

04-30-2002



102072589

To the Commissioner of Patents and Trademarks.

... attached original documents or copy thereof.

1. Name of conveying party(ies):
4-16-02
Charleston's Restaurant Group, Inc.
(formerly Hal Smith Restaurant Group Inc.)

2. Name and address of receiving party(ies):
INTRUST Bank, N.A.
5100 N. W. 10th
Oklahoma City, Oklahoma 73127

- Individuals
- General Partnership
- Corporation-State of Oklahoma
- Other: _____
- Association
- Limited Partnership

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

- Nature of conveyance:
- Assignment
- Security Agreement
- Other: _____
- Merger
- Change of Name

Execution Date: _____

- Individual(s) citizenship
 - General Partnership
 - Corporation-State of _____
 - Other: _____
 - Association
 - Limited Partnership
- a national banking association

If assignee is not domiciled in the United States, a domestic representative designation is attached:
 Yes No
(Designations must be separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)/ Mark(s)

75521739

B. Trademark Reg. No.(s)/Mark(s)

2276048

Additional numbers attached? Yes No

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

Name: Mike Wynn
Address: C/O INTRUST Bank, N.A.
5100 N.W. 10th
Oklahoma City, OK 73127

6. Total number of applications and trademarks involved: one (1)

7. Total fee (37 CFR 3.41): \$ 40.00
 Enclosed
 Authorized to be charged to deposit account

8. Please charge any additional fees or credit any overpayments to our Deposit account number:

DO NOT USE THIS SPACE

9. Statement and signature:

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

DAVID M. BRAUCKMANN
Name of Person Signing

David M. Brauckmann
Signature

3/1/02
Date

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

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Commissioner for Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of information systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

04/29/2002 TDIAZ1 00000255 75521739

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TRADEMARK
REEL: 002494 FRAME: 0948

COMMERCIAL SECURITY AGREEMENT

Grantor:

Charleston's Restaurant Group, Inc.
1800 N. Interstate Dr, Suite 200
Norman, Oklahoma 73072

Lender:

INTRUST Bank, N.A.
5100 N.W. 10th
Oklahoma City, OK 73127
(405) 949-6500

THIS COMMERCIAL SECURITY AGREEMENT dated March 1, 2002, is made and executed between Charleston's Restaurant Group, Inc. ("Grantor"); and INTRUST Bank, N.A. ("Lender").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the Obligations and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

COLLATERAL DESCRIPTION. The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired by Grantor, whether now existing or hereafter arising, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the Obligations as defined in Exhibit A, attached hereto and made a part hereof and performance of all other obligations under the Notes and this Agreement:

all accounts, inventory, equipment, machinery, furniture, fixtures, contract rights, general intangibles, leasehold improvements

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired by Grantor, whether now existing or hereafter arising, and wherever located:

(A) All betterments, accessions, attachments, accessories, substitutions for, replacements of and additions to any of the collateral described herein, whether added now or later.

(B) All products and produce of any of the property described in this Collateral section.

(C) All present and future rights to receive payments of money, services or property, including without limitation, rights to all deposits from tenants, guests, sublessees and licensees of the Collateral, operating accounts, deposit accounts, tangible and electronic chattel paper, notes, drafts, securities, certificates of deposit, contract rights, all rights to payment from any credit/charge card organization or entity such as or similar to, and including, without limitation, the organizations or entities which sponsor and administer the American Express Card, the Discover Card, the Visa Card, the Carte Blanche Card, the Diners Club Card and the MasterCard, books of account, instruments, general intangibles (including payment intangibles) and principal, interest and payments due on account of goods sold, services rendered, loans made or credit extended, together with all of Grantor's right, title and interest in all documents evidencing, securing or guaranteeing the same;

COMMERCIAL SECURITY AGREEMENT
(Continued)

(D) All other intangible property and rights relating to the Collateral or the operation thereof, or used in connection therewith, including, without limitation, all governmental permits relating to any activity, all service marks, trademarks, trade names and names under or by which the Grantor's business or any part thereof may at any time be operated or known, including, without limitation, any interest Grantor or Borrower may have in the name "Charlestons[®]" and/or "Charleston's" separately or in combination with other terms, all rights to carry on business under any such name, or any variant thereof, all goodwill in any way relating to the Grantor's operation and/or improvements, and all licenses, including, without limitation, restaurant, liquor, beer and wine licenses, and permits relating in any way to the Grantor's business or their use, construction, occupancy, leasing, sale or operation; and

(E) All other things and additional rights of any nature, of value or convenience in the enjoyment, development, operation, leasing or use, in any way, of any property or interest included in any of the foregoing paragraphs, all prepaid accounts and utility deposits, and all rents and revenues from the operation of the Grantor's business and/or sales, telephone receipts and other operating income, including, but not limited to, all rents, royalties and revenues collected from tenants, guests, sublessees and licensees of the Grantor, tenant security deposits, issues and profits and other benefits arising therefrom or from any contract now in existence or hereafter entered into pertaining thereto, and all rights, title and interests appurtenant thereto and all proceeds of all the foregoing described property and interests.

