, cancel or question the validity of any of the Intellectual Property or Borrower's ownership thereof or (ii) which, if adversely determined, would reasonably be likely to have a material adverse effect on the value of any of the Intellectual Property.

(i). To the best of Borrower's knowledge, the current conduct of Borrower's business and Borrower's rights in and to all of the Intellectual Property and Other Proprietary Property do not conflict with or infringe any proprietary right of any third party in any way which could reasonably be expected to materially adversely affect the business, financial condition or business prospects of Borrower. Further, except as set forth in Schedule A and Schedule B, Borrower is not aware of any claim by any third party that such conduct or such rights conflict with or infringe any valid proprietary right of any third party in any way which affects the business, financial condition or business prospects of Borrower. Borrower is not making and has not made use of any confidential information of any third party except pursuant to express agreement of such third party.

(j). Borrower is unaware of any infringement by any other party upon its Intellectual Property rights. Borrower has heretofore exerted, continues and affirmatively covenants that it will hereafter continue to exert commercially reasonable efforts to prevent any infringement by third parties of Borrower's Intellectual Property rights or any theft of Borrower's Other Proprietary Property at Borrower's sole cost.

(k). Except to the extent the failure to obtain such agreements could not reasonably be expected to cause a Material Adverse Effect, all past and present employees of Borrower and/or parties with whom Borrower (including any predecessor-in-interest of Borrower) had any contractual relationship, whose employment (or contractual) functions included or affected research and development or other material aspects of Intellectual Property have executed agreements requiring them to disclose to Borrower any and all inventions created or developed during and within the scope of their employment by or contractual relationship with Borrower and obligating them to assign all of their respective right, title and interest in and to all such inventions to Borrower.

4. Covenants. Borrower covenants and agrees with Lender that, from and after the date of this IP Security Agreement until the Obligations are paid in full:

(a). From time to time, upon the written request of Lender, and at the sole expense of Borrower, Borrower will promptly and duly execute and deliver such further instruments and documents and take such further action as Lender may reasonably request for

the purpose of obtaining or preserving the full benefits of this IP Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the UCC in effect in any jurisdiction with respect to the liens created hereby and the filing of any applications or other documents in the U.S. Patent and Trademark Office and the U.S. Copyright Office. Borrower also hereby authorizes Lender to file any such instruments and documents without the signature of Borrower to the extent permitted by applicable law. A carbon, photographic or other reproduction of this IP Security Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

(b). Within five (5) business days of the date of this IP Security Agreement, Borrower shall make application(s) to the U.S. Copyright Office for registration of all Copyrights in the works referred to in Schedule A hereto; Borrower shall make application(s) to the U.S. Copyright Office for registration of any and all derivative works based on the works referred to in Schedule A, within sixty (60) days of the date of creation of such derivative works.

(c). Borrower will not create, incur or permit to exist, and will take all commercially reasonable actions to defend the Collateral against, and will take such other commercially reasonable action as is necessary to remove, any lien or claim on or to the Collateral, other than the liens created hereby, and other than as permitted pursuant to the Loan Agreement, and will take all commercially reasonable actions to defend the right, title and interest of Lender in and to any of the Collateral against the claims and demands of all persons whomsoever.

(d). Borrower will not sell, transfer, license or sub-license or otherwise dispose of any of the Collateral, or attempt, offer or contract to so do.

(e). Borrower will advise Lender promptly, in reasonable detail, at its address set forth in the Loan Agreement, of:

i. any lien (other than liens created hereby or permitted under the Loan Agreement) on, or claim asserted against, Collateral; and

ii. the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the liens created hereunder.

