

5/7/02

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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies): SNELLING AND SNELLING, INC. 12801 North Central Expressway, Suite 700 Dallas, TX 75243

2. Name and address of receiving party(ies) Name: Foothill Capital Corporation, AS AGENT Internal Address: Suite 3000W Street Address: 2450 Colorado Avenue City: Santa Monica State: CA Zip: 90404

3. Nature of conveyance: Security Agreement Execution Date: April 26, 2002

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s)

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: FEDERAL RESEARCH CORPORATION Internal Address: Attention: Penelope Agodoa Suite 101 Street Address: 400 7th Street N.W. City: Washington State: DC Zip: 20004

6. Total number of applications and registrations involved: 18 7. Total fee (37 CFR 3.41): \$ 465.00 8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature: Kimberley A. Lathrop Signature Date: May 6, 2002

Total number of pages including cover sheet, attachments, and document: 16

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

05/08/2002 GT0N11 00000061 76117210 01 FC:481 02 FC:482 40.00 DP 425.00 DP

TRADEMARK REEL: 2499 FRAME: 0934

SCHEDULE A

to the Trademark Security Agreement
Trademarks of Debtor

Registered Trademarks

Owner of Record	Trademark	Registration Number	Serial Number	Registered Date
Snelling and Snelling, Inc.	Bryant Bureau	1,116,165	73/117210	4/3/79
Snelling and Snelling, Inc.	DocuTIME	2,544,471	76/147,056	3/5/02
Snelling and Snelling, Inc.	NterTrans	TBD	76/167,368	Application Filed 11/17/00
Snelling and Snelling, Inc.	Fort Snelling	715,903	72/092501	5/23/61
Snelling and Snelling, Inc.	Helping Others Achieve the Success They Desire	1,521,211	73/728211	1/17/89
Snelling and Snelling, Inc.	Placed. Not Out of Place	2,101,521	75/179180	9/30/97
Snelling and Snelling, Inc.	The Right Fit is Everything	2,263,753	75/428490	7/20/99
Snelling and Snelling, Inc.	S and Diamond Design (this is the Snelling Logo)	2,076,247	74/713917	7/1/97
Snelling and Snelling, Inc.	Silent Search	1,477,977	73/669966	2/23/94
Snelling and Snelling, Inc.	Snelling	1,755,978	74/097440	3/2/93
Snelling and Snelling, Inc.	Snelling and Snelling	717,313	72/096169	6/20/81
Snelling and Snelling, Inc.	Snelling Search	2,185,965	75/344004	9/1/98
Snelling and Snelling, Inc.	Snelling Temporaries	1,339,448	73/508178	6/4/85
Snelling and Snelling, Inc.	Snelling Virtual Classroom	TBD	76/188,938	Application Filed 1/3/01
Snelling and Snelling, Inc.	The Team Agency That Really Cares! (Acquired by Snelling through Asset Purchase Agreement dated 10/2/97)	1,337,127	73/507032	5/21/85
Snelling and Snelling, Inc.	Think Snelling	2,500,034	76/074008	10/23/01
Snelling and Snelling, Inc.	Xtra Club	2,179,102	75/122798	8/4/98
Vantage Careers, Inc.	Vantage Careers (Acquired by Advance through Stock Purchase Agreement 11/9/98)	1,196,421	73/268941	5/25/82
FOREIGN TRADEMARKS				
Snelling and Snelling, Inc. – Republic of Bulgaria	Snelling	3506		1/11/94
Snelling and Snelling, Inc. – Canada	Snelling and Snelling	TMA153650 (297407)		10/13/67
Snelling and Snelling, Inc. – Canada	Snelling	TMA441188		3/31/95
Snelling and Snelling, Inc. – Canada	Snelling Search	Pending	1080584	Formalized Date – 11/24/2000

