

6.28.01

07-12-2001

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

101775630

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

1. Name of conveying party(ies): E-Smith Inc. [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State (Canada) [] Other Additional name(s) of conveying party(ies) attached? [] Yes [x] No

2. Name and address of receiving party(ies) Name: Greylock X Limited Partnership Internal Address: Street Address: One Federal Street City: Boston State: MA Zip: 02110 [] Individual(s) citizenship [] Association [] General Partnership [x] Limited Partnership Delaware (02/01/2000) [] Corporation-State [] Other If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [x] No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? [] Yes [x] No

3. Nature of conveyance: [] Assignment [] Merger [] Security Agreement [] Change of Name [x] Other Re-recording to correct assignor and assignee's name previously recorded on reel 2241 frame 046

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 76/013,253 75/677,041 75/853,993 Additional number(s) attached [] Yes [x] No

B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Donald Steinberg Internal Address: Street Address: Hale and Dorr LLP 60 State Street City: Boston State: MA Zip: 02109

6. Total number of applications and registrations involved: 3 7. Total fee (37 CFR 3.41): \$ 90.00 [] Enclosed [x] Authorized to be charged to deposit account 8. Deposit account number: 08-0219 (Attach duplicate copy of this page if paying by deposit account)

07/11/2001 6TOM11 00000121 080219 76013253 01 FC:481 40.00 CH 02 FC:482 50.00 CH

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. Donald Steinberg Signature Date 6/26/01

Total number of pages including cover sheet, attachments, and document: 18 Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002327 FRAME: 0178

02-27-2001



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25-01

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger
- Change of Name
- Other

Effective Date
Month Day Year
01 19 2001

Conveying Party

Mark if additional names of conveying parties attached

Name Greylock X Limited Partnership

Execution Date
Month Day Year
01 19 2001

Formerly

76013253

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name E-Smith Inc.

DBA/AKA/TA

Composed of

Address (line 1) 150 Metcalfe Street

Address (line 2) Suite 1500

Address (line 3) Ottawa

Ontario CANADA

K2P 1P1

- Individual General Partnership Limited Partnership
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

02/25/2001 GTDN11 00000131 080219 76013253

01 FC:481 40.00 CH
02 FC:482 50.00 CH

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) in **TRADEMARK**
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

REEL: 002327 FRAME: 0179

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text" value="76/013253"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75/677041"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75/853993"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes



No



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. Charges to deposit account are authorized, as indicated herein.

Donald R. Steinberg

Name of Person Signing

Signature

2/2/01

Date Signed

GENERAL SECURITY AGREEMENT

Obligations Secured

1. In consideration of the Secured Party dealing with or extending credit for the benefit of the undersigned (hereinafter called the "**Debtor**") and/or E-Smith Inc. and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Debtor, the Debtor hereby enters into this agreement with the Secured Party as security for the payment and performance of the Obligations (as hereinafter defined). Insofar as it affects personal property located in Ontario, this agreement is governed by the PPSA.

Definitions and Interpretation

2. In this agreement, the following words shall, unless otherwise provided, have the meanings set out below:

"**Accessions**" means Goods that are installed in or affixed to other Goods;

"**Account**" means any monetary obligations not evidenced by Chattel Paper, an Instrument or a Security, whether or not it has been earned by performance;

"**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario;

"**Chattel Paper**" means one or more than one writing that evidences both a monetary obligation and a security interest in or a lease of specific Goods;

"**Collateral**" means all Goods, Intangibles, Chattel Paper, Documents of Title, Instruments, Money, Securities and Intellectual Property Collateral of the Debtor and all other property, assets and undertaking of the Debtor charged pursuant to Section 9 of this agreement;

"**Document of Title**" means any writing that purports to be issued by or addressed to a bailee and purports to cover such Goods in the bailee's possession as are identified or fungible portions of an identified mass, and that in the ordinary course of business is treated as establishing that the Person in possession of it is entitled to receive, hold and dispose of the document and the Goods it covers;

"**Goods**" means tangible personal property other than Chattel Paper, Documents of Title, Instruments, Money, Securities and Intellectual Property Collateral;