(f). Borrower (either itself or through licensees) will, except with respect to any Trademark that Borrower shall reasonably determine is of immaterial economic value to it or otherwise reasonably determines not to so do:

i. continue to use each Trademark on each and every class of goods and services applicable to its current business, as reflected in its current catalogs, brochures, price lists and other informational or promotional materials, in order to maintain such Trademark in full force free from any claim of abandonment for non-use;

ii. maintain as in the past the quality of products and services offered under such Trademark;

iii. use reasonable efforts to employ such Trademark with the appropriate notice of registration,

iv. not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless within thirty (30) days after such use or adoption Lender, for its benefit, shall obtain a perfected security interest in such mark pursuant to this IP Security Agreement; and

v. not (and not permit any licensee or sub-licensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(g). Borrower will not, except with respect to any Patent that Borrower shall reasonably determine is of immaterial economic value to it or otherwise reasonably determine so to do, do any act, or omit to do any act, whereby any Patent may become abandoned or dedicated. Without the prior written consent of Lender, Borrower shall not abandon any right to file a patent application, or abandon any pending patent application or patent if such abandonment would have a material adverse effect on the business of Borrower.

(h). Borrower will promptly notify Lender if it knows, or has reason to know, that any application relating to any Patent, Trademark or Copyright may become abandoned or dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark office or any court or tribunal in any country) regarding Borrower's ownership of any Patent, Trademark or Copyright, or its right to register the same or to keep and maintain the same.

(i). Whenever Borrower, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office, or for the registration of any Copyright with the United States Copyright Office, or any similar office or agency in any other country or any political subdivision thereof, or for registration of any Domain Name, Borrower shall report such filing to Lender within five (5) business days. Upon request of Lender, Borrower shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as Lender may request to evidence Lender's security interest in any newly filed Patent, Copyright, Trademark or Domain Name and the goodwill and general intangibles of Borrower relating thereto or represented thereby, and Borrower hereby constitutes Lender its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations are paid in full.

(j). Borrower, except with respect to any Patent, Trademark, Copyright or Domain Name that it shall reasonably determine is of immaterial economic value to it or that it otherwise reasonably determines not to so do, will take all reasonable and necessary steps, including, without limitation, in any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration or Patent) and to maintain each Patent and each registration of Trademarks, Copyrights and Domain Names, including, without limitation, filing of applications,

applications for reissue, renewal or extensions, the payment of maintenance fees, participation in reexamination, opposition and infringement proceedings, and the filing of renewal applications, affidavits of continued use and affidavits of incontestability, when appropriate. Any expenses incurred in connection with such activities shall be paid by Borrower.

(k). In the event Borrower knows or has reason to know that any Patent, Trademark, Copyright or Domain Name included in the Collateral is infringed, misappropriated or diluted by a third party, Borrower shall promptly notify Lender after it learns thereof and shall, unless Borrower shall reasonably determine that such Patent, Trademark, Copyright or Domain Name is of immaterial economic value to Borrower which determination Borrower shall promptly report to Lender, promptly sue for infringement, misappropriation or dilution, or take such other actions as Borrower shall reasonably deem appropriate under the circumstances to protect such Patent, Trademark, Copyright or Domain Name.

(l). Borrower will furnish to Lender each year, on the anniversary date of the execution of this IP Security Agreement, statements, schedules and an inventory identifying and describing the Collateral, including without limitation, all Intellectual Property acquired subsequent to the date of this agreement and not identified on Schedule A, all transfers, assignments, licenses or sub-licenses of the Collateral by Borrower, and such other information in connection with the Collateral as Lender may reasonably request, all in reasonable detail. Any such Intellectual Property shall automatically become part of the Collateral.

5. Lender's Appointment as Attorney-in-Fact.

(a). Borrower hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time after the occurrence, and during the continuation of, an Event of Default in Lender's discretion, for the purpose of carrying out the terms of this IP Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this IP Security Agreement, and, without limiting the generality of the foregoing, Borrower hereby grants Lender the power and right, on behalf of Borrower without notice to or assent by Borrower, to do the following:

i. at any time when any Event of Default shall have occurred, in the name of Borrower or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of monies due under, or with respect to, any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such monies due with respect to such Collateral whenever payable;

ii. to pay or discharge taxes and liens levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this IP Security Agreement and to pay all or part of the premiums therefor and the costs thereof; and