Owner of Record	Trademark	Registration Number	Serial Number	Registered Date
Snelling and Snelling, Inc. – Canada	Snelling Temporaries	TMA457212 (624256)		5/17/96
Snelling and Snelling, Inc. – Canada	S and Diamond Design	Pending	1079929	Formalized Date – 11/20/2000
Snelling and Snelling, Inc. – Canada	Think Snelling	Pending	1080583	Formalized Date 11/24/2000
Snelling and Snelling, Inc. - (European Community – Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, & United Kingdom)	Snelling	000586644		6/2/97 – filing period starts 3/30/99 – actual registration
Snelling and Snelling, Inc. – Mexico	Snelling	487690		4/20/95
Snelling and Snelling, Inc. – Puerto Rico	Snelling Logo (Class 35)	48,582		12/27/2000
Snelling and Snelling, Inc. – Puerto Rico	Snelling Logo (Class 41)	48,581		12/27/2000
Snelling and Snelling, Inc. – Romania	Snelling	19567		7/7/92

State Registered Assumed Names

Owner of Record	Assumed Name	State of Registration	County of Registration (if any)	File Number	Registration Date
Snelling and Snelling, Inc.	Cross Personnel	New York	New York County	C254580-2	December 8, 1997
Snelling and Snelling, Inc.	Snelling Personnel Services	Pennsylvania		2943050	May 22, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas		00130151-06	January 5, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Collin County	2000-3099	July 6, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Dallas County		January 18, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Harris County	400305850	January 21, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Tarrant County	A200001560	February 1, 2000

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of April 26, 2002, is made by and between **SNELLING AND SNELLING, INC.**, a Delaware corporation ("Debtor") in favor of **FOOTHILL CAPITAL CORPORATION**, a California corporation, as the arranger and administrative agent for the Lenders (in such capacity, together with its successors, if any, such capacity, "Agent").

RECITALS

A. Advance Processing Systems, Inc., a Delaware corporation ("Borrower"), Debtor and the Lender Group have entered into that certain Loan and Security Agreement, of even date herewith (as amended, restated, modified, renewed or extended from time to time, the "Loan Agreement"), pursuant to which the Lender Group has agreed to make certain financial accommodations to the Borrower, and pursuant to which the Borrower has granted to Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates security interests in (among other things) all or substantially all of the general intangibles of the Borrower.

B. Debtor has executed and delivered that certain General Continuing Guaranty, of even date herewith (the "Guaranty"), in favor of Agent respecting certain obligations of the Borrower to the Lender Group and Wells Fargo and its Affiliates pursuant to the Loan Documents.

C. Debtor has executed and delivered to Agent that certain Security Agreement, of even date herewith (the "Security Agreement"), pursuant to which Debtor has granted to Agent, for the benefit of the Lender Group and Wells Fargo and its Affiliates, security interests in (among other things) all or substantially all of Debtor's general intangibles.

D. Pursuant to the Loan Documents, and as one of the conditions precedent to the obligations of the Lenders under the Loan Agreement, Debtor has agreed to execute and deliver this Agreement to Agent for filing with the PTO and with any other relevant recording systems in any domestic jurisdiction, and as further evidence of and to effectuate Agent's existing security interests in the trademarks and other general intangibles described herein.

ASSIGNMENT

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, Debtor hereby agrees in favor of Agent as follows:

1. Definitions; Interpretation.

(a) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“Agent” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Agreement” shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

“Borrower” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Debtor” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Event of Default” means any Event of Default under the Loan Agreement.

“Guaranty” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Lender Group” means, individually and collectively, each of the Lenders and Agent.

“Lenders” means, individually and collectively, each of the financial institutions identified on the signature pages of the Loan Agreement, and any other Person made a party thereto in accordance with the provisions of Section 14 thereof (together with their respective successors and assigns).

“Loan Agreement” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Proceeds” means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Trademark Collateral, including “proceeds” as such term is defined in the Code, and all proceeds of proceeds. Proceeds shall include (i) any and all accounts, chattel paper, instruments, general intangibles, cash and other proceeds, payable to or for the account of Debtor, from time to time in respect of any of the Trademark Collateral, (ii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of Debtor from time to time with respect to any of the Trademark Collateral, (iii) any and all claims and payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Trademark Collateral by any Person acting under color of governmental authority, and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Trademark Collateral or for or on account of any damage or injury to or conversion of any Trademark Collateral by any Person.