"**Instruments**" means,

- (a) a bill, note or cheque within the meaning of the *Bills of Exchange Act* (Canada) or any other writing that evidences a right to the payment of Money and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment, or
- (b) a letter of credit and an advice of credit if the letter or advice states that it must be surrendered upon claiming payment thereunder,

but does not include a writing that constitutes part of Chattel Paper, a Document of Title or a Security;

"Intangible" means all personal property, including choses in action, that is not Goods, Chattel Paper, Documents of Title, Instruments, Money, Securities or Intellectual Property Collateral;

"Intellectual Property Collateral" means all of the Debtor's intellectual property (whether registered or unregistered) comprising without limitation all computer programs, application software, hardware/software maintenance support agreements and all documentation related thereto, licenses of software, copyrights, patents and inventions, trade-marks, trade names, business names, trade styles and other business identifiers, industrial designs, integrated circuit topographies, trade secrets and other confidential information and all know-how obtained, developed or used by the Debtor or contemplated at any time for use by the Debtor, including without limitation the intellectual property listed on Schedule "A";

"Inventory" means Goods that are held by a Person for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process or materials used or consumed in a business or profession;

"Money" means a medium of exchange authorized or adopted by the Parliament of Canada as part of the currency of Canada or by a foreign government as part of its currency;

"Obligations" means all present and future indebtedness, liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Secured Party including without limitation under the guarantee (the **"Guarantee"**) dated as of the date hereof by the Debtor in favour of the Secured Party whereby the Debtor guaranteed payment to the Secured Party of all present and future indebtedness, liabilities and obligations of E-Smith, Inc. to the Secured Party;

"Permitted Encumbrances" means any and all liens, charges, mortgages, security interests and other encumbrances which charge all or any portion of the Collateral and which have been consented to in writing by the Secured Party (including, without limitation, any such liens, charges, mortgages, security interests and encumbrances the particulars of which are listed in Schedule "B" attached hereto);

"**Person**" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership or other entity;

"**PPSA**" means the *Personal Property Security Act* (Ontario), as amended from time to time and any Act substituted therefor and any amendments thereto;

"**Proceeds**" means identifiable or traceable personal or real property in any form derived directly or indirectly from any dealing with property or the proceeds therefrom and includes any payment representing indemnity or compensation for loss of or damage to property or proceeds therefrom;

"**Receiver**" means any one of a receiver, manager, receiver-manager and receiver and manager;

"**Security**" means a document that is,

- (a) issued in bearer, order or registered form,
- (b) of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment,
- (c) one of a class or series or by its terms is divisible into a class or series of documents, and
- (d) evidence of a share, participation or other interest in property or in an enterprise or is evidence of an obligation of the issuer,

and includes an uncertificated security within the meaning of Part VI (Investment Securities) of the *Business Corporations Act* (Ontario); and

"**U.S. Base Rate**" means the floating rate of interest per annum announced from time to time by Bank of Montreal in Toronto, Ontario as the reference rate it will use to determine rates of interest for U.S. dollar commercial loans made by it to borrowers in Canada;

3. The headings in this agreement are included for convenience of reference only, and shall not constitute a part of this agreement for any other purpose.
4. In construing this agreement, terms herein shall have the same meaning as defined in the PPSA, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation.

5. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
6. In the event that any day, on or before which any action is required to be taken hereunder, is not a Business Day, then such action shall be required to be taken on or before the specified time on the first Business Day thereafter.
7. The Secured Party may in writing (and not otherwise) waive any breach by the Debtor of any of the provisions contained in this agreement or any default by the Debtor in the observance or performance of any provision of this agreement; provided always that no waiver by the Secured Party shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default, whether of the same or a different nature, or the rights resulting therefrom.
8. This agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario. For the purpose of legal proceedings, this agreement shall be deemed to have been made in the said Province and to be performed therein and the courts of that Province shall have jurisdiction over all disputes which may arise under this agreement. The Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Secured Party from proceeding at its election against the Debtor in the courts of any other province, country or jurisdiction (and the Debtor irrevocably consents to any such election of another jurisdiction by the Secured Party and agrees not to challenge the selection of such other jurisdiction).