iii. at any time when any Event of Default shall have occurred, (A) to direct any party liable for any payment under any of the Collateral to make payment of any and all monies due or to become due thereunder directly to Lender or as Lender shall direct, (B) to ask or demand for, collect, receive payment of and receipt for, any and all monies, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral, (C) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral, (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral, (E) to defend any suit, action or proceeding brought against Borrower with respect to any Collateral, (F) to settle, compromise or adjust any suit, action or proceeding described in the preceding clause and, in connection therewith, to give such discharges or releases as Lender may deem appropriate, (G) to assign any Trademark or Copyright (along with goodwill of the business to which such Trademark or Copyright pertains), throughout the world for such term or terms, on such conditions, and in such manner, as Lender shall in its sole discretion determine, and (H) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option and Borrower's expense, at any time, or from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and the liens of Lender thereon and to effect the intent of this IP Security Agreement, all as fully and effectively as Borrower might do. Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

iv. Borrower also authorizes Lender, at any time and from time to time, to execute, in connection with the sale provided for in Section 8 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

v. The powers conferred on Lender hereunder are solely to protect the interests of Lender in the Collateral and shall not impose any duty upon Lender to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its partners, officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act hereunder, except for their own gross negligence or willful misconduct or failure to comply with mandatory provisions of applicable law.

6. Performance by Lender of Borrower's Obligations. If Borrower fails to perform or comply with any of its agreements contained herein and Lender, as provided for by the terms of this IP Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, then the expenses of Lender incurred in connection with such performance or compliance, together with interest thereon at the highest default rate provided in the Note, shall be payable by Borrower to Lender on demand and shall constitute Obligations secured hereby.

7. **Proceeds.** It is agreed that if an Event of Default shall occur and be continuing, then:

(a). all Proceeds received by Borrower consisting of cash, checks and other cash equivalents shall be held by Borrower in trust for Lender, segregated from other funds of Borrower, and shall, forthwith upon receipt by Borrower, be turned over to Lender in the exact form received by Borrower (duly endorsed by Borrower to Lender, if required); and

(b). any and all such Proceeds received by Lender (whether from Borrower or otherwise) shall promptly be applied by Lender against the Obligations (whether matured or unmatured), such application to be in such order as set forth in the Loan Agreement.

8. **Remedies Upon Default.** Upon and during the continuance of an Event of Default under and as defined in the Loan Agreement:

(a). Borrower shall execute and deliver to Lender an absolute assignment transferring its entire right, title and interest in and to the Collateral to Lender.

(b). Lender may pursue any or all of the following remedies, without any notice to Borrower except as required below:

i. Lender may give written notice of default to Borrower, following which Borrower shall not dispose of, conceal, transfer, sell or encumber any of the Collateral (including, without limitation, cash proceeds) without Lender's prior written consent, even if such disposition is otherwise permitted hereunder in the ordinary course of business. Any such disposition, concealment, transfer or sale after the giving of such notice shall constitute a wrongful conversion of the Collateral. Lender may obtain a temporary restraining order or other equitable relief to enforce Borrower's obligation to refrain from so impairing Lender's Collateral.

ii. Lender may take possession of any or all of the Collateral. Borrower hereby consents to Lender's entry into any of Borrower's premises to repossess Collateral, and specifically consents to Lender's forcible entry thereto as long as Lender causes no significant damage to the premises in the process of entry (drilling of locks, cutting of chains and the like do not in themselves cause "significant" damage for the purposes hereof) and provided that Lender accomplishes such entry without a breach of the peace.

iii. Lender may dispose of the Collateral at private or public sale. Any required notice of sale shall be deemed commercially reasonable if given at least ten days prior to sale. Lender may adjourn any public or private sale to a different time or place without notice or publication of such adjournment, and may adjourn any sale either before or after offers are received. The Collateral may be sold in such lots as Lender may elect, in its sole discretion. Lender may take such action as it may deem necessary to repair, protect, or maintain the Collateral pending its disposition.

iv. Lender may exercise its lien upon and right of setoff against any monies, items, credits, deposits or instruments that Lender may have in its possession and

that belong to Borrower or to any other person or entity liable for the payment of any or all of the Obligations.

v. Lender may exercise any right that it may have under any other document evidencing or securing the Obligations or otherwise available to Lender at law or equity.

9. Limitation on Duties Regarding Preservation of Collateral. Lender's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as Lender would deal with similar property for its own account. Neither Lender nor any of its partners, directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Borrower or otherwise.