“PTO” means the United States Patent and Trademark Office and any successor thereto.

“Secured Obligations” shall mean all liabilities, obligations, or undertakings owing by Debtor of any kind or description arising out of or outstanding under, advanced or issued pursuant to, or evidenced by the Guaranty, this Agreement, or any of the other Loan Documents, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, voluntary or involuntary, whether now existing or hereafter arising, and including all interest (including interest that accrues after the filing of a case under the Bankruptcy Code) and any and all costs, fees (including attorneys fees), and expenses which Debtor is required to pay pursuant to any of the foregoing, by law, or otherwise.

“Security Agreement” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Trademark Collateral” has the meaning set forth in Section 2.

“Trademarks” has the meaning set forth in Section 2.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of California.

“United States” and “U.S.” each mean the United States of America.

(b) Terms Defined in UCC. Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(c) Interpretation. In this Agreement, except to the extent the context otherwise requires:

(i) Any reference to a Section or a Schedule is a reference to a section hereof, or a schedule hereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears.

(ii) The words “hereof,” “herein,” “hereto,” “hereunder” and the like mean and refer to this Agreement as a whole and not merely to the specific Section, subsection, paragraph or clause in which the respective word appears.

(iii) The meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined.

(iv) The words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation.”

(v) References to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto.

(vi) References to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation referred to.

(vii) Any captions and headings are for convenience of reference only and shall not affect the construction of this Agreement.

(viii) Capitalized words not otherwise defined herein shall have the respective meanings assigned to them in the Loan Agreement.

(ix) In the event of a direct conflict between the terms and provisions of this Agreement and the Loan Agreement, or between the terms and provisions of this Agreement and the Security Agreement, it is the intention of the parties hereto that such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict between this Agreement and the Loan Agreement that cannot be resolved as aforesaid, the terms and provisions of the Loan Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of Debtor and supplemental rights and remedies in favor of Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates (whether under federal law or applicable California law), in each case in respect of the Trademark Collateral, shall not be deemed a conflict in the Loan Agreement. In the event of any actual, irreconcilable conflict between this Agreement and the Security Agreement that cannot be resolved as aforesaid, the terms and provisions of this Agreement shall control and govern.

2. Security Interest.

(a) Assignment and Grant of Security in respect of the Secured Obligations. To secure the prompt payment and performance of the Secured Obligations, Debtor hereby grants, assigns, transfers and conveys to Agent, for the benefit of the Lender Group and Wells Fargo and its Affiliates, a continuing security interest in all of Debtor's right, title and interest in and to the following property, whether now existing or hereafter acquired or arising and whether registered or unregistered (collectively, the "Trademark Collateral"):

(i) all state (including common law) and federal trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Debtor, and all registrations and recordings thereof, and all applications filed or to be filed in

connection therewith, including registrations and applications in the PTO, any State of the United States (but excluding each application to register any trademark, service mark, or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark) and all extensions or renewals thereof, including without limitation any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in Debtor's name or in the name of Agent or in the name of Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(ii) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(iii) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Debtor's business symbolized by the Trademarks or associated therewith; and

(iv) all Proceeds of any and all of the foregoing.

(b) Continuing Security Interest. Debtor hereby agrees that this Agreement shall create a continuing security interest in the Trademark Collateral which shall remain in effect until terminated in accordance with Section 18.

(c) Incorporation into Loan Agreement. Without limiting the foregoing, the Trademark Collateral described in this Agreement shall constitute part of the Collateral in the Loan Agreement or the Security Agreement, as applicable.

(d) Licenses. Anything in the Loan Agreement or this Agreement to the contrary notwithstanding, Debtor may grant non-exclusive licenses of the Trademark Collateral (subject to the security interest of Agent therein) in the ordinary course of business consistent with past practice.

