

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Monroe Systems for Business, Inc.

- Individual(s)
- General Partnership
- Corporation-State North Carolina
- Other _____
- Association
- Limited Partnership

Citizenship (see guidelines) _____

Execution Date(s) August 2, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Wachovia Bank, National Association

Internal

Address: _____

Street Address: 191 Peachtree St

City: Atlanta

State: Georgia

Country: U.S. Zip: 30303

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other National Bank Citizenship _____

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

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See Attached.

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

See Attached.

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

Name: Becky Williams

Internal Address: KMZ Rosenman

Street Address: 525 West Monroe St, Suite 1600

City: Chicago

State: IL Zip: 60661

Phone Number 312-902-5665

Fax Number 312-577-4741

Email Address: becky.williams@kmzr.com

6. Total number of applications and registrations involved:

17

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 440.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 50-1214
Authorized User Name Becky Williams

9. Signature: Becky A Williams
Signature

September 23, 2004

Date

Becky Williams

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 6

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

FORM PTO-1594

Box 4 (B) Trademark Registration No.(s) Continued

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
TRADER II	1,516,255	12/13/1988
MONROE	1,473,436	01/19/1988
M	1,451,248	08/04/1987
MONROE	1,456,469	09/08/1987
M	1,425,559	01/20/1987
MONROE	1,324,227	03/12/1985
MARC 4	1,261,731	12/20/1983
MARC 1	1,158,063	06/23/1981
MARC 2	1,167,242	09/01/1981
TRADER	1,200,228	07/06/1982
RHYTHMATIC TOUCH	857,666	09/24/1968
CLASSMATE	835,894	09/26/1967
MONROE	743,993	01/22/1963
MONROE	710,574	01/31/1961
MONROE	525,893	06/06/1950
MONROE CLASSIC	2,810,695	02/03/2004
MONROE	2,808,796	01/27/2004

SECURITY AGREEMENT (TRADEMARKS)

SECURITY AGREEMENT (TRADEMARKS) (the "Agreement"), dated as August 2, 2004, made by the undersigned, MONROE SYSTEMS FOR BUSINESS, INC., a North Carolina corporation (the "Company"), to and in favor of WACHOVIA BANK, NATIONAL ASSOCIATION ("Lender"), pursuant to a certain Revolving Credit and Security Agreement, dated August 2, 2004, between the Company (among other parties identified as "Borrower" therein) and Lender (as it may be amended or modified from time to time, the "Loan Agreement"). **Capitalized terms used herein, but not expressly defined herein, shall have the meanings given to such terms in the Loan Agreement.**

WITNESSETH:

RECITALS

- A. The Company owns certain trademarks which are registered in, or applications for registration which have been filed in, the United States Patent and Trademark Office, all as more fully described on Schedule I attached hereto and by reference made part hereof; and
- B. The Lender proposes to make certain loans to the Company pursuant to the Loan Agreement; and
- C. Pursuant to the Loan Agreement, as security for the payment of the Obligations, the Company has granted to the Lender a security interest in the property described as "Collateral" therein, including, without limitation, all of the Company's Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which the Company now has or hereafter acquires rights and wherever located; and
- D. As a condition precedent to the extension of such financial accommodations pursuant to the Loan Agreement and in furtherance of the Loan Agreement, including, without limitation, for purposes of perfecting the security interests granted therein, the Lender has required that the Company grant to the Lender a security interest in the Property (as hereinafter defined);

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

"Trademarks" means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof; including, without limitation, those listed on Schedule I attached hereto together with all the rights, benefits and privileges derived therefrom and the goodwill of the business symbolized thereby, (ii) all renewals thereof and (iii) all proceeds of the foregoing.

- 2. As security for all of the Obligations, the Company hereby grants and conveys a security interest to the Lender in all of its right, title and interest in, to and under the following (collectively, the "Property") each Trademark now or hereafter owned by the Company or in which the Company now has or hereafter acquires rights and wherever located and the goodwill of the business of the Company relating thereto or represented thereby, including, without limitation, each Trademark referred to in Schedule I hereto; and all

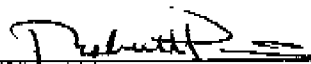
products and proceeds of the foregoing, including, without limitation, any claim by the Company against third parties for past, present or future infringement of any Trademark.

3. The Company does hereby further acknowledge and affirm that the representations, warranties and covenants of the Company with respect to the Property and the rights and remedies of the Lender with respect to the security interest in the Property made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
4. This Agreement shall terminate upon termination of the Loan Agreement. At any time and from time to time prior to such termination, the Lender may terminate its security interest in or reconvey to the Company any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from the Company, the Lender shall, at the expense of the Company, execute and deliver to the Company all deeds, assignments and other instruments as may be necessary or proper in the reasonable judgment of the Company in order to evidence such termination, subject to any disposition of the Property which may have been made by the Lender pursuant hereto or pursuant to the Loan Agreement.
5. If at any time before the termination of this Agreement in accordance with Section 4, the Company shall obtain or acquire rights to any new Trademark, the provisions of Section 2 shall automatically apply thereto and the Company shall comply with the terms of the Loan Agreement with respect to such new Trademark. The Company authorizes the Lender to modify this Agreement by amending Schedule 1 to include any future Trademarks covered by Section 2 or by this Section 5.
6. The Company further agrees that (a) the Lender shall not have any obligation or responsibility to protect or defend the Property and the Company shall at its own expense protect, defend and maintain the same in accordance with the terms and conditions set forth in the Loan Agreement, (b) the Company shall forthwith advise the Lender promptly in writing upon detection of infringements of any of the Property being used in the Company's business and (c) if the Company fails to comply with the requirements of the preceding clause (a), the Lender may do so in the Company's name or in its own name, after giving the Company at least five (5) Business Days' advance notice of its intent to do so, but in any case at the Company's expense, and the Company hereby agrees to reimburse the Lender for all expenses, including attorneys' fees, incurred by the Lender in protecting, defending and maintaining the Property.
7. This Agreement constitutes a Loan Document and shall be governed accordingly by those terms of the Loan Agreement applicable to "Loan Documents" generally.


[Signatures on Following Pages]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed under seal by its duly authorized officers as of the date first above written.

MONROE SYSTEMS FOR BUSINESS, INC.

By: 
Name: Robert L. Pinion
Title: Vice President and Chief Financial Officer

On August 2, 2004, before me personally came Robert L. Pinion, to me personally known and known to me to be the person described in and who executed the foregoing instrument as the Vice President and Chief Financial Officer of MONROE SYSTEMS FOR BUSINESS, INC., who being by me duly sworn, did depose and say that he (she) is the Vice President and Chief Financial Officer of said corporation described in and which executed the foregoing instrument; that the said instrument was signed by him (her) on behalf of said corporation by order of its Board of Directors; that he (or she) signed his name thereto by like order; and that he (or she) acknowledged said instrument to be the free act and deed of said corporation.


Notary Public

My Commission Expires: _____
My Commission Expires June 19, 2005
[NOTARIAL SEAL]

SCHEDULE I

REGISTERED U S TRADEMARKS

Serial Number	Reg. Number	Trademark
73710291	1516255	TRADER II
73630654	1473436	MONROE
73630653	1451248	M
73606583	1456469	MONROE
73589479	1425559	M
73469049	1324227	MONROE
73403888	1261731	MARC 4
73226352	1158063	MARC 1 *
73226310	1167242	MARC 2 *
73213924	1200228	TRADER *
72280433	0857666	RHYTHMATIC TOUCH
72244422	0835894	CLASSMATE
72124929	0743993	MONROE *
72091612	0710574	MONROE *
71541872	0525893	MONROE *
78224712	2810695	MONROE CLASSIC
78224750	2808796	MONROE

Trademark registration has been cancelled/expired.