

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM331407

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Recognia Inc.		01/01/2015	CORPORATION: CANADA
RECEIVING PARTY DATA			
Name:	HSBC France		
Street Address:	103 avenue des champs-elysees		
City:	75419 paris cedex 08		
State/Country:	FRANCE		
Entity Type:	Financial Institution: FRANCE		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3346992	RECOGNIA	
Registration Number:	3487314	RECOGNIA	
Registration Number:	3337507	TECHNICAL EVENT	
Registration Number:	4141340	TECHNICAL CHECKPOINT	
Serial Number:	86482894	OPTIONS IDEAS	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	416-216-1906		
Email:	chris.hunter@nortonrosefulbright.com		
Correspondent Name:	Christopher n. hunter		
Address Line 1:	NORTON ROSE FULBRIGHT CANADA LLP		
Address Line 2:	200 BAY ST., ROYAL BANK PLAZA		
Address Line 4:	TORONTO, CANADA M5J 2Z4		
ATTORNEY DOCKET NUMBER:	01028631-0001		
NAME OF SUBMITTER:	Christopher N. Hunter		
SIGNATURE:	/Christopher N. Hunter/		
DATE SIGNED:	02/06/2015		
Total Attachments: 26			

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SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of January 1, 2015 (as amended, restated, supplemented or otherwise modified from time to time, this **Agreement**), granted by Recognia Inc. (including its successors and permitted assigns, the **Grantor**) in favour of HSBC France, herein acting as lender, administrative agent and collateral agent for itself and on behalf of the other present and future Secured Creditors (as such term is defined below) (in such capacity, together with any successor agent, the **Agent**).

WITNESSETH:

WHEREAS certain loans have or will be made available to Trading Central S.A. (the **Borrower**) upon the terms and conditions contained in a loan agreement (as same may amended, restated, supplemented, replaced, renewed or otherwise modified from time to time, the **Loan Agreement**) dated or to be dated on or about the date hereof among, *inter alios*, the Borrower, as borrower, the parties from time to time party thereto, including HSBC France and CIC, as lenders (the **Lenders**) and the Agent; and

WHEREAS, it is a condition precedent to the effectiveness of the Loan Agreement that the Grantor execute and deliver (i) a guarantee (the Guarantee) pursuant to which the Grantor will guarantee all of the obligations of the Borrower to the Lenders and the Agent pursuant to the Loan Agreement and (ii) this Agreement in favour of the Agent as security for the payment and performance of the Secured Obligations (as such term is defined below) .

NOW, THEREFORE, in consideration of the premises and 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:

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms.

The following words and phrases, wherever used in this Agreement (including in the recitals above) shall, unless there be something in the context inconsistent therewith, have the following meanings

Collateral has the meaning specified in Section 2.1.

Event of Default or **Default** shall mean any breach of any representation, warranty, covenant, term or provision under the Loan Documents and, for greater certainty, shall include a "Défaut" (as defined in the Loan Agreement).

Expenses means all expenses, costs and charges incurred by or on behalf of the Secured Creditors in connection with this Agreement, the Security Interest or the Collateral, including all legal fees, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Creditors' interest in any Collateral, whether or not directly relating to the enforcement of this Agreement or any other Loan Document.

Governmental Authority means any federal, provincial or municipal government, regulatory authority, governmental department, agency, commission, board, tribunal, dispute settlement panel or body, bureau, official, minister, Crown corporation, court or other law-making entity of competent jurisdiction.

Indemnitee has the meaning specified in Section 2.8(2).

Instruments means (i) 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 (ii) a letter of credit and an advice of credit if the letter or advice states that it must be surrendered upon claiming payment thereunder, or (iii) chattel paper or any other writing that evidences both a monetary obligation and a security interest in or a lease of specific goods, or (iv) documents of title or any other 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, or (v) any document or writing commonly known as an instrument, but excludes investment property.

Intellectual Property means domestic and foreign: (i) patents, applications for patents and reissues, divisions, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (ii) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (iii) copyrights, copyright registrations and applications for copyright registration; (iv) mask works, mask work registrations and applications for mask work registrations; (v) designs, design registrations, design registration applications and integrated circuit topographies; (vi) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trademarks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (vii) computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs; and (viii) any other intellectual property and industrial property.

Loan Documents means this Agreement, the Credit Agreement and any other document or agreement delivered pursuant to the terms thereof or in connection with the transactions contemplated thereby.

Person includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.

Obligations means, collectively, (a) all debts, obligations, liabilities and indebtedness, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due, arising or owing by or otherwise payable by the Grantor to the Agent or any Secured Creditor under or in connection with the Guarantee; (b) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantor under the Guarantee, this Agreement, the Loan Agreement and the other Loan Documents, and whether incurred by the Grantor alone or jointly with another or others and whether as borrower, principal, guarantor or surety and in whatever name or style and whether in its own personal capacity or in its capacity as a partner or managing partner of any partnership in which it is a partner or managing partner, as applicable; and (c) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Grantor under or pursuant to the Guarantee, this Agreement, the Loan Agreement and the other Loan Documents.

Permitted Intermediary Liens has the meaning specified in Section 4.1(e).

Registrable Intellectual Property means any Intellectual Property in respect of which ownership, title, security interests, charges or encumbrances are capable of registration, recording or notation with any Governmental Authority pursuant to applicable laws.

Secured Creditors means the Agent and the Lenders.

Secured Obligations means, collectively, the Obligations and the Expenses.

Securities means securities as defined in the STA.

Security Interest has the meaning specified in Section 2.2.

STA has the meaning specified in Section 1.2(1).

ULC means an unlimited company, an unlimited liability company or an unlimited liability corporation incorporated pursuant to or otherwise governed by the laws of any of the provinces of Canada.

ULC Shares means shares in any ULC at any time owned or otherwise held by the Grantor.

Section 1.2 Interpretation.