3. Further Assurances; Appointment of Agent as Attorney-in-Fact. Debtor at its expense shall execute and deliver, or cause to be executed and delivered, to Agent any and all documents and instruments, in form and substance reasonably satisfactory to Agent, and take any and all action, which Agent, in the exercise of its discretion, may request from time to time, to perfect and continue the perfection or to maintain the priority of, or provide notice of the security interest in the Trademark Collateral held by Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates and to accomplish the purposes of this Agreement. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Agent in accordance with the

foregoing, Agent shall have the right, in the name of Debtor, or in the name of Agent or otherwise, without notice to or assent by Debtor, and Debtor hereby irrevocably constitutes and appoints Agent (and any of Agent's officers or employees or agents designated by Agent) as Debtor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of Debtor on all or any of such documents or instruments and perform all other acts that Agent in the exercise of its discretion deems necessary in order to perfect or continue the perfection of, maintain the priority or enforceability of or provide notice of the security interest in the Trademark Collateral held by Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates, and (ii) to execute any and all other documents and instruments, and to perform any and all acts and things for and on behalf of Debtor, which Agent, in the exercise of its discretion, may deem necessary or advisable to maintain, preserve and protect the Trademark Collateral and to accomplish the purposes of this Agreement, including (A) after the occurrence and during the continuance of any Event of Default, to defend, settle, adjust or institute any action, suit or proceeding with respect to the Trademark Collateral, (B) after the occurrence and during the continuation of any Event of Default, to assert or retain any rights under any license agreement for any of the Trademark Collateral, and (C) after the occurrence and during the continuance of any Event of Default, to execute any and all applications, documents, papers and instruments for Agent to use the Trademark Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Trademark Collateral, and to assign, convey or otherwise transfer title in or dispose of the Trademark Collateral. The power of attorney set forth in this Section 3, being coupled with an interest, is irrevocable so long as this Agreement shall not have terminated in accordance with Section 18; provided that the foregoing power of attorney shall terminate when all of the Secured Obligations have been fully and finally repaid and performed and the Lender Group's obligation to extend credit under the Loan Agreement is terminated.

4. Representations and Warranties. Debtor represents and warrants to each member of the Lender Group, in each case to the best of its knowledge, information, and belief, as follows:

(a) No Other Trademarks. Schedule A sets forth a true and correct list of all of Debtor's existing Trademarks that are registered, or for which any application for registration has been filed with the PTO or any corresponding or similar trademark office of any other U.S. jurisdiction, and that are owned or held (whether pursuant to a license or otherwise) and used by Debtor.

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

(c) Ownership of Trademark Collateral; No Violation. (i) Debtor has rights in and good and defensible title to the Trademark Collateral, (ii) Debtor is the sole and exclusive owner of the Trademark Collateral, free and clear of any Liens and rights of others (other than the security interest created hereunder and other than Permitted Liens), including

licenses, registered user agreements and covenants by Debtor not to sue third persons, and (iii) with respect to any Trademarks for which Debtor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademark, each such license or licensing agreement is in full force and effect, Debtor is not in material default of any of its obligations thereunder and, (A) other than the parties to such licenses or licensing agreements, or (B) in the case of any non-exclusive license or license agreement entered into by Debtor or any such licensor regarding such Trademark, the parties to any other such non-exclusive licenses or license agreements entered into by Debtor or any such licensor with any other Person, no other Person has any rights in or to any of the Trademark Collateral. To the best of Debtor's knowledge, the past, present and contemplated future use of the Trademark Collateral by Debtor has not, does not and will not infringe upon or violate any right, privilege or license agreement of or with any other Person or give any such Person the right to terminate any such right, privilege or license agreement.

(d) No Infringement. To the best of Debtor's knowledge, (i) no material infringement or unauthorized use presently is being made of any of the Trademark Collateral by any Person, and (ii) the past, present, and contemplated future use of the Trademark Collateral by Debtor has not, does not and will not infringe upon or violate any right, privilege, or license arrangement of or with any other Person or give such Person the right to terminate any such license arrangement.