10. Powers Coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are irrevocable and powers coupled with an interest.

11. Severability. Any provision of this IP Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12. Section Headings; Interpretation. The section headings used in this IP Security Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof. When used herein, the singular shall include the plural, and vice versa, and the use of any gender shall include all other genders, as appropriate.

13. No Waiver: Cumulative Remedies. Lender shall not by any act (except by a written instrument pursuant to Section 14 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Lender of any right or remedy hereunder on any occasion shall not be construed as a bar to any right or remedy which Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

14. Waivers and Amendments; Successors and Assigns. None of the terms or provisions of this IP Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by Borrower and Lender, provided that any provision of this IP Security Agreement may be waived by Lender in a written letter or

agreement executed by Lender or by facsimile transmission from Lender. This IP Security Agreement shall be binding upon the successors and assigns of Borrower and shall inure to the benefit of Lender and its successors and assigns.

15. Notices. Any and all notices, elections or demands permitted or required to be made under this IP Security Agreement shall be in writing, signed by the party giving such notice, election or demand and shall be delivered personally, telecopied, or sent by certified mail or overnight via nationally recognized courier service (such as Federal Express), to the other party at the address set forth in the Loan Agreement, or at such other address as may be supplied in writing and of which receipt has been acknowledged in writing. The date of personal delivery or telecopy or two (2) business days after the date of mailing (or the next business day after delivery to such courier service), as the case may be, shall be the date of such notice, election or demand.

16. Governing Law. This IP Security Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Tennessee applicable to contracts to be wholly performed in such State, or to the extent required, by federal law.

17. Counter-parts. This IP Security Agreement may be executed in any number of counter-parts and by different parties to this IP Security Agreement in separate counter-parts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

18. Consent to Jurisdiction; Exclusive Venue. Borrower hereby irrevocably consents to the jurisdiction of the United States District Court for the Middle District of Tennessee and of all Tennessee state courts sitting in Davidson County, Tennessee, for the purpose of any litigation to which Lender may be a party and which concerns this IP Security Agreement or the Obligations. It is further agreed that venue for any such action shall lie exclusively with courts sitting in Davidson County, Tennessee, unless Lender agrees to the contrary in writing.

19. Waiver of Trial by Jury. LENDER AND BORROWER HEREBY KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COUNSEL WAIVE TRIAL BY JURY IN ANY ACTIONS, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT OR OTHERWISE, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS IP SECURITY AGREEMENT OR THE LOAN AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this IP Security Agreement, as an instrument under seal (whether or not any such seals are physically attached hereto), through their duly authorized officers, as of the date first written above.

Witness:

Shawn Cuddock

PRIME HEALTH SERVICES, INC., a
Tennessee corporation
(as Borrower)

By: Reign S.

Its: President

Witness:

Shawn Cuddock

MIDDLE TENNESSEE BANK & TRUST, a
Greene County Bank Office, Greeneville,
Tennessee, a Tennessee banking corporation
(as Lender)

By: K. D. Hester

Its: SVP

SCHEDULE A

1. Trademarks Registered with the U.S. Patent and Trademark Office

<i>Mark</i>	<i>Registration No.</i>	<i>Registration Date</i>
PRIME HEALTH SERVICES, INC. and Design	3,116,141	07/18/2006

2. Trademarks Pending Registration with the U.S. Patent and Trademark Office

<i>Mark</i>	<i>Serial No.</i>	<i>Filing Date</i>
RENOVO SYSTEM (Stylized)	78/546,560	01/12/2005

3. Works Subject to Copyright Protection

<i>Title</i>	<i>Nature of Work</i>	<i>Creation Year</i>	<i>First Publication Date</i>
"Renovo System"	Computer program	_____	____/____/_____

4. Domain Names

<i>Domain Name</i>	<i>Registration Date</i>	<i>Expiration Date</i>	<i>Registrar</i>
<primehealthservices.com>	04/12/2001	04/12/2008	Network Solutions, Inc.
<renovosystem.com>	11/08/2004	11/04/2007	Network Solutions, Inc.