Grant of Security

9. The Debtor hereby:
 - (a) mortgages and charges to and in favour of the Secured Party, and grants to the Secured Party a security interest in, all (i) Goods (including, without limiting the generality of the foregoing, all Inventory and all equipment, plant, machinery, tools and furniture and all parts, accessories, attachments, additions and Accessions thereto whether or not such Goods are now or hereafter become fixtures, (ii) Accounts, (iii) Chattel Paper, (iv) Documents of Title (whether negotiable or not), (v) Instruments, (vi) Intangibles, (vii) Money, (viii) Securities, (ix) Intellectual Property Collateral, and (x) all of the property, assets and undertaking of the Debtor generally, both real and personal, movable and immovable, tangible and intangible, of whatever nature and kind and wherever situate, now owned or hereafter acquired by the Debtor or in respect of which the Debtor now or hereafter has any right, title or interest, including the goodwill of the Debtor and including, without limitation, all contracts, licences, computer software, warranty rights, ownership certificates, manuals, publications,

books, statements of account, bills, invoices, letters and other documents, or records in any form evidencing or relating to any of the foregoing property;

- (b) all renewals of, accretions to and substitutions for any of the Collateral described in Section 9(a) above; and
- (c) all Proceeds in any form now or hereafter derived from any sale, lease or other disposition of any of the Collateral described in Sections 9(a) and (b) above.

Limited Exceptions to Grant of Security

- 10. The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, and whether falling within the general or particular description of the Collateral, is hereby and shall be excepted out of the mortgages, charges and security interests hereby or by any other instrument created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term, for the time being demised, as aforesaid, upon trust to assign and dispose of the same as any purchaser of such term shall direct.
- 11. The mortgages, charges and security interests hereby created and granted do not and shall not extend to, and the Collateral shall not include, any contract, agreement, right, franchise, licence, lease or permit (each, a "contractual right") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation and granting of the mortgages, charges and security interests herein would constitute a breach of the terms of or permit any Person to terminate one or more contractual rights, but the Debtor covenants and agrees to hold its interest therein in trust for the Secured Party and shall specifically assign such contractual rights to the Secured Party forthwith upon obtaining the consent of the other party thereto. The Debtor agrees that it shall, upon the request of the Secured Party and whether before or after a default by the Debtor has occurred and the security herein has become enforceable, use all commercially reasonable efforts to obtain any consent required to permit any material contractual rights to be subjected to the mortgages, charges and security interests hereby created and granted.

Agreements of the Debtor

- 12. The Debtor and the Secured Party agree that they have not agreed to postpone the time for attachment of the security interests granted hereby with respect to the Debtor's presently existing Collateral and that such security interests shall attach to the Collateral acquired after the date hereof as soon as the Debtor has rights in such Collateral.
- 13. The Debtor agrees with the Secured Party that, until the Obligations have been satisfied or paid in full:

(a) it will:

- (i) hold the proceeds received from any direct or indirect dealing with the Collateral in trust for the Secured Party after either the security interests granted in this agreement become enforceable or any of the Collateral is sold other than inventory in the ordinary course of business of the Debtor and for the purpose of carrying on such business;
- (ii) insure and keep insured all of the Collateral against loss or damage by fire and other insurable hazards for which such Collateral is commonly insured against in the Province of Ontario to the full insurable value thereof and, in addition, obtain and maintain such other insurance as the Secured Party may require including, without limitation, business interruption insurance and environmental liability insurance; the Debtor shall pay when due all premiums and other amounts payable for maintaining such insurance; the Debtor shall cause the insurance proceeds thereunder to be payable in case of loss to the Secured Party as mortgagee and loss payee (subject to other Permitted Encumbrances) and shall, if required, give to the Secured Party evidence of the payment of premiums and the assignment of such insurance to the Secured Party; should the Debtor fail to pay any premiums when due, then the Secured Party may do so and the cost of such premiums shall be added to the Obligations and shall be secured by the security interests granted herein; the policy or policies of insurance required by this paragraph shall show the Secured Party as mortgagee and loss payee and shall contain a mortgage clause in form satisfactory to the Secured Party; all such policies of insurance shall neither permit nor provide for any amount of co-insurance by the Debtor;
- (iii) strictly comply with every covenant and undertaking heretofore or hereafter given by it to the Secured Party, whether contained herein or not;
- (iv) permit the Secured Party at any time and from time to time, after the security granted pursuant to this agreement shall have become enforceable, to require any account debtor of the Debtor to make payment to the Secured Party of any or all amounts owing by the account debtor to the Debtor and the Secured Party may take control of any proceeds referred to in Section 9(c) hereof and may hold all amounts received from any account debtor and any proceeds as cash collateral as part of the Collateral and as security for the Obligations, all subject to Permitted Encumbrances; or