(e) Powers. Debtor has the unqualified right, power and authority to pledge and to grant to Agent security interests in the Trademark Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

5. Covenants. So long as any of the Secured Obligations remain unsatisfied, Debtor agrees: (i) that it will comply in all material respects with all of the covenants, terms and provisions of this Agreement, and (ii) that it will promptly give Agent written notice of the occurrence of any event that could have a material adverse effect on any of the Trademarks and the Trademark Collateral, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Trademarks for which Debtor is a licensee.

6. Future Rights. For so long as any of the Secured Obligations shall remain outstanding, or, if earlier, until Agent shall have released or terminated, in whole but not in part, its interest in the Trademark Collateral, if and when Debtor shall obtain rights to any new Trademarks, or any reissue, renewal or extension of any Trademarks, the provisions of Section 2 shall automatically apply thereto and Debtor shall give to Agent prompt notice thereof. Debtor shall do all things reasonably deemed necessary by Agent in the exercise of its discretion to ensure the validity, perfection, priority and enforceability of the security interests of Agent in such future acquired Trademark Collateral. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Agent in connection herewith, Debtor hereby authorizes Agent to modify, amend or supplement the Schedules hereto and to re-execute this Agreement from

time to time on Debtor's behalf and as its attorney-in-fact to include any future Trademarks which are or become Trademark Collateral and to cause such re-executed Agreement or such modified, amended or supplemented Schedules to be filed with the PTO.

7. Duties of Agent and the Lender Group. Notwithstanding any provision contained in this Agreement, neither Agent nor any member of the Lender Group shall have any duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to Debtor or any other Person for any failure to do so or delay in doing so. Except for the accounting for moneys actually received by Agent or any other member of the Lender Group hereunder or in connection herewith, neither Agent nor any member of the Lender Group shall have any duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Trademark Collateral.

8. Events of Default. The occurrence of any "Event of Default" under the Loan Agreement shall constitute an Event of Default hereunder.

9. Remedies. From and after the occurrence and during the continuation of an Event of Default, Agent shall have all rights and remedies available to it under the Loan Agreement and applicable law (which rights and remedies are cumulative) with respect to the security interests in any of the Trademark Collateral. Debtor hereby agrees that such rights and remedies include the right of Agent as a secured party to sell or otherwise dispose of the Trademark Collateral after default, pursuant to the UCC. Debtor hereby agrees that Agent shall at all times have such royalty-free licenses, to the extent permitted by law and the Loan Documents, for any Trademark Collateral that is reasonably necessary to permit the exercise of any of Agent's rights or remedies upon or after the occurrence of (and during the continuance of) an Event of Default with respect to (among other things) any tangible asset of Debtor in which Agent has a security interest, including Agent's rights to sell inventory, tooling or packaging which is acquired by Debtor (or its successor, assignee or trustee in bankruptcy). In addition to and without limiting any of the foregoing, upon the occurrence and during the continuance of an Event of Default, Agent shall have the right but shall in no way be obligated to bring suit, or to take such other action as Agent, in the exercise of its discretion, deems necessary, in the name of Debtor or Agent, to enforce or protect any of the Trademark Collateral, in which event Debtor shall, at the request of Agent, do any and all lawful acts and execute any and all documents required by Agent necessary to such enforcement. To the extent that Agent shall elect not to bring suit to enforce such Trademark Collateral, Debtor, in the exercise of its reasonable business judgment, agrees to use all reasonable measures and its diligent efforts, whether by action, suit, proceeding or otherwise, to prevent the infringement, misappropriation or violation thereof by others and for that purpose agrees diligently to maintain any action, suit or proceeding against any Person necessary to prevent such infringement, misappropriation or violation.

10. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Debtor and Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates and their respective successors and assigns.

11. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Loan Agreement.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the federal laws of the United States of America and the laws of the State of California.

13. Entire Agreement; Amendment. This Agreement and the other Loan Documents, together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersede all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties to this Agreement. Notwithstanding the foregoing, Agent may reexecute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof.

14. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

15. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

16. Loan Agreement. Debtor acknowledges that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Loan Agreement and the Security Agreement and all such rights and remedies are cumulative.