(F) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.

(G) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

Despite any other provision of this Agreement, Lender is not granted, and will not have, a nonpurchase money security interest in household goods, to the extent such a security interest would be prohibited by applicable law. In addition, if because of the type of any Property, Lender is required to give a notice of the right to cancel under Truth in Lending for the Obligations, then Lender will not have a security interest in such Collateral unless and until such a notice is given.

GRANTOR'S WAIVERS AND RESPONSIBILITIES. Except as otherwise required under this Agreement or by applicable law, (A) Grantor agrees that Lender need not tell Grantor about any action or inaction Lender takes in connection with this Agreement; (B) Grantor assumes the responsibility for being and keeping informed about the Collateral; and (C) Grantor waives any defenses that may arise because of any action or inaction of Lender, including without limitation any failure of Lender to realize upon the Collateral or any delay by Lender in realizing upon the Collateral; and Grantor agrees to remain liable under the Notes no matter what action Lender takes or fails to take under this Agreement.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (A) this Agreement is executed at Grantor's request and not at the request of Lender; (B) Grantor has the

COMMERCIAL SECURITY AGREEMENT
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full right, power and authority to enter into this Agreement and to pledge the Collateral to Lender; (C) Grantor has established adequate means of obtaining from Grantor on a continuing basis information about Grantor's financial condition; and (D) Lender has made no representation to Grantor about Grantor or Grantor's creditworthiness.

GRANTOR'S WAIVERS. Grantor waives all requirements of presentment, protest, demand, and notice of dishonor or non-payment to Grantor, or any other party to the Obligations or the Collateral. Lender may do any of the following with respect to any obligation of any Grantor, without first obtaining the consent of Grantor: (A) grant any extension of time for any payment, (B) grant any renewal, (C) permit any modification of payment terms or other terms, or (D) exchange or release any Collateral or other security. No such act or failure to act shall affect Lender's rights against Grantor or the Collateral.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Obligations against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. With respect to the Collateral, Grantor represents and promises to Lender that:

Perfection of Security Interest. Grantor agrees to execute financing statements and to take whatever other actions are requested by lender to perfect and continue lender's security interest in the Collateral, and Grantor consents to Lender's filing of any and all financing statements which Lender deems necessary or appropriate for such purpose. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper if not delivered to lender for possession by Lender. **This is a continuing Security Agreement and will continue in effect until all of the Obligations are paid in full except as otherwise provided in the Loan Agreement.**

Notices to Lender. Grantor will promptly notify lender in writing at lender's address shown above (or such other addresses as lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's assumed business name(s); (3) change in the management of the Grantor; (4) change in the authorized signer(s); (5) change in Grantor's principal office address; (6) change in Grantor's state of organization; (7) conversion of Grantor to a new or different type of business entity; or (8) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and lender. No change in Grantor's name or state of organization will take effect until after lender has received notice.

No Violation. The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party, and its certificate or articles of incorporation and bylaws do not prohibit any term or condition of this Agreement.

COMMERCIAL SECURITY AGREEMENT
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Enforceability of Collateral. To the extent the Collateral consists of accounts, chattel paper, or general intangibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully complies with all applicable laws and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to lender in writing.

Location of the Collateral. Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral at Grantor's address shown above or at such other locations as are acceptable to Lender. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns rents leases or uses, and (4) all other properties where Collateral is or may be located.

Removal of the Collateral. Except in the ordinary course of Grantor's business, Grantor shall not remove the Collateral from its existing location without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Collateral.

Transaction Involving Collateral. Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement: Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not pledge, mortgage, encumber, or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

Title. Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Collateral, free and clear of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

Repairs and Maintenance. Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the

COMMERCIAL SECURITY AGREEMENT
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Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

Inspection of Collateral. Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

Taxes, Assessments and Liens. Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the Obligations, the Loan Agreement, or upon any of the other Loan Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, permissible fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings. Grantor further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized.

Compliance with Governmental Requirements. Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized.

Hazardous Substances. Grantor represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any Hazardous Substance. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any Environmental Laws, and (2) agrees to indemnify and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify shall survive the payment of the Obligations and the satisfaction of this Agreement.

Maintenance of Casualty Insurance. Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with

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such other Insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

Application of Insurance Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Collateral. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, payor reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the Obligations, and shall pay the balance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the Obligations.