- (1) Capitalized terms used in this Agreement but not defined have the meanings given to them in the Loan Agreement.
- (2) Terms defined in the *Personal Property Security Act* (Ontario) (**PPSA**) or the *Securities Transfer Act* (Ontario) (**STA**) and used but not otherwise defined in this Agreement have the same meanings. For greater certainty, the terms “**account**”, “**chattel paper**”, “**document of title**”, “**equipment**”, “**intangible**”, “**investment property**”, “**money**”, “**personal property**” and “**proceeds**” have the meanings given to them in the PPSA; and the terms “**certificated security**”, “**control**”, “**delivery**”, “**entitlement holder**”, “**financial asset**”, “**securities account**”, “**securities intermediary**”, “**security entitlement**” and “**uncertificated security**” have the meanings given to them in the STA.
- (3) Any reference in any Loan Document to Liens permitted by the Loan Agreement and any right of the Grantor to create or suffer to exist Liens permitted by the Loan Agreement are not intended to and do not and will not subordinate the Security Interest to any such Lien or give priority to any Person over the Secured Creditors.
- (4) In this Agreement the words “**including**”, “**includes**” and “**include**” mean “**including (or includes or include) without limitation**”. The expressions “**Article**”, “**Section**” and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement.
- (5) Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (6) The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (7) The schedules attached to this Agreement form an integral part of it for all purposes of it.
- (8) Any reference to this Agreement, the Loan Agreement, any other Loan Document or any other agreement refers to this Agreement, the Loan Agreement, any other Loan Document or other agreement as the same may have been or may from time to time be amended,

modified, extended, renewed, restated, replaced or supplemented, novated and includes all schedules attached to it. Any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.

ARTICLE 2 SECURITY

Section 2.1 Grant of Security.

Subject to Section 2.4, the Grantor grants to the Agent, for the benefit of the Secured Creditors, a security interest in, and assigns, mortgages, charges, hypothecates and pledges to the Agent, for the benefit of the Secured Creditors, all of the real and personal property and undertaking of the Grantor now owned or hereafter acquired and all of the real and personal property and undertaking in which the Grantor now has or hereafter acquires any interest (collectively, the **Collateral**) including all of the Grantor's:

- (a) present and after-acquired real and personal property. With respect to the real property charged herein, the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Secured Obligations becoming immediately due and payable and the occurrence of any other event that by the operation of law would result in such floating charge becoming a fixed charge;
- (b) inventory including goods held for sale, lease or resale, goods furnished or to be furnished to third parties under contracts of lease, consignment or service, goods which are raw materials or work in process, goods used in or procured for packing and materials used or consumed in the business of the Grantor;
- (c) equipment, machinery, furniture, fixtures, plant, vehicles and other goods of every kind and description and all licences and other rights and all related records, files, charts, plans, drawings, specifications, manuals and documents;
- (d) accounts due or accruing and all related agreements, books, accounts, invoices, letters, documents and papers recording, evidencing or relating to them;
- (e) money, documents of title, chattel paper, financial assets and investment property;
- (f) securities accounts, including the securities accounts listed in Schedule A and all of the credit balances, securities entitlements, other financial assets and items or property (or their value) standing to the credit from time to time in such securities accounts;
- (g) Instruments and Securities, including the Instruments and Securities listed in Schedule A;
- (h) intangibles including all security interests, goodwill, choses in action, contracts, contract rights, licenses and other contractual benefits;
- (i) Intellectual Property including the Registrable Intellectual Property listed in Schedule B;
- (j) all substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in Section 2.1(a) through Section 2.1(i) inclusive; and

- (k) all proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in Section 2.1(a) through Section 2.1(j) inclusive, including the proceeds of such proceeds.

Section 2.2 Secured Obligations.

The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the **Security Interest**) secures the payment and performance of the Secured Obligations.

Section 2.3 Attachment.

- (1) The Grantor acknowledges that (i) value has been given, (ii) it has rights in the Collateral or the power to transfer rights in the Collateral to the Agent (other than after-acquired Collateral), (iii) it has not agreed to postpone the time of attachment of the Security Interest, and (iv) it has received a copy of this Agreement.
- (2) If the Grantor (i) acquires any Securities, (ii) acquires any other financial assets that have not been credited to a securities account specified in Schedule A, (iii) acquires any Instruments, or (iv) establishes or maintains a securities account that is not specified in Schedule A, the Grantor will notify the Agent in writing and provide the Agent with a revised Schedule A recording the acquisition or establishment of and particulars relating to such Securities, financial assets, Instruments or securities account within 15 days after such acquisition.
- (3) At the request of the Agent, the Grantor will take all action that the Agent deems advisable to cause the Agent to have control over any Securities or other investment property that are now or at any time become Collateral, including (i) causing the Collateral to be transferred to or registered in the name of the Agent or its nominee or otherwise as the Agent may direct, (ii) endorsing any certificated Securities to the Agent or in blank by an effective endorsement, (iii) delivering the Collateral to the Agent or someone on its behalf as the Agent may direct, (iv) delivering to the Agent any and all consents or other documents or agreements which may be necessary to effect the transfer of any Collateral to the Agent or any third party and (v) entering into control agreements with the Agent and the applicable securities intermediary or issuer in respect of any Collateral in form and substance satisfactory to the Agent.
- (4) At the request of the Agent, the Grantor will (i) deliver to and deposit with the Agent the Instruments listed in Schedule A (ii) cause the transfer of any Instruments to the Agent to be registered wherever such registration may be required or advisable in the opinion of the Agent, (iii) endorse any Instruments to the Agent or in blank or register them in the name of the Agent or its nominee or otherwise as the Agent may direct and (iv) deliver to the Agent any and all consents or other documents that may be necessary to effect the transfer of any Instruments to the Agent or any third party.
- (5) The Grantor will promptly notify the Agent in writing of the acquisition by the Grantor of any Registrable Intellectual Property. The Grantor will provide the Agent with a revised Schedule B recording the acquisition and particulars of such additional Intellectual Property.

Section 2.4 Scope of Security Interest.

- (1) The Security Interest with respect to trade-marks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Agent for the benefit of the Secured Creditors, but does not constitute an assignment or mortgage of such Collateral to the Agent or any Secured Creditor.
- (2) Until the Security Interest is enforceable, the grant of the Security Interest in the Intellectual Property does not affect in any way the Grantor's rights to commercially exploit the Intellectual Property, defend it, enforce the Grantor's rights in it or with respect to it against

third parties in any court or claim and be entitled to receive any damages with respect to any infringement of it.