17. No Inconsistent Requirements. Debtor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and Debtor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms. Debtor agrees that, to the extent of any conflict between the provisions of this Agreement and the Loan Agreement, the provisions of the Loan Agreement shall govern. Debtor further agrees that, to the extent of any conflict between the provisions of this Agreement and the Security Agreement, the provisions of this Agreement shall govern.

18. Termination. Upon the payment and performance in full in cash of the Secured Obligations, including the cash collateralization, expiration, or cancellation of all Secured Obligations, if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Loan Agreement, this

Agreement shall terminate, and Agent shall execute and deliver such documents and instruments and take such further action reasonably requested by Debtor, at Debtor's expense, as shall be necessary to evidence termination of the security interest granted by Debtor to Agent for the benefit of the Lender Group and Wells Fargo and its Affiliates hereunder, including cancellation of this Agreement by written notice from Agent to the PTO.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

SNELLING AND SNELLING, INC.,
a Delaware corporation

By: J. Russell Crews
Name: W. Russell Crews
Title: CFO, Sr. V. P. Finance
and Treasurer

FOOTHILL CAPITAL CORPORATION
a California corporation, as Agent

By: K.S. Branch
Name: Scott Branch
Title: APP

SCHEDULE A

to the Trademark Security Agreement
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Snelling and Snelling, Inc.	Snelling Virtual Classroom	TBD	76/188,938	Application Filed 1/3/01
Snelling and Snelling, Inc.	The Team Agency That Really Cares! (Acquired by Snelling through Asset Purchase Agreement dated 10/2/97)	1,337,127	73/507032	5/21/85
Snelling and Snelling, Inc.	Think Snelling	2,500,034	76/074008	10/23/01
Snelling and Snelling, Inc.	Xtra Club	2,179,102	75/122798	8/4/98
Vantage Careers, Inc.	Vantage Careers (Acquired by Advance through Stock Purchase Agreement 11/9/98)	1,196,421	73/268941	5/25/82
FOREIGN TRADEMARKS				
Snelling and Snelling, Inc. - Republic of Bulgaria	Snelling	3506		1/11/94
Snelling and Snelling, Inc. - Canada	Snelling and Snelling	TMA153650 (297407)		10/13/67
Snelling and Snelling, Inc. - Canada	Snelling	TMA441188		3/31/95
Snelling and Snelling, Inc. - Canada	Snelling Search	Pending	1080584	Formalized Date - 11/24/2000

Owner of Record	Trademark	Registration Number	Serial Number	Registered Date
Snelling and Snelling, Inc. – Canada	Snelling Temporaries	TMA457212 (624256)		5/17/96
Snelling and Snelling, Inc. – Canada	S and Diamond Design	Pending	1079929	Formalized Date – 11/20/2000
Snelling and Snelling, Inc. – Canada	Think Snelling	Pending	1080583	Formalized Date 11/24/2000
Snelling and Snelling, Inc. - (European Community – Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, & United Kingdom)	Snelling	000586644		6/2/97 – filing period starts 3/30/99 – actual registration
Snelling and Snelling, Inc. – Mexico	Snelling	487690		4/20/95
Snelling and Snelling, Inc. – Puerto Rico	Snelling Logo (Class 35)	48,582		12/27/2000
Snelling and Snelling, Inc. – Puerto Rico	Snelling Logo (Class 41)	48,581		12/27/2000
Snelling and Snelling, Inc. – Romania	Snelling	19567		7/7/92

State Registered Assumed Names

Owner of Record	Assumed Name	State of Registration	County of Registration (if any)	File Number	Registration Date
Snelling and Snelling, Inc.	Cross Personnel	New York	New York County	C254580-2	December 8, 1997
Snelling and Snelling, Inc.	Snelling Personnel Services	Pennsylvania		2943050	May 22, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas		00130151-06	January 5, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Collin County	2000-3099	July 6, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Dallas County		January 18, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Harris County	400305850	January 21, 2000
Snelling and Snelling, Inc.	Snelling Personnel Services	Texas	Tarrant County	A200001560	February 1, 2000