Insurance Reserves. Lender may upon demand to Grantor require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds, if required by Lender, shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the insurance premiums required to be paid by Grantor. The responsibility for the payment of premiums shall remain Grantor's sole responsibility.

Insurance Reports. Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however

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not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

Financing Statements. Grantor authorizes Lender to file a UCC-1 financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. This includes making sure Lender is shown as the first and only security interest holder on the title covering the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Lender may file a copy of this Agreement as a financing statement. If Grantor changes Grantor's name or address, or the name or address of any person granting a security interest under this Agreement changes, Grantor will promptly notify the Lender of such change.

GRANTOR'S RIGHT TO POSSESSION. Until default, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement, the Loan Agreement and/or the Loan Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. If Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Obligations.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement, the Loan Agreement, or any of the Loan Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement, the Loan Agreement, or any of the Loan Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date Incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Obligations and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

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Payment Default. Grantor falls to make any payment when due under the Obligations.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, the Loan Agreement or in any of the Loan Documents or to comply with or to perform any term, obligation, covenant or condition contained in the Loan Agreement or any other agreement between Lender and Grantor.

Default In Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's or any Grantor's ability to repay the Obligations or perform their respective obligations under this Agreement, the Loan Agreement or any of the Loan Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's or Grantor's behalf under this Agreement, the Loan Agreement or the Loan Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Agreement, the Loan Agreement, or any of the Loan Documents cease to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the Insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the Obligations. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, the Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion as being an adequate reserve or bond for the dispute.

Events Affecting any Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Obligations or a Guarantor dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Obligations.

Adverse Change. A material adverse change occurs in Grantor's or any Guarantor's financial condition, or Lender believes the prospect of payment or performance of the Obligations is impaired.

Insecurity. Lender, in good faith, believes itself insecure.

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RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Oklahoma Uniform Commercial Code. In addition and without limitation, Lender may exercise anyone or more of the following rights and remedies:

Accelerate Obligations. Lender may declare the entire Obligations, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor except as otherwise provided in the Loan Agreement.

Assemble Collateral. Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

Sell the Collateral. Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sale, or of the time and place of any private sale, or the time after which any private sale or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after an Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Obligations secured by the Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the Rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Obligations. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Obligations by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Collect Revenues, Apply Accounts. Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in Lender's discretion transfer any Collateral into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Obligations or apply it to payment of the Obligations in such order of preference as Lender may determine. Insofar as the Collateral consists of

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accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not Obligations or Collateral is then due. For these purposes Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payment directly to Lender.

Obtain Deficiency. If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiencies remaining on the Obligations due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

Other Rights and Remedies. Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

Election of Remedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by the Agreement, the Loan Agreement, the Loan Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform a obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise it remedies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement and the Loan Agreement together with all Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Expenses. If Lender institutes any suit or action to enforce any of the terms of this Agreement, Lender shall be entitled to recover Lender's reasonable expenses that Lender incurs in realizing on the Collateral. Whether or not any court action is involved, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Obligations payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by the paragraph include, without limitation, Lender's legal expenses whether or not there is a lawsuit, including expenses for bankruptcy proceeding (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, and an court costs and collection agency fees.

COMMERCIAL SECURITY AGREEMENT
(Continued)

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by, construed and enforced in accordance with federal law and the laws of the State of Oklahoma. This Agreement has been accepted by Lender in the State of Oklahoma.

Joint and Several Liability. All obligations of Grantor under this Agreement shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Grantor shall mean each and every Grantor. This means that each Grantor and Grantor signing below is responsible for all obligations in this Agreement. Where anyone or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion" of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement and notice to Grantor shall be copied to James K. Larimore, Durbin, Larimore & Bialick, 920 North Harvey, Oklahoma City, OK 73102. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be

COMMERCIAL SECURITY AGREEMENT
(Continued)

considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Obligations by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the Obligations.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Obligations shall be paid in full.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Commercial Security Agreement, as this Commercial Security Agreement may be amended or modified from time to time together with all exhibits and schedules attached to this Commercial Security Agreement from time to time.

Collateral. The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Default. The word "Default" means the Default set forth in this Agreement in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

COMMERCIAL SECURITY AGREEMENT
(Continued)

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

Grantor. The word "Grantor" means Charleston's Restaurant Group, Inc.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Obligations.

Guaranty. The word "Guaranty" means the guaranty from any Guarantor to Lender, including without limitation a guaranty of all or part of the Notes.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics may cause or pose a present or potential hazard to human health or the environment when Improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction, thereof, asbestos, mining waste: drilling fluids and other wastes associated with the exploration, development and production of crude oil, fly ash, bottom ash, slag and flue emissions, and cement kiln dust.