- (3) The Security Interest does not extend to consumer goods.
- (4) The Security Interest does not extend or apply to the last day of the term of any lease or sublease of real property or any agreement for a lease or sublease of real property, now held or hereafter acquired by the Grantor, but the Grantor will stand possessed of any such last day upon trust to assign and dispose of it as the Agent may reasonably direct.

Section 2.5 Grant of Licence to Use Intellectual Property.

- (1) At such time as the Agent is lawfully entitled to exercise its rights and remedies under Article 3, the Grantor grants to the Agent an irrevocable, nonexclusive licence (exercisable without payment of royalty or other compensation to the Grantor) to use, assign or sublicense any Intellectual Property in which the Grantor has rights wherever the same may be located, including in such licence access to (i) all media in which any of the licensed items may be recorded or stored, and (ii) all software and computer programs used for compilation or print-out. The license granted under this Section is to enable the Agent to exercise its rights and remedies under Article 3 and for no other purpose.
- (2) The Agent acknowledges that the standard of quality for the use, assignment or sublicensing of Intellectual Property of the Grantor shall be no less than the standard of quality employed by the Grantor as of the day before the exercise of rights and remedies under Article 3 by the Agent in conjunction with wares and/or services sold in association with such Intellectual Property.

Section 2.6 Care and Custody of Collateral.

- (1) The Secured Creditors have no obligation to keep Collateral in their possession identifiable.
- (2) Without limiting any other rights or remedies under this Agreement, the Agent may, upon the occurrence and during the continuance of an Event of Default, (i) notify any Person obligated on an Instrument, Security or account to make payments to the Agent, whether or not the Grantor was previously making collections on such accounts, chattel paper, instruments, and (ii) assume control of any proceeds arising from the Collateral.
- (3) The Agent has no obligation to collect dividends, distributions or interest payable on, or exercise any option or right in connection with any Collateral. The Agent has no obligation to protect or preserve any Collateral from depreciating in value or becoming worthless and is released from all responsibility for any loss of value, whether such Collateral is in the possession of, is a security entitlement of, or is subject to the control of, the Agent, a securities intermediary, the Grantor or any other Person. In the physical keeping of any Securities, the Agent is only obliged to exercise the same degree of care as it would exercise with respect to its own Securities kept at the same place.
- (4) The Agent may, upon the occurrence and during the continuance of an Event of Default, sell, transfer, use or otherwise deal with any investment property included in the Collateral over which the Agent has control, on such conditions and in such manner as the Agent in its sole discretion may determine.

Section 2.7 Rights of the Grantor.

- (1) Until the occurrence of an Event of Default which is continuing, the Grantor is entitled to vote the Securities that are part of the Collateral and to receive all dividends and distributions on such Securities. Upon the occurrence and during the continuance of an Event of Default, all rights of the Grantor to vote (under any proxy given by the Agent (or its nominee) or

otherwise) or to receive distributions or dividends cease and all such rights become vested solely and absolutely in the Agent.

- (2) Any distributions or dividends received by the Grantor contrary to Section 2.7(1) or any other moneys or property received by the Grantor after the Security Interest is enforceable will be received as trustee for the Agent and the Secured Creditors and shall be immediately paid over to the Agent.

Section 2.8 Costs and Expenses.

- (1) The Grantor shall pay all Expenses incurred by the Agent or any Secured Creditor in making this Agreement, advancing funds and enforcing its rights hereunder including, without limitation, the fees and disbursements of counsel to the Agent and the Secured Creditors.
- (2) The Grantor shall indemnify the Agent, each Secured Creditor and their directors, officers, employees, agents, partners, shareholders and representatives (each such Person being called an **Indemnitee**) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including reasonable fees, charges and disbursements of any counsel for any Indemnitee) incurred by any Indemnitee or asserted against any Indemnitee by any party hereto or any third party arising out of, in connection with, or as a result of any action, investigation, suit or proceeding (whether commenced or threatened) relating to or arising out of (i) the execution or delivery of this Agreement, the Loan Agreement or any other Loan Document, or any amendment, amendment and restatement, modification or waiver of the provisions hereof or thereof, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any loan under the Loan Agreement or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Grantor, and regardless of whether any Indemnitee is a party thereto.
- (3) All amounts due under this Section 2.8 shall be payable not later than 3 Business Days after demand therefor.

ARTICLE 3 ENFORCEMENT

Section 3.1 Enforcement.

The Security Interest becomes and is enforceable against the Grantor upon the occurrence and during the continuance of an Event of Default.

Section 3.2 Remedies.

Whenever the Security Interest is enforceable, the Agent may realize upon the Collateral and enforce the rights of the Agent and the Secured Creditors by:

- (a) entry onto any premises where Collateral consisting of tangible personal property may be located;
- (b) entry into possession of the Collateral by any method permitted by law;
- (c) sale, grant of options to purchase, or lease of all or any part of the Collateral;
- (d) holding, storing and keeping idle or operating all or any part of the Collateral;

- (e) exercising and enforcing all rights and remedies of a holder of the Collateral as if the Agent were the absolute owner thereof (including, if necessary, causing the Collateral to be registered in the name of the Agent or its nominee if not already done);
- (f) collection of any proceeds arising in respect of the Collateral;
- (g) collection, realization or sale of, or other dealing with, accounts;
- (h) license or sublicense, whether on an exclusive or nonexclusive basis, of any Intellectual Property for such term and on such conditions and in such manner as the Agent in its sole judgment determines (taking into account such provisions as may be necessary to protect and preserve such Intellectual Property);
- (i) instruction or order to any issuer or securities intermediary pursuant to any control the Agent has over the Collateral;
- (j) instruction to any bank to transfer all moneys constituting Collateral held by such bank to an account maintained with or by the Agent;
- (k) application of any moneys constituting Collateral or proceeds thereof in accordance with Section 5.11;
- (l) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (m) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral;
- (n) institution of proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;
- (o) filing of proofs of claim and other Loan Documents to establish claims to the Collateral in any proceeding relating to the Grantor; and
- (p) any other remedy or proceeding authorized or permitted under the PPSA or otherwise by law or equity.

Section 3.3 Additional Rights.