- (v) pay all costs and expenses (including legal fees on a solicitor and his own client basis) of the Secured Party, upon default by the Debtor, in taking, holding, moving, storing, recovering, possessing, repairing, processing, preparing for disposition or disposing of the Collateral and in any other proceedings taken for the purpose of enforcing the remedies provided herein, or otherwise in relation to the Collateral, or by reason of non-payment or non-performance of the Obligations hereby secured and all such costs and expenses shall bear interest at a rate equal to the U.S. Base Rate, and shall be secured hereby and shall be payable with such interest on demand;
- (vi) make all necessary filings, registrations and other recordations to protect the Debtor's interest in the Intellectual Property Collateral, including without limitation recordations of all its interests in all patents, trade-marks, and copyrights comprising part of the Intellectual Property Collateral;
- (vii) perform all covenants required under any agreements in any way relating to the Intellectual Property Collateral including without limitation promptly paying all required fees, royalties and taxes to maintain each and every item of Intellectual Property Collateral in full force and effect;
- (viii) maintain all filings, registrations and other recordations relating to any of the Intellectual Property Collateral including without limitation timely payment of any renewal and/or maintenance fees;
- (ix) vigorously protect, preserve and maintain all of the Debtor's right, title and interest in the Intellectual Property Collateral including without limitation the duty to prosecute and/or defend against any and all suits concerning validity, infringement, enforceability, ownership or other aspects affecting any of the Intellectual Property Collateral (any expenses incurred in protecting, preserving and maintaining any of the Intellectual Property Collateral shall be borne by the Debtor);
- (x) upon written request by the Secured Party, execute and deliver any and all agreements, instruments, documents and papers as the Secured Party may reasonably request to evidence the Secured Party's security interest in the Collateral including without limitation the Intellectual Property Collateral;
- (xi) refrain from selling, assigning, disposing, licensing or otherwise transferring to any third party any of the right, title or interest of the Debtor in any of the Collateral including without limitation the Intellectual Property Collateral other than in the normal course of the Debtor's business;

- (xii) after a default hereunder, refrain from either directly or indirectly filing any application or registration affecting any of the Intellectual Property Collateral without the prior written consent of the Secured Party; or
- (xiii) permit the Secured Party and its respective representatives access to and right of inspection of the Collateral at any time and from time to time upon request by the Secured Party; and

(b) it will not, without the prior written consent of the Secured Party:

- (i) create any liens, mortgages, charges, security interests or other encumbrances upon or assign or transfer as security or pledge or hypothecate any of the Collateral except to the Secured Party and except for Permitted Encumbrances;
- (ii) other than in the ordinary course of business and for the purpose of carrying on such business, sell, transfer, assign, or otherwise dispose of any of the Collateral or any group of property and assets forming part of the Collateral;
- (iii) merge or amalgamate with any other corporation; or
- (iv) change the location of its chief executive office, place of business or principal place of residence without providing the Secured Party with fifteen days' prior written notice.

14. The Debtor hereby agrees that it will at all times, both before and after default, do or cause to be done such additional things and execute and deliver or cause to be executed and delivered all such further acts and documents as the Secured Party may reasonably require for the better mortgaging, charging, transferring, assigning, confirming, granting and perfecting of security interests in the present or after-acquired Collateral to the Secured Party.