Lender. The word "Lender" means INTRUST Bank, N.A., its successors and assigns.

Notes. The word "Notes" means:

ESOP Term Note (Term Note) in the amount of \$10,500,000 between Grantor and Lender.

Refinance Note in the original principal amount of \$1,840,000.00 between Grantor and Lender.

Fixtures Note in the original principal amount of \$1,510,000.00 between Grantor and Lender.

together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the notes or credit agreement.

Obligations. The word "Obligations" is defined in Exhibit A attached hereto and made a part hereof.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described In the Collateral Description section of this Agreement.)

Loan Documents. The words "Loan Documents" is defined in Exhibit A attached hereto and made a part hereof.

COMMERCIAL SECURITY AGREEMENT
(Continued)

GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL SECURITY AGREEMENT AND AGREE TO ITS TERMS. THIS AGREEMENT IS DATED MARCH 1, 2002.

GRANTOR:

Charleston's Restaurant Group, Inc.

By: 

David M. Brauckmann

Its: Vice President - Finance

LENDER:

INTRUST BANK, N.A.

By: 

Its: Community Bank Pres.

COMMERCIAL SECURITY AGREEMENT
(Continued)

EXHIBIT A

to

**Commercial Security Agreement
between INTRUST Bank, N.A.
and Charleston's Restaurant Group, Inc.**

(Description of Obligations)

The "Obligations" referred to in the foregoing Agreement are as follows:

A. All principal heretofore or hereafter advanced pursuant to, and interest (including any interest due after default and late charges) now or hereafter due under each of the following promissory notes, including any renewals and extensions and amendments of any of them or substitutions or replacements for any of them (referred to collectively hereinafter as the "Notes"):

[i] Promissory Note dated as of March 1, 2002, made by Charleston's Restaurant Group, Inc., an Oklahoma corporation (Hereinafter referred to as "Borrower"), to the order of INTRUST Bank, N.A., a national banking association ("Lender"), in the original principal amount of \$10,500,000 and maturing on February 28, 2007 (the "ESOP Term Note").

[ii] Promissory Note dated as of March 1, 2002, made by Borrower to the order of Lender in original principal amount of \$1,840,000.00 and maturing on February 28, 2007 (the "Refinance Note").

[iii] Promissory Note dated as of March 1, 2002, made by Borrower to the order of Lender in the original principal amount of \$1,510,000.00 and maturing on February 28, 2007 (the "Fixtures Note").

B. The payment of all sums (including but not limited to loan fees, prepayment premiums and fees and other fees) due under, and the performance of all covenants, conditions and other obligations (after any applicable requirement for notice and opportunity to cure, in each case) due under or in connection with any applicable loan agreement pertaining to each of the Notes, and any and all security agreements, mortgages, deeds of trust, guaranties, pledge agreements, assignments, subordination agreements, and any other documents or instruments heretofore, contemporaneously herewith or hereafter entered into by Borrower or any other person or entity with or for the benefit of Lender to secure or guarantee the payment of the indebtedness evidenced by any of the Notes, or otherwise entered into in connection with any of the Notes, including any amendments of whatsoever nature of any of the foregoing (the Notes, such loan agreements, security agreements, mortgages, deeds of trust, guaranties, pledge agreements, assignments, subordination agreements, and other documents and instruments securing, guaranteeing or otherwise entered into in connection with any of the Notes, including any amendments of whatsoever nature to any of them, are referred to herein and in the Agreement as the "Loan Documents").

COMMERCIAL SECURITY AGREEMENT
(Continued)

C. All expenses, costs and charges, of any nature whatsoever, including, without limitation, taxes, assessments, insurance premiums, repairs, rent, storage costs, expenses of collection and sale, and reasonable attorneys' fees, incurred by or for the account of Lender in preserving collateral for the Obligations and/or enforcing or seeking to enforce any of the rights and remedies of Lender under the Notes or any of the other Loan Documents

D. Any overdrafts at any time occurring on any and all checking and all other accounts at any time maintained by Borrower and its Subsidiaries with the Lender.

E. All other indebtedness, liabilities and obligations of Borrower to Lender of whatever nature, whether now in existence or hereafter created, arising or acquired, whether created directly or acquired by Lender by assignment or otherwise, whether joint or several, whether of the same or different class or type as the indebtedness evidenced by any Note, and whether or not the creation of same was reasonably foreseeable or would be naturally contemplated by Lender, Borrower, or any guarantor of or pledgor of collateral for any of the Obligations on or after the date of this Agreement, it being the intention that all of the same be part of the Obligations for all purposes of this Agreement.