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

1. Name of conveying party(ies):

Keycafe Inc.

- Individual(s)
- Partnership
- Corporation- State: British Columbia
- Other _____
- Association
- Limited Partnership

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

3. Nature of conveyance/Execution Date(s) :

Execution Date(s) November 30 2017

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: BDC Capital Inc.

Street Address: 505 Burrard Street, #2100, PO Box 6

City: Vancouver

State: British Columbia

Country: Canada Zip: V7X 1M6

- Individual(s) Citizenship _____
- Association Citizenship _____
- Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship Canadian
- Other _____ Citizenship _____

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

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

A. Trademark Application No.(s) _____ Text _____

B. Trademark Registration No.(s)

5171779

Additional sheet(s) attached? Yes No

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

KEYCAFE

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

Name: Lawson Lundell LLP

Internal Address: Attn: Mandeep Dhaliwal/Christina Logue or Karen McParland

Street Address: 1600 - 925 West Georgia Street

City: Vancouver

State: British Columbia Zip: V6C 3L2

Phone Number: 604.408.5387

Docket Number: _____

Email Address: clogue@lawsonlundell.com

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$40.00

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

01/09/2018 KNGUYEN1 00000020 5171779

Deposit Account Number _____

Authorized User Name _____ 40.00 DP

9. Signature: Karen McParland
Signature

December 27, 2017
Date

Karen McParland
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 23

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Security Agreement dated November 30, 2017, made by KEYCAFE INC. (the "**Borrower**"), a British Columbia company having its chief executive office at 505 – 55 Water Street, Vancouver, B.C. V6B 1A1, to and in favour of BDC CAPITAL INC., (the "**Lender**"), having an office at One Bentall Centre, 505 Burrard Street, Suite 2100, P.O. Box 6, Vancouver, B.C. V7X 1M6.

WHEREAS:

A. The Borrower, as borrower, and the Lender, as lender, have entered into a letter of offer dated November 8, 2017 (as such agreement may at any time or from time to time be amended, supplemented or otherwise modified or restated, the "**Loan Agreement**") whereby the Lender has agreed to advance a loan in the principal amount of \$750,000 (the "**Loan**") to the Borrower on the terms and conditions set out in the Loan Agreement;

B. It is a condition of the advance of the Loan by the Lender to the Borrower that the Borrower execute and deliver this Security Agreement to the Lender as collateral security for the payment and performance of the Obligations.

NOW THEREFORE WITNESSETH that, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Borrower, the Borrower covenants, declares and agrees as follows:

ARTICLE 1

INTERPRETATION

Section 1.1 Terms Incorporated for Reference. All capitalized terms used but not otherwise defined in this Security Agreement shall have the meanings attributed to them in the Loan Agreement. Terms defined in the *Personal Property Security Act* (British Columbia) (as amended from time to time, the "**PPSA**") and used but not otherwise defined in this Security Agreement shall have the same meaning herein.

Section 1.2 Defined Terms. In this Security Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the following meanings:

"**Collateral**" has the meaning set forth in section 2.1;

"**Intellectual Property**" means the Collateral, other than any proceeds or payments;

"**Law**" means, with respect to any Person, property, transaction or event, any present or future (i) domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, convention, rule, regulation, restriction or by-law

(zoning or otherwise); (ii) judgment, order, writ, injunction, decision, direction, determination, ruling, decree or award; (iii) regulatory policy, practice, ruling, interpretation, guideline or directive; or (iv) Authorization, binding on or affecting the Person, property, transaction or event referred to in the context in which the term is used;

“**Lender**” means BDC Capital Inc., its successors and assigns;

“**Licenses**” means any and all licenses, sub-licenses, leases, sub-leases, agreements to license or sub-license or lease or sub-lease, rights of use or control (whether as licensee or licensor or lessee or lessor and whether exclusive or nonexclusive) in respect of or in connection with the acquisition, ownership or use of Intellectual Property, together in each case with any amendments, supplements, modifications, extensions, renewals or replacements thereof, and “**License**” means any one of them;