15. The Debtor hereby represents and warrants to the Secured Party that the Collateral is located at 150 Metcalfe Street, Suite 1500, Ottawa, ON K2P 1P1. The Collateral may also be located at other places while in transit to and from such location and premises.

16. The Debtor hereby irrevocably constitutes and appoints the Secured Party and each of its directors, officers, employees, agents and representatives as the true and lawful attorney of the Debtor with power of substitution in the name of the Debtor to do, upon and during the continuation of a default hereunder, any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Secured Party, in its sole discretion, considers necessary or desirable to carry out the provisions and purposes of this agreement, or to exercise any of its rights and remedies hereunder, and the Debtor hereby ratifies and agrees to ratify all acts of any such attorney taken or done in accordance with this section

16. Contemporaneously with the execution of this Security Agreement, the Debtor covenants and agrees to execute and deliver to Secured Party the power of attorney set forth in Schedule "C" attached hereto.

Default

17. Without prejudice to any right which the Secured Party may now or hereafter have to demand payment of the Obligations at any time, the Obligations shall, at the option of the Secured Party, become payable and the security granted pursuant to this agreement shall become enforceable upon a demand being made by the Secured Party against the Debtor for any of the Obligations (including without limitation the Obligations owing by the Debtor to the Secured Party under the Guarantee).

Remedies of the Secured Party

18. Whenever the security granted pursuant to this agreement shall have become enforceable, and so long as it shall remain enforceable, the Secured Party may proceed to realize such security and to enforce its rights by:
- (a) entry;
 - (b) the appointment by instrument in writing of a Receiver or Receivers of the Collateral or any part thereof (which Receiver or Receivers may be any person or persons, whether an officer or officers or employee or employees of the Secured Party or not and the Secured Party may remove any Receiver or Receivers so appointed and appoint another or others in his or their stead);
 - (c) proceedings in any court of competent jurisdiction for the appointment of a Receiver or Receivers or for sale of the Collateral or any part thereof; or
 - (d) any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity.

In addition, the Secured Party may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relating to the Debtor.

Any Receiver appointed by the Secured Party shall be deemed to be agent of the Debtor unless the Secured Party expressly specifies in writing that the Receiver shall be agent of the Secured Party.

Any Receiver or Receivers so appointed shall have power to:

- (i) take possession of and to use the Collateral or any part thereof;

- (ii) carry on the business of the Debtor (including, but not limited to, the taking or defending of any actions or legal proceedings, and the doing or refraining from doing all other things as to the Receiver may seem necessary or desirable in connection with the business, operations and affairs of the Debtor);
- (iii) borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iv) further charge the Collateral in priority to the security interests of this agreement as security for money so borrowed; or
- (v) sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as the Receiver shall determine.

The Secured Party shall not be responsible for any actions or errors of omission by the Receiver or Receivers in exercising any such powers. Any Receiver appointed shall act as agent of the Secured Party for the purpose of taking possession of the Collateral, and as agent of such Debtor for all other purposes, including, without limiting the generality of the foregoing, the occupation of the premises of such Debtor and the carrying on of such Debtor's business. For the purposes of realizing on any security granted by any Debtor over any of the Collateral, the Receiver shall be deemed to be the agent of such Debtor, or as the agent of the Secured Party, as the Secured Party may determine in its sole discretion. The Debtor agrees to ratify and confirm all actions of the Receiver acting as agent for the Debtor, and to release and indemnify the Receiver in respect of all such actions.

In addition, the Secured Party may enter upon, use, occupy and possess the Collateral or any part thereof, free from all encumbrances, liens and charges, except for Permitted Encumbrances, without hindrance, interruption or denial of the same by the Debtor or by any other person or persons save only a landlord pursuant to its rights of reversion under any lease of real property on expiry of its term, and may lease or sell the whole or any part or parts of the Collateral. Any sale hereunder may be made by public auction, by public tender or by private contract, with or without notice and with or without advertising and without any other formality (except as required by law), all of which are hereby waived by the Debtor. Such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Secured Party in its sole discretion may seem advantageous. Such sale may take place whether or not the Secured Party has taken possession of the Collateral.

The Debtor agrees to pay to the Secured Party forthwith on demand all expenses incurred by the Secured Party in the preparation, perfection, administration and enforcement of this agreement (including, without limitation, expenses incurred in

considering and protecting or improving the Secured Party's position, or attempting to do so, whether before or after default), all amounts borrowed by the Receiver from the Secured Party as hereinbefore provided and all costs, charges, expenses and fees (including, without limiting the generality of the foregoing, the fees and expenses of any Receiver and legal fees on a solicitor and client basis) of or incurred by the Secured Party and by any Receiver or Receivers or agent or agents appointed by the Secured Party in connection with the recovery or enforcing of payment of any moneys owing hereunder, whether by realization, by taking possession or otherwise. All such sums, together with interest thereon at the rate applicable to the Obligations, shall form part of the Obligations and shall be secured by the security interests granted herein.

No remedy for the realization of the security interests granted herein or for the enforcement of the rights of the Secured Party shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination.

19. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party shall at all times and from time to time have the right to change any appropriation as the Secured Party may see fit.

Rights of the Secured Party

20. The Secured Party may pay and satisfy the whole or any part of any liens, taxes, rates, charges or encumbrances now or hereafter existing in respect of any of the Collateral and such payments together with all costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations and shall be secured by the security interests granted herein. In the event of the Secured Party satisfying any such lien, charge or encumbrance, it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so.
21. The Debtor grants to the Secured Party the right to set off against the Obligations (or any portion thereof), the amount of any and all accounts, credits or balances maintained by the Debtor with the Secured Party.
22. The Secured Party, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Secured Party may see fit.

23. Nothing herein shall obligate the Secured Party to extend or amend any credit to the Debtor or to any other Person.
24. The Secured Party may assign, transfer and deliver to any transferee any of the Obligations or any security or any documents or instruments held by the Secured Party in respect thereof. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Secured Party.

Miscellaneous

25. Upon payment by the Debtor, its successors or permitted assigns, and the fulfillment of all the Obligations and provided that the Secured Party is then under no obligation (conditional or otherwise) to make any further loan or extend any other type of credit to the Debtor or to any other Person the payment of which is secured, directly or indirectly, by this agreement, the Secured Party shall, upon request in writing by the Debtor, delivered to the Secured Party at the following address:

Secured Party Address: One Federal Street, Boston, MA 02110

and at the Debtor's expense, discharge this agreement.

26. This agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party and shall be general and continuing security notwithstanding that the Obligations shall be at any time or from time to time fully satisfied or paid.
27. This agreement and all its provisions shall enure to the benefit of the Secured Party, its successors and assigns, and shall be binding on the Debtor, its successors and permitted assigns. The Debtor shall not be permitted to assign any of its obligations hereunder without the prior written of the Secured Party which consent may be arbitrarily withheld.
28. Any demand or notice by the Secured Party in connection with this agreement may be made or given by delivering or mailing or sending the same to the Debtor at the address, or by telecopier via the telecopier number, listed below on the signature page, in either case to the attention of the listed individual, if any, and shall be deemed to have been received by the Debtor on the date of delivery or the third day following the date of such mailing or on the day after the date of sending if by telecopier unless such notice or demand is required by the PPSA or any other statute, in which case such demand or notice shall be deemed to have been received by the Debtor on the date or at the time specified by the particular statute.

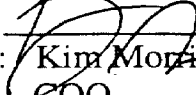
IN WITNESS WHEREOF this agreement has been executed by the Debtor as of the 19th day of January, 2001.

Address of Debtor:

150 Metcalfe Street
Suite 1500
Ottawa, ON K2P 1P1

Attention: Kim Morrison
Facsimile No. 613-564-7739

E-SMITH INC.

By: 
Name: Kim Morrison
Title: COO

By: _____
Name:
Title:

I/We have the authority to bind the Debtor.