In addition to the remedies set forth in Section 3.2 and elsewhere in this Agreement, whenever the Security Interest is enforceable, the Agent may:

- (a) require the Grantor, at the Grantor's expense, to assemble the Collateral at a place or places designated by notice in writing and the Grantor agrees to so assemble the Collateral immediately upon receipt of such notice;
- (b) require the Grantor, by notice in writing, to disclose to the Agent the location or locations of the Collateral and the Grantor agrees to promptly make such disclosure when so required;
- (c) repair, process, modify, complete or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of the Grantor or otherwise;

- (d) redeem any prior security interest against any Collateral, procure the transfer of such security interest to itself, or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer (any accounts to be conclusive and binding on Grantor);
- (e) pay any liability secured by any Lien against any Collateral (the Grantor will immediately on demand reimburse the Agent for all such payments);
- (f) carry on all or any part of the business of the Grantor and, to the exclusion of all others including the Grantor, enter upon, occupy and use all or any of the premises, buildings, and other property of or used by the Grantor for such time as the Agent sees fit, free of charge, and the Agent and the Secured Creditors are not liable to the Grantor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages incurred in connection with or resulting from such action;
- (g) borrow for the purpose of carrying on the business of the Grantor or for the maintenance, preservation or protection of the Collateral and grant a security interest in the Collateral, whether or not in priority to the Security Interest, to secure repayment;
- (h) commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give good and valid receipts and discharges in respect of the Collateral and compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to the Grantor; and
- (i) at any public sale, and to the extent permitted by law on any private sale, bid for and purchase any or all of the Collateral offered for sale and upon compliance with the terms of such sale, hold, retain and dispose of such Collateral without any further accountability to the Grantor or any other Person with respect to such holding, retention or disposition, except as required by law. In any such sale to the Agent, the Agent may, for the purpose of making payment for all or any part of the Collateral so purchased, use any claim for Secured Obligations then due and payable to it as a credit against the purchase price.

Section 3.4 Exercise of Remedies.

The remedies under Section 3.2 and Section 3.3 may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Agent and the Secured Creditors however arising or created. The Agent and the Secured Creditors are not bound to exercise any right or remedy, and the exercise of rights and remedies is without prejudice to the rights of the Agent and the Secured Creditors in respect of the Secured Obligations including the right to claim for any deficiency.

Section 3.5 Appointment of Attorney.

The Grantor hereby irrevocably constitutes and appoints the Agent (and any officer of the Agent) the true and lawful attorney of the Grantor. As the attorney of the Grantor, the Agent has the power to exercise for and in the name of the Grantor with full power of substitution, upon the occurrence and during the continuance of an Event of Default, any of the Grantor's right (including the right of disposal), title and interest in and to the Collateral including the execution, endorsement, delivery and transfer of the Collateral to the Agent, its nominees or transferees, and the Agent and its nominees or transferees are hereby empowered to exercise all rights and powers and to perform all acts of ownership with respect to the Collateral to the same extent as the Grantor might do. This power of attorney is irrevocable, is coupled with an interest, has been given for valuable consideration (the receipt and adequacy of which is acknowledged) and survives, and does not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Grantor. This power of attorney extends to

and is binding upon the Grantor's successors and permitted assigns. The Grantor authorizes the Agent to delegate in writing to another Person any power and authority of the Agent under this power of attorney as may be necessary or desirable in the opinion of the Agent, and to revoke or suspend such delegation.

Section 3.6 Dealing with the Collateral.

- (1) The Agent and the Secured Creditors are not obliged to exhaust their recourse against the Grantor or any other Person or against any other security they may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Agent may consider desirable.
- (2) The Agent and the Secured Creditors may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Grantor and with other Persons, sureties or securities as they may see fit without prejudice to the Secured Obligations, the liability of the Grantor or the rights of the Agent and the Secured Creditors in respect of the Collateral.
- (3) Except as otherwise provided by law or this Agreement, the Agent and the Secured Creditors are not (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of any Persons in respect of the Collateral, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal with the Collateral, or (iv) bound to protect the Collateral from depreciating in value or becoming worthless.

Section 3.7 Status of the Receiver.

- (1) Any receiver appointed by the Agent is vested with the rights and remedies which could have been exercised by the Agent in respect of the Grantor or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, its replacement and its remuneration are within the sole and unfettered discretion of the Agent.
- (2) Any receiver appointed by the Agent will act as agent for the Agent for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below), as agent for the Grantor. The receiver may sell, lease, or otherwise dispose of Collateral as agent for the Grantor or as agent for the Agent as the Agent may determine in its discretion. The Grantor agrees to ratify and confirm all actions of the receiver acting as agent for the Grantor, and to release and indemnify the receiver in respect of all such actions.
- (3) The Agent, in appointing or refraining from appointing any receiver, does not incur liability to the receiver, the Grantor or otherwise and is not responsible for any misconduct or negligence of such receiver.

Section 3.8 Standards of Sale.

Without prejudice to the ability of the Agent to dispose of the Collateral in any manner which is commercially reasonable and without limitation to the other provisions of this Agreement, the Grantor acknowledges that, in connection with any enforcement of the Security Interest provided for herein and as may be permitted at law or in equity:

- (a) the Collateral may be disposed of in whole or in part;
- (b) the Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;

- (c) any assignee of such Collateral may be the Agent, a Secured Creditor or a customer of any such Person;
- (d) any sale conducted by the Agent will be at such time and place, on such notice and in accordance with such procedures as the Agent, in its sole discretion, may deem advantageous;
- (e) the Collateral may be disposed of in any manner and on any terms necessary to avoid violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that the prospective bidders and purchasers have certain qualifications, and restrict the prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of the Collateral) or in order to obtain any required approval of the disposition (or of the resulting purchase) by any governmental or regulatory authority or official;
- (f) a disposition of the Collateral may be on such terms and conditions as to credit or otherwise as the Agent, in its sole discretion, may deem advantageous; and
- (g) the Agent may establish an upset or reserve bid or price in respect of the Collateral.

Section 3.9 Dealings by Third Parties.