“**Lien**” includes any mortgage, pledge, lien, hypothecation, security interest or other encumbrance or charge (whether fixed, floating or otherwise) or title retention, any right of set-off (arising otherwise than by operation of Law) and any deposit of moneys under any agreement or arrangement whereby such moneys may be withdrawn only upon fulfillment of any conditions as to the discharge of any other indebtedness or other obligation to any creditor, or any right of or arrangement of any kind with any creditor to have its claims satisfied prior to other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or hereafter acquired;

“**Obligations**” has the meaning set forth in Section 2.2(1);

“**Official Body**” means the government, parliament or legislature of Canada or any other nation, or of any political subdivision thereof, whether provincial, state, municipal or local, and any agency, authority, instrumentality, ministry, tribunal, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;

“**Person**” means any natural person, corporation, limited liability company, partnership, firm, association, Official Body or any other entity whether acting in an individual, fiduciary or other capacity;

“**PPSA**” has the meaning set forth in Section 1.1;

“**Royalties**” means all royalties, rents, issues, proceeds, profits or other fees (including, without limitation, license fees), charges, assessments or penalties payable to the Borrower or due or accruing due to the Borrower pursuant to any License; and

“**Security Interest**” has the meaning set forth in Section 2.2.(1).

ARTICLE 2

SECURITY

Section 2.1 Grant of Security. Subject to Section 2.4, the Borrower hereby (i) mortgages and charges to the Lender as and by way of a fixed mortgage and charge; (ii) pledges to the Lender; and (iii) grants to the Lender a security interest in, all of the Borrower's right, title and interest throughout the world in and to the following property, which is currently or in the future may be owned, created, acquired, or used (whether pursuant to a License or otherwise) by the Borrower, in whole or in part (collectively, the "Collateral", and all references thereto herein include any part thereof):

- (a) trademarks and rights and interests which are capable of being protected as trademarks (including trademarks, service marks, certification marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), Licenses in respect thereof and rights to register, renew and extend such trademarks and trademark rights and any and all copyrights in such trademarks;
- (b) patents, patent applications, industrial designs and industrial design applications, including all reissues, divisions and continuations in part, Licenses in respect thereof, foreign filing rights, and rights to register, renew and extend such rights;
- (c) the trademarks, trademark registrations and pending applications listed on **Schedule A** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
- (d) the patents, patent applications, industrial designs and industrial design applications listed on **Schedule B** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
- (e) the right to register trademark claims and to apply for, renew and extend trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of the Borrower or in the name of the Lender for past, present and future infringements or violations of trademarks, registrations, or other trademark rights and the associated goodwill;
- (f) all of the Borrower's right, title and interest in and to all patentable and unpatentable inventions and all industrial designs, and to file applications for patents and industrial designs and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of the Borrower or in the name of the Lender for past, present and future infringements of the patents and industrial designs;
- (g) all copyrights, copyright applications, copyright registrations, know-how, trade secrets, technical processes, recipes and formulae and Licenses in respect thereof;

- (h) all website names, domain names and worldwide web addresses listed on **Schedule D** attached hereto, as the same may be updated hereafter from time to time;
- (i) all general intangibles relating to the foregoing, including all associated goodwill; and
- (j) all proceeds of and rights associated with any and all of the foregoing (including, without limitation, claims by the Borrower against third parties for past, present or future infringement of the Intellectual Property, including those items listed in the Schedules to this Security Agreement, or for injury to the goodwill associated with the use of any of the trademarks or for breach or enforcement of any License, Royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guarantee, payable by reason of loss or damage to or otherwise with respect to the Collateral.