- (1) No Person dealing with the Agent, any of the Secured Creditors or an agent or receiver is required to determine (i) whether the Security Interest has become enforceable, (ii) whether the powers which such Person is purporting to exercise have become exercisable, (iii) whether any money remains due to the Agent or the Secured Creditors by the Grantor, (iv) the necessity or expediency of the stipulations and conditions subject to which any sale or lease is made, (v) the propriety or regularity of any sale or other dealing by the Agent or any Secured Creditor with the Collateral, or (vi) how any money paid to Agent or the Secured Creditors has been applied.
- (2) Any *bona fide* purchaser of all or any part of the Collateral from the Agent or any receiver or agent will hold the Collateral absolutely, free from any claim or right of whatever kind, including any equity of redemption, of the Grantor, which it specifically waives (to the fullest extent permitted by law) as against any such purchaser together with all rights of redemption, stay or appraisal which the Grantor has or may have under any rule of law or statute now existing or hereafter adopted.

Section 3.10 ULC Shares.

- (1) Notwithstanding anything else contained in this Agreement or any other document or agreement among all or some of the parties hereto, the Grantor is the sole registered and beneficial owner of all Collateral that is ULC Shares and will remain so until such time as such ULC Shares are effectively transferred into the name of the Agent, any of the Secured Creditors, or any nominee of the foregoing or any other Person on the books and records of such ULC. Accordingly, the Grantor shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, in respect of ULC Shares that are Collateral and shall have the right to vote such ULC Shares and to control the direction, management and policies of any ULC to the same extent as the Grantor would if such ULC Shares were not pledged to the Agent for the benefit of the Secured Creditors pursuant hereto. Nothing in this Agreement or any other document or agreement among all or some of the parties hereto is intended to, and nothing in this Agreement or any other document or agreement among all or some of the parties hereto shall, constitute the Agent, any of the Secured Creditors or any Person other than the Grantor, a member of any ULC for the purposes of the *Companies Act* (Nova Scotia), the *Business Corporations Act* (British Columbia), the *Business Corporations*

Act (Alberta) or any other applicable legislation until such time as notice is given to the Grantor and further steps are taken hereunder or thereunder so as to register the Agent, any of the Secured Creditors or any nominee of the foregoing, as specified in such notice, as the holder of shares of such ULC. To the extent any provision hereof would have the effect of constituting the Agent or any of the Secured Creditors a member of a ULC prior to such time, such provision shall be severed herefrom and ineffective with respect to Collateral that is shares of such ULC without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Collateral that is not shares of such ULC.

- (2) Except upon the exercise of rights to sell or otherwise dispose of Collateral that is ULC Shares once the Security Interest is enforceable, the Grantor shall not cause or permit, or enable any ULC in which it holds ULC Shares that are Collateral to cause or permit, the Agent or any other Secured Creditor to: (a) be registered as a shareholder or member of a ULC; (b) have any notation entered in its favour in the share register of a ULC; (c) be held out as a shareholder or member of a ULC; (d) receive, directly or indirectly, any dividends, property or other distributions from a ULC by reason of the Agent or any other Secured Creditor holding a security interest in a ULC or ULC Shares; or (e) act as a shareholder or member of a ULC, or exercise any rights of a shareholder or member including the right to attend a meeting of, or to vote the shares of, a ULC.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.1 General Representations, Warranties and Covenants.

The Grantor represents and warrants and covenants and agrees, acknowledging and confirming that the Agent and each Secured Creditor is relying on such representations, warranties, covenants and agreements, that:

- (a) **Corporate.** This Agreement is a legal, valid and binding agreement of the Grantor enforceable in accordance with its terms and the Security Interest in the Collateral is a perfected security interest for purposes of the PPSA.
- (b) **Ownership.** The Grantor is the registered, legal and beneficial owner of the Collateral
- (c) **Continuous Perfection.** Schedule C sets out the Grantor's place of business or, if more than one, the Grantor's chief executive office. Such place of business or chief executive office, as the case may be, has been located at such address for the 60 days immediately preceding the date of this Agreement. Schedule C also sets out the address at which the books and records of the Grantor are located, the address at which senior management of the Grantor are located and conduct their deliberations and make their decisions with respect to the business of the Grantor and the address from which the invoices and accounts of the Grantor are issued. The Grantor will not change the location of any of these items, people or addresses without providing at least 30 days prior written notice to the Agent. Except for sales of inventory made in the ordinary course of business, the Collateral, to the extent not delivered to the Agent pursuant to Section 2.3(4), has been kept for the 60 days immediately preceding the date of this Agreement and will be kept at those locations listed on Schedule C, and the Grantor will not remove the Collateral from such locations, without providing at least 30 days prior written notice to the Agent, provided that Collateral may be moved to another location as long as such other location is in a jurisdiction in which the Agent has a valid and perfected first ranking security interest in the Collateral. The Grantor will not change its name in any manner without providing at least 30 days prior written notice to the Agent.

- (d) **Restriction on Disposition.** The Grantor will not sell, assign, convey, exchange, lease, release or abandon, or otherwise dispose of, any Collateral except for Dispositions expressly permitted under the Loan Agreement.
- (e) **Negative Pledge.** The Grantor will not create or suffer to exist, any Lien on the Collateral, except for Liens permitted by the Loan Agreement, and will not grant control over any investment property to any Person other than the Agent except for any Liens or control in favour of a securities intermediary in respect of securities accounts or securities entitlements that are Collateral which Liens or control are consented to by the Agent, provided that such Liens or control are subordinated to the Agent's security interest in the Collateral (the **Permitted Intermediary Liens**).
- (f) **Account Debtors.** None of the account debtors in respect of any accounts, chattel paper or intangibles nor the Grantor in respect of any Instruments included in the Collateral is (i) a Governmental Authority, or (ii) is located outside of Canada or the United States of America.
- (g) **Investment Property and Instruments.**
 - (i) Schedule A lists all Securities and Instruments owned or held by the Grantor and all securities accounts of the Grantor on the date of this Agreement. Schedule A sets out, for each class of Securities listed in the schedule, the percentage amount that such Securities represent of all issued and outstanding Securities of that class and whether the Securities are certificated securities or uncertificated securities.
 - (ii) Securities that are Collateral have been, where applicable, duly and validly issued and acquired and are fully paid and non-assessable.
 - (iii) Except as described in Schedule A, no transfer restrictions apply to the Securities and Instruments listed in Schedule A. The Grantor has delivered to the Agent copies of all shareholder, partnership or trust agreements applicable to each issuer of such Securities and Instruments which are in the Grantor's possession and confirms that any interest in a partnership or limited liability company that now, or at any time, forms part of the Collateral is, and will be, a "security" for the purposes of the STA.
 - (iv) No Person has or will have any written or oral option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement to acquire any right or interest in any of the Securities that are Collateral.
 - (v) The Instruments that are Collateral constitute, where applicable, the legal, valid and binding obligation of the Grantor of such Instruments, enforceable in accordance with their terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, fraudulent conveyance, arrangement, reorganization or creditors' rights generally, and (ii) the discretion that a court may exercise in the granting of equitable remedies.
 - (vi) The pledge, assignment, delivery to and control by the Agent of the Collateral consisting of investment property pursuant to this Agreement creates a valid and perfected security interest in such Collateral and the proceeds of it, other than the Permitted Intermediary Liens, provided that the Agent takes necessary steps to either perfect such security interest by registration pursuant to the PPSA or by possession or control of the Collateral consisting