Section 2.2 Obligations Secured. (1) The mortgages, charges, pledges and security interests granted hereby (collectively, the "**Security Interest**") shall be continuing collateral security for the due payment and performance of all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, joint or several or joint and several, at any time due or accruing due of the Borrower to the Lender arising under or in connection with the Loan Agreement (collectively, and together with the expenses, costs and charges set out in Section 2.2(2), the "**Obligations**").

(2) All reasonable expenses, costs and charges incurred by or on behalf of the Lender in connection with the preparation and issuance of this Security Agreement, the perfection, preservation and protection of the Security Interest and the enforcement of the Lender's rights and remedies hereunder, including the realization of the Collateral, and including all legal fees (on a solicitor and solicitor's own client basis) and disbursements, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, licensing, transferring, delivering or obtaining payment of the Collateral, shall be added to and form a part of the Obligations.

Section 2.3 Attachment. (1) The Borrower and the Lender hereby acknowledge that (i) value has been given; (ii) the Borrower has rights in the Collateral (other than after-acquired Collateral); and (iii) they have not agreed to postpone the time of attachment of the Security Interest.

(2) The Borrower agrees to promptly inform the Lender in writing of the acquisition by the Borrower of any rights in or to any registrable or unregistrable intellectual property which is not adequately described herein or of the entitlement to the benefit of any application or registration therefore, and the Borrower agrees to execute and deliver at its own expense from time to time amendments to this Security Agreement or the schedules hereto or additional security agreements or schedules as may be required by the Lender in order that the Security Interest shall attach to such intellectual property.

Section 2.4 Scope of Security Interest. (1) Nothing in Section 2.1 shall be construed as a pledge by the Borrower (which term shall include a sub-license, mortgage, pledge or charge) of any Intellectual Property licensed to the Borrower as licensee or any License which, as a matter of Law or by its terms, may not be pledged without the consent or authorization of the licensor unless such consent or authorization has been obtained. To the extent that the creation of the Security Interest would constitute a breach or permit the acceleration of any License to which the Borrower is a party, the Security Interest shall not attach to the Intellectual Property licensed thereby or the License but the Borrower shall hold its interest therein in trust for the Lender, and, in the case of any such potential breach or acceleration of any License, shall use its best efforts to obtain the consent of the other party thereto. Upon the Borrower obtaining the consent of such other party, the Security Interest shall be deemed to have automatically attached to such Intellectual Property and License.

(2) Until the Security Interest shall have become enforceable, the grant of the Security Interest in the Intellectual Property shall not affect in any way the Borrower's rights to commercially exploit the Intellectual Property, to defend the Intellectual Property, to enforce the Borrower's rights therein or with respect thereto against third parties in any court or to claim and be entitled to receive any damages with respect to any infringement or violation thereof.

(3) The Security Interest shall not extend or apply to the last day of any term of years reserved by a License, but the Borrower shall stand possessed of any such reversion in trust to assign and dispose thereof as the Lender may direct.

(4) The Lender will not be deemed in any manner to have assumed any obligation of the Borrower under any License nor shall the Lender be liable to any Official Body or license counterparties by reason of any default by any person under any contract. The Borrower agrees to indemnify and hold the Lender harmless of and from all liability, loss, damage or expense which it may or might incur by reason of any claim or demand against it based on its alleged assumption of the Borrower's duty and obligation to perform and discharge the terms, covenants and agreements in any License.

(5) It is expressly acknowledged by the Borrower that, notwithstanding any right or authority granted to the Borrower herein or in any other agreement or instrument to deal with the Collateral, it is the intention of the Borrower and the Lender that (i) the Security Interest shall operate and be construed as a fixed and specific charge of all Collateral in respect of which the Borrower presently has rights, and as a fixed and specific charge of all after-acquired Collateral which shall attach forthwith upon the Borrower acquiring rights therein, and (ii) the Security Interest shall neither operate nor be construed as a floating charge.

Section 2.5 The Lender's Care and Custody of Collateral. (1) The Lender shall not be bound to dispose of, realize, protect or enforce any of the Borrower's right, title and interest in and to the Collateral or to institute proceedings for the purpose thereof.

(2) The Lender shall have no obligation to keep Collateral in its possession identifiable.

(3) The Lender may, after the Security Interest shall have become enforceable, (i) notify any person obligated on a License to make payment thereunder to the Lender whether or not the Borrower was theretofore making collections thereon, and (ii) assume control of any proceeds arising from the Collateral.

Section 2.6 The Borrower's Dealings with Collateral. Except as permitted by the Loan Agreement, the Borrower shall not, without the prior written consent of the Lender, sell, exchange, license, release or abandon or otherwise dispose of the Collateral or create, assume or permit to remain outstanding any Lien in, on or of the Collateral. Notwithstanding the foregoing, the Borrower may licence the Collateral in the normal course of its business.

Section 2.7 Right of Set-Off. The Obligations secured by this Security Agreement shall be paid, when due, by the Borrower to the Lender without regard to any equities existing among the Borrower and the Lender and without regard to any right of set-off or cross-claim or of any claim or demand of the Borrower against the Lender or otherwise.

Section 2.8 Protective Disbursements. If the Borrower fails to perform any covenant on its part contained in this Security Agreement then the Lender may, in its absolute discretion, perform any such covenant capable of being performed by it and, if any such covenant requires the payment or expenditure of money, the Lender may make such payment but shall be under no obligation to do so, and all sums so paid or expended by the Lender shall be immediately payable by the Borrower, shall bear interest at the highest rate set forth in the Loan Agreement until paid and shall be secured hereby, having the benefit of the Lien hereby created in priority to the indebtedness evidenced by this Security Agreement. No such performance or payment shall relieve the Borrower from any default under this Security Agreement or any consequences of such default.

ARTICLE 3

REPRESENTATIONS, WARRANTIES AND COVENANTS

The Borrower hereby represents, warrants, and covenants that:

Section 3.1 Intellectual Property Listing. (1) A true and complete schedule setting forth all trademark registrations, pending applications and unregistered trademarks owned or controlled by the Borrower or licensed to the Borrower, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on **Schedule A** attached hereto.

(2) A true and complete schedule setting forth all patents, patent applications, industrial designs and industrial design applications owned or controlled by the Borrower or licensed to the Borrower, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on **Schedule B** attached hereto.

(3) A true and complete schedule setting forth all copyright applications and registrations owned or controlled by the Borrower or licensed to the Borrower, together with a

summary description and full information in respect of the filing or issuance thereof is set forth on **Schedule C** attached hereto.

(4) A true and complete schedule setting forth all website names, domain names and worldwide web addresses owned or controlled by the Borrower or licensed to the Borrower is set forth on **Schedule D** attached hereto.

Section 3.2 Validity; Enforceability. The Intellectual Property is valid and enforceable and the Borrower is not currently aware of any past, present, or prospective claim by any third party that any of the Intellectual Property is invalid or unenforceable or that the use of the Intellectual Property violates the rights of any third person, or of any basis for any such claims, except as otherwise disclosed in **Schedule E** attached hereto.

Section 3.3 Title. The Borrower is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to the Intellectual Property identified in Schedules A, B and C and in and to all other Intellectual Property except that, if any, which is licensed from third parties, free and clear of any Liens, including licenses, shop rights and covenants by the Borrower not to sue third persons.

Section 3.4 Notice. The Borrower has used and will continue to use proper statutory notice in connection with its use of each of the Intellectual Property.

Section 3.5 Quality. The Borrower has used and will continue to use consistent standards of high quality (which may be consistent with the Borrower's past practices) in the manufacture, sale and delivery of products and services sold or delivered under or in connection with all the trademarks comprised within the Intellectual Property, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of the Intellectual Property.

Section 3.6 Perfection of Security Interest. Except for the filing of a financing statement with provincial or state personal property registries, and filings with the Canadian Intellectual Property Office and the United States Patent and Trademark Office and the United States Copyright Office, or the corresponding offices in any other country which may be necessary to perfect the Security Interest, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by the Borrower of the Security Interest or for the execution, delivery or performance of this Security Agreement by the Borrower or for the perfection of or the exercise by the Lender of its rights hereunder to the Collateral in Canada or the United States.

Section 3.7 Litigation and Proceedings. The Borrower shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit and its own expense, such suits, administrative proceedings, or other actions for infringement or other causes of action as are in its reasonable business judgment necessary to protect the Collateral. The Borrower shall diligently defend all suits, administrative proceedings or other actions brought by third parties in respect of the Intellectual Property or use thereof. The Borrower shall provide to the Lender any information with respect thereto requested by the Lender. The Lender may, but shall not be required to, provide at the Borrower's expense all necessary cooperation in

connection with any such suits, proceedings or actions including, without limitation, joining as a necessary party. Following the Borrower becoming aware thereof, the Borrower shall promptly notify the Lender of the institution of or any adverse determination in any proceeding in any patent, trademark or copyright office or other regulatory authority, or any Canadian, United States, state, provincial or foreign court regarding the Borrower's claim of ownership in any of the Intellectual Property, its right to apply for the same or its right to keep and maintain such rights.

Section 3.8 Right to Inspect. The Borrower grants to the Lender and its employees and agents the right to visit the Borrower's plants and facilities in which products are manufactured, inspected, stored or processed and in which services are offered or performed in association with any of the Intellectual Property and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

ARTICLE 4

ENFORCEMENT

Section 4.1 Default. The Borrower shall be in default under this Security Agreement upon the occurrence of an Event of Default (as such term is used in the Loan Agreement).

Section 4.2 Remedies. Whenever the Security Interest has become enforceable, the Lender may realize upon the Collateral and enforce the rights of the Lender by:

- (a) sale, assignment, license, sub-license, granting options or options to purchase or any other disposal of the Collateral including all associated goodwill;
- (b) collection of any proceeds arising in respect of the Collateral;
- (c) collection, realization or sale of or other dealing with Royalties;
- (d) the exercise of any contractual, legal or other rights or interests of the Borrower under or in respect of the Collateral;
- (e) the payment of any Lien that may exist or be threatened against the Collateral, in which event such amount and any costs, charges and expenses incurred in connection therewith shall be added to the Obligations;
- (f) the appointment by instrument in writing of a receiver (which term as used in this Security Agreement includes a receiver and manager) or agent of the Collateral and the removal or replacement of such receiver or agent from time to time;
- (g) the institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of the Collateral;
- (h) the institution of proceedings in any court of competent jurisdiction for sale or foreclosure of the Collateral;

- (i) filing proofs of claim and other documents to establish claims in any proceeding relating to the Borrower;
- (j) the set-off and application against the Obligations, to the fullest extent permitted by Law, of any monies to be paid by the Lender to the Borrower under the Loan Agreement or any other agreement between the Lender and the Borrower; and
- (k) any other remedy or proceeding authorized or permitted by applicable Law.

In addition, upon the occurrence of any default or Event of Default, the Borrower shall grant to the Lender a royalty-free exclusive license to use the Intellectual Property and associated goodwill to the extent necessary to enable the Lender to use, possess and realize upon the Intellectual Property and to enable any successor or assign to enjoy the benefits of all the Intellectual Property.

Such remedies 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 Lender however created. The Lender may proceed by way of any action, suit or other proceeding available at law and no right, remedy or power of the Lender shall be exclusive of or dependent on any other. The Lender may exercise any of its rights, remedies or powers separately or in combination and at any time. The Lender shall not be bound to exercise any such rights or remedies, and the exercise of such rights and remedies shall be without prejudice to the rights of the Lender in respect of the Obligations including the right to claim for any deficiency.

Section 4.3 Additional Rights. In addition to the remedies of the Lender set forth in Section 4.2, the Lender may, whenever the Security Interest has become enforceable, demand, 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 valid and effectual receipts and discharges therefor and compromise or give time for the payment or performance of all or any part of the accounts or any contract or any other obligation of any third party to the Borrower relating to the Collateral.

Section 4.4 Concerning the Receiver. (1) Any receiver appointed by the Lender shall be vested with the rights and remedies which could have been exercised by the Lender in respect of the Borrower or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any instrument or instruments supplemental thereto. The identity of the receiver, any replacement thereof and any remuneration thereof shall be within the unfettered discretion of the Lender.

(2) Any receiver appointed by the Lender shall act as agent for the Lender for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below) as agent for the Borrower. The receiver may sell, assign, license, sublicense, grant options or options to purchase or otherwise dispose of Collateral, including all associated goodwill, as agent for the Borrower or as agent for the Lender (but in all cases shall take direction from the Lender) as the Lender may determine in its sole and unfettered discretion. The Borrower agrees to ratify and confirm all actions of the receiver acting as agent for the Borrower, and to release and indemnify the receiver in respect of all such actions.

(3) The Lender, in appointing or refraining from appointing any receiver, shall not incur liability to the receiver, the Borrower or otherwise and shall not be responsible for any misconduct or negligence of such receiver.

Section 4.5 Appointment of Attorney. The Borrower hereby irrevocably appoints the Lender (and any officer thereof) as attorney of the Borrower (with full power of substitution) to exercise, whenever the Security Interest has become enforceable, in the name of and on behalf of the Borrower any of the Borrower's right (including the right of disposal), title and interest in and to the Collateral including the execution, endorsement and delivery of any agreements, documents, instruments and any notices, receipts, assignments or verifications of or in respect of Royalties. All acts of any such attorney are hereby ratified and approved, and such attorney shall not be liable for any act, failure to act or any other matter or thing in connection therewith, except for its own negligence or wilful misconduct.

Section 4.6 Dealing with the Collateral and the Security Interest. (1) The Lender shall not be obliged to exhaust its recourses against the Borrower or any other person or persons or against any other security it may hold in respect of the Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Lender may consider desirable.

(2) The Lender may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower and with other persons, sureties or securities as the Lender may see fit, all without prejudice to the Obligations or the rights of the Lender in respect of the Collateral.

(3) The Lender shall not be (i) bound under any circumstances to realize upon the Collateral; (ii) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral; (iii) 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 the Lender and the Borrower or any other persons in respect thereof; (iv) 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 therewith; or (v) bound to protect the Collateral from depreciating in value or becoming worthless.

(4) All moneys from time to time received by the Lender or the receiver may be applied as follows: first, in discharge of all operating expenses and other ongoings affecting the Collateral; second, in keeping in good standing all Liens on the Collateral having priority over the Security Interest; third, in payment of the remuneration and disbursements of the receiver (if any); fourth, in payment to the Lender of moneys payable hereunder and under the Loan Agreement or any other agreements between the Lender and the Borrower entered into pursuant thereto; and the balance, if any, shall be paid to the Borrower or as a court of competent jurisdiction may direct. If there shall be a deficiency, the Borrower shall remain liable for such deficiency and shall pay the amount of such deficiency to the Lender forthwith.

Section 4.7 Standards of Sale. Without prejudice to the ability of the Lender to dispose of the Collateral in any manner which is commercially reasonable, the Borrower

acknowledges that a disposition of Collateral by the Lender which takes place substantially in accordance with the following provisions shall be deemed to be commercially reasonable:

- (a) Collateral may be disposed of in whole or in part;
- (b) Collateral may be disposed of by public action, public tender or private contract, with or without advertising and without any other formality;
- (c) any purchaser or licensee of such Collateral may be a customer or related party of the Lender;
- (