of investment property. Such Collateral and the proceeds from it are not subject to any prior Lien or any agreement purporting to grant to any third party a Lien on or control of the property or assets of the Grantor which would include the Collateral other than the Permitted Intermediary Liens. The Agent is entitled to all of the rights, priorities and benefits afforded by the PPSA or other relevant personal property security legislation as enacted in any relevant jurisdiction to perfect security interests in respect of such Collateral.

- (vii) The Grantor does not know of any claim to or interest in any Collateral consisting of investment property, including any adverse claims. If any Person asserts any Lien, encumbrance or adverse claim against any investment property that forms part of the Collateral, the Grantor will promptly notify the Agent.
 - (viii) The Grantor has not consented to, will not consent to, and has no knowledge of any control by any Person with respect to any Collateral other than the Agent.
 - (ix) The Grantor will notify the Agent immediately upon becoming aware of any change in an "issuer's jurisdiction" in respect of any uncertificated securities that are Collateral or any change in a "securities intermediary's jurisdiction" in respect of any security entitlements, financial assets or securities accounts that are Collateral.
 - (x) The Grantor will not, after the date of this Agreement, establish and maintain any securities accounts with any securities intermediary unless (1) it gives the Agent 30 days' prior written notice of its intention to establish such new securities account, and (2) the securities intermediary and the Grantor (i) execute and deliver a control agreement with respect to such securities account that is in form and substance, satisfactory to the Agent, or (ii) transfer the financial assets in such securities account into a securities account in the name of the Agent.
- (h) **Status of Accounts Collateral.** The Grantor will maintain books and records pertaining to the Collateral in such detail, form and scope as the Agent reasonably requires, and keep all originals of the chattel paper which evidence accounts at locations specified on Schedule C. The Grantor will immediately notify the Agent if any account arises out of contracts with any Governmental Authority, and execute any instruments and take any steps required by the Agent in order that all moneys due or to become due under the contract are assigned to the Agent and notice of such assignment is given to the Governmental Authority. The Grantor will also immediately notify the Agent if any material account is with an account debtor located outside of Canada or the United States of America.
- (i) **Additional Security Perfection and Protection of Security Interest.** The Grantor will grant to the Agent, for the benefit of the Secured Creditors, security interests, assignments, mortgages, charges, hypothecations and pledges in such property (real or personal) and undertaking of the Grantor that is not subject to a valid and perfected security interest (subject only to Liens permitted by the Loan Agreement) constituted by the Security Documents, in each relevant jurisdiction as determined by the Agent. The Grantor will perform all acts, execute and deliver all agreements, documents and instruments and take such other steps as are requested by the Agent at any time to register, file, signify, publish, perfect, maintain, protect, and enforce the Security Interest including: (i) executing, recording and filing of financing or other statements, and paying all taxes, fees and other charges payable, (ii) placing notations on its books of account to disclose the Security Interest, (iii) delivering

acknowledgements, confirmations and subordinations that may be necessary to ensure that the Security Documents constitute a valid and perfected security interest (subject only to Liens permitted by the Loan Agreement), (iv) executing and delivering any certificates, endorsements, instructions, agreements, documents and instruments that may be required under the STA and (v) delivering opinions of counsel in respect of matters contemplated by this paragraph. The documents and opinions contemplated by this paragraph must be in form and substance satisfactory to the Agent.

Section 4.2 Representations, Warranties and Covenants Concerning Intellectual Property.

The Grantor represents and warrants and covenants and agrees, acknowledging and confirming that the Agent and each Secured Creditor is relying on such representations, warranties, covenants and agreements, that:

- (a) Schedule B lists all Registrable Intellectual Property that is owned by the Grantor on the date of this Agreement.
- (b) All Registrable Intellectual Property of the Grantor is valid, subsisting, unexpired and enforceable, has not been abandoned and does not infringe the Intellectual Property rights of any other Person.
- (c) No decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or the Grantor's rights in, any Intellectual Property in any respect.
- (d) No action or proceeding is pending, or, to the knowledge of the Grantor, threatened, on the date hereof seeking to limit, cancel or question the validity of any Intellectual Property or the Grantor's ownership interest therein.
- (e) The Grantor will take all reasonable and necessary steps, including in any proceeding before the Canadian Intellectual Property Office or any similar Governmental Authority of any jurisdiction, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the material Registrable Intellectual Property, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.
- (f) In the event that any material Intellectual Property of the Grantor is infringed, misappropriated or diluted by a third party, the Grantor will (i) take such actions as the Grantor reasonably deems appropriate under the circumstances to protect such Intellectual Property and (ii) if such Intellectual Property is of material economic value, promptly notify the Agent after it learns thereof and sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.
- (g) Immediately upon the request of the Agent, the Grantor will furnish the Agent in writing the description of all Registrable Intellectual Property or applications for Registrable Intellectual Property of the Grantor. In addition, the Grantor will deliver to the Agent a copy of the certificate of registration of, or application for, such Registrable Intellectual Property with a Confirmation of Security Interest in a form satisfactory to the Agent in respect of such Registrable Intellectual Property confirming the assignment for security of such Registrable Intellectual Property to the Agent and immediately make all such filings, registrations and recordings as are necessary or appropriate to perfect the Security Interest granted to the Agent in the Registrable Intellectual Property.

Section 4.3 Credit Agreement.

- (a) In addition to and not in substitution for any covenant, agreement, undertaking and condition contained in this Agreement, the Grantor does hereby covenant and agree with the Secured Creditor that it shall comply with, and ensure the compliance of, all covenants, agreements, undertakings and conditions in the Loan Agreement which are applicable to it, and each such covenant, agreement, undertaking and condition is hereby incorporated by reference, *mutatis mutandis*.

ARTICLE 5 GENERAL

Section 5.1 Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing and given in accordance with the Guarantee.

Section 5.2 Discharge.

The Security Interest will be discharged upon, but only upon, full and indefeasible payment and performance of the Secured Obligations and the Agent and the Secured Creditors having no further obligations to the Grantor under the Loan Documents. Upon discharge of the Security Interest and at the request and expense of the Grantor, the Agent will execute and deliver to the Grantor such financing statements and other documents or instruments as the Grantor may reasonably require and the Agent will redeliver to the Grantor against receipt and without recourse to or warranty by the Agent, or as the Grantor may otherwise direct the Agent, any Collateral in its possession which shall not have been sold or otherwise applied pursuant to the terms hereof.

Section 5.3 No Merger, Survival of Representations and Warranties.

This Agreement does not operate by way of merger of any of the Secured Obligations and no judgment recovered by the Agent or any of the Secured Creditors will operate by way of merger of, or in any way affect, the Security Interest, which is in addition to, and not in substitution for, any other security now or hereafter held by the Agent and the Secured Creditors in respect of the Secured Obligations. The representations, warranties and covenants of the Grantor in this Agreement survive the execution and delivery of this Agreement and any advances under the Loan Agreement. Notwithstanding any investigation made by or on behalf of the Agent or the Secured Creditors, such covenants, representations and warranties continue in full force and effect.

Section 5.4 Further Assurances.

The Grantor will do all acts and things and execute and deliver, or cause to be executed and delivered, all agreements, documents and instruments that the Agent may require and take all further steps relating to the Collateral or any other property or assets of the Grantor that the Agent may require for (i) protecting the Collateral, (ii) perfecting, preserving and protecting the Security Interest, and (iii) exercising all powers, authorities and discretions conferred upon the Agent. After the Security Interest becomes enforceable, the Grantor will do all acts and things and execute and deliver all documents and instruments that the Agent may require for facilitating the sale or other disposition of the Collateral in connection with its realization.

Section 5.5 Supplemental Security.

This Agreement is in addition to, without prejudice to and supplemental to all other security now held or which may hereafter be held by the Agent or the Secured Creditors.

Section 5.6 Successors and Assigns.

- (1) This Agreement creates a continuing Security Interest in the Collateral and shall (i) be binding on the Grantor and its successors and assigns, and (ii) enure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and the other Secured Creditors and each of their respective successors, permitted transferees and permitted assigns. No other Person (including any other creditor of the Grantor) shall have any interest herein or any right or benefit with respect hereto.
- (2) Without limiting the generality of this Section 5.6, any Secured Creditor may assign all or otherwise transfer all or any part of, or may grant participation in all or any part of, its interest in this Agreement to any other Person, and such other Person shall then become vested with all the rights granted to such Secured Creditor in this Agreement or otherwise.
- (3) The Grantor may not assign, transfer or delegate any of its rights or obligations under this Agreement.
- (4) The Grantor agrees that its obligations hereunder and the Security Interest shall continue to be effective or be reinstated, as applicable, if at any time payment, or any part thereof, of all or any part of the Secured Obligations is rescinded or must otherwise be restored by the Secured Creditors upon the bankruptcy or reorganization of the Grantor or otherwise.

Section 5.7 Amalgamation.

The Grantor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations, it is the intention of the parties that the Security Interest (i) subject to Section 2.4, extends to: (A) all of the property and undertaking that any of the amalgamating corporations then owns, (B) all of the property and undertaking that the amalgamated corporation thereafter acquires, (C) all of the property and undertaking in which any of the amalgamating corporations then has any interest and (D) all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest; and (ii) secures the payment and performance of all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by each of the amalgamating corporations and the amalgamated corporation to the Secured Creditors in any currency, however or wherever incurred, and whether incurred alone or jointly with another or others and whether as principal, guarantor or surety and whether incurred prior to, at the time of or subsequent to the amalgamation. The Security Interest attaches to the additional collateral at the time of amalgamation and to any collateral thereafter owned or acquired by the amalgamated corporation when such collateral becomes owned or is acquired. Upon any such amalgamation, the defined term "**Grantor**" means, collectively, each of the amalgamating corporations and the amalgamated corporation, the defined term "**Collateral**" means all of the real and personal property and undertaking and interests described in (i) above, and the defined term "**Obligations**" means the obligations described in (ii) above.

Section 5.8 Severability.

If any court of competent jurisdiction from which no appeal exists or is taken, determines any provision of this Agreement to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 5.9 Amendment.

This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the Agent and the Grantor.

Section 5.10 Waivers, etc.

- (1) No consent or waiver by the Agent or the Secured Creditors in respect of this Agreement is binding unless made in writing and signed by an authorized officer of the Agent. Any consent

or waiver given under this Agreement is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Agreement constitutes a waiver of any other provision.

- (2) A failure or delay on the part of the Agent or the Secured Creditors in exercising a right under this Agreement does not operate as a waiver of, or impair, any right of the Agent or the Secured Creditors however arising. A single or partial exercise of a right on the part of the Agent or the Secured Creditors does not preclude any other or further exercise of that right or the exercise of any other right by the Agent or the Secured Creditors.

Section 5.11 Application of Proceeds of Security.

All monies collected by the Agent upon the enforcement of the Agent's or the Secured Creditor's rights and remedies under the Loan Agreement and the other Loan Documents and the Liens created by them including any sale or other disposition of the Collateral, together with all other monies received by the Agent and the Secured Creditors under the Loan Agreement and the other Loan Documents, will be applied as provided in the Loan Agreement.

Section 5.12 Conflict.

In the event of any conflict between the provisions of this Agreement and the provisions of the Loan Agreement which cannot be resolved by both provisions being complied with, the provisions contained in the Loan Agreement will prevail to the extent of such conflict.

Section 5.13 Governing Law.

- (1) This Agreement will be governed by, interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) The Grantor irrevocably attorns and submits to the non-exclusive jurisdiction of any court of competent jurisdiction of the Province of Ontario sitting in Toronto, Ontario in any action or proceeding arising out of or relating to this Agreement and the other Loan Documents to which it is a party. The Grantor irrevocably waives objection to the venue of any action or proceeding in such court or that such court provides an inconvenient forum. Nothing in this Section limits the right of the Agent to bring proceedings against the Grantor in the courts of any other jurisdiction.
- (3) The Grantor hereby irrevocably consents to the service of any and all process in any such action or proceeding by the delivery of copies of such process to the Grantor at the address provided for the Grantor in the Loan Agreement. Nothing in this Section affects the right of the Agent to serve process in any manner permitted by law.

Section 5.14 English Language.

The parties to this Agreement have agreed that this Agreement as well as any document or instrument relating to it be drawn up in English only but without prejudice to any such document or instrument which may from time to time be drawn up in French only or in both French and English. *Les parties aux présentes ont convenu que la présente Convention ainsi que tous autres actes ou documents s'y rattachant soient rédigés en anglais seulement mais sans préjudice à tous tels actes ou documents qui pourraient à l'occasion être rédigés en français seulement ou à la fois en anglais et en français.*

Section 5.15 Time of the Essence.

Time shall be of the essence of this Agreement.

Section 5.16 Waiver of Financing Statement, Etc.

The Grantor hereby waives the right to receive from the Agent or the Secured Creditors a copy of any financing statement, financing change statement or other statement or document filed or registered at any time in respect of this Agreement or any verification statement or other statement or document issued by any registry that confirms or evidences registration of or relates to this Agreement.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF the Grantor has executed this Agreement as of the date first written above.

RECOGNIA INC.



By:

Name: Ken MacAskill

Title: Chief Executive Officer

**SCHEDULE A
INSTRUMENTS AND SECURITIES**

The Grantor holds 1,000 shares of Common Stock of Recognia (U.S.) Inc.

**SCHEDULE B
INTELLECTUAL PROPERTY**

Patents

Canadian Patent / Patent Applications

<u>Title</u>	<u>Filing Date</u>	<u>Application No.</u>	<u>Publication Date</u>	<u>Publication No.</u>	<u>Issue Date</u>	<u>Registration No.</u>
Technical Analysis Formation Recognition Using Pivot Points	September 17, 2002	2,403,699	March 17, 2003	2,403,699	December 12, 2014	2403699
A Method for Categorizing Pivot Points in Technical Analysis	September 17, 2002	2,404,288	March 17, 2003	2,404,288	N/A	N/A
Method of Providing a Financial Event Identification Service	December 11, 2002	2,413,887	June 11, 2003	2,413,887	N/A	N/A
Method of Rule Constrained Statistical Pattern Recognition	December 11, 2002	2,413,985	June 11, 2003	2,413,985	N/A	N/A
A Method for Chart Markup and Annotation in Technical Analysis	December 17, 2002	2,414,620	June 17, 2003	2,414,620	April 19, 2011	2,414,620

U.S. Patents

<u>Title</u>	<u>Filing Date</u>	<u>Application No.</u>	<u>Publication Date</u>	<u>Publication No.</u>	<u>Issue Date</u>	<u>Registration No.</u>
Technical Analysis Formation Recognition Using Pivot Points	September 17, 2002	10/245,263	April 3, 2003	2003/0065607	November 16, 2010	7,835,966
Method for Categorizing Pivot Points in Technical Analysis	September 17, 2002	10/245,240	April 3, 2003	2003/0065606	December 14, 2010	7,853,506
Method of Providing a Financial Event Identification Service	December 11, 2002	10/316,031	June 12, 2003	2003/0110124	December 23, 2008	7,469,226
Method of Rule Constrained Statistical Price Formation Recognition	December 11, 2002	10/316,015	July 24, 2003	2003/0139957	December 23, 2008	7,469,238
A Method for Chart Markup and Annotation in Technical Analysis	December 17, 2002	10/320,367	July 10, 2003	2003/0131315	October 5, 2004	6,801,201

Trade-marks**Canadian Trademark Applications / Registrations**

Trademark	Status	Filing Date	Application No.	Issue/Regist. Date	Registration No.
RECOGNIA	registered	January 15, 2007	1331351	March 27, 2008	TMA710,304
TECHNICAL EVENT	registered	July 12, 2006	1308866	July 17, 2007	TMA692,135
OPTIONS IDEAS	pending	October 3, 2014	1696695	N/A	N/A

U.S. Trademark Applications / Registrations

Trademark	Status	Filing Date	Application No.	Issue/Regist. Date	Registration No.
RECOGNIA	Registered	January 18, 2007	77086093	December 4, 2007	3,346,992
RECOGNIA	Registered	July 13, 2007	77229481	August 19, 2008	3,487,314
TECHNICAL EVENT	Registered	October 6, 2006	77016208	November 13, 2007	3,337,507
TECHNICAL CHECKPOINT	Registered	April 11, 2011	85291608	May 15, 2012	4,141,340
OPTIONS IDEAS	Filed	December 17, 2014	86482894		

European Community Trademark Registration

Trademark	Status	Filing Date	Application No.	Issue/Regist. Date	Registration No.
RECOGNIA	Registered	January 18, 2007	005651146	March 28, 2008	005651146

Unregistered Trademarks

- See the trademarks listed under the heading “Recognia Products” in subsection 2.17(b)(1)(ii) below.
- Anticipated Events
- Recognize Opportunity. Realize Profit.
- The Company logo

Copyrights

No registered copyrights

Industrial Designs

none

**SCHEDULE C
LOCATIONS OF COLLATERAL**

Chief Executive Office: 200-301 Moodie Drive, Ottawa, ON K2H 9C4

Locations of Collateral and Places of Business: 200-301 Moodie Drive, Ottawa, ON K2H 9C4

Locations of Books and Records: 200-301 Moodie Drive, Ottawa, ON K2H 9C4

Locations of Senior Management: 200-301 Moodie Drive, Ottawa, ON K2H 9C4

Address from which Invoices and Accounts are sent: 200-301 Moodie Drive, Ottawa, ON K2H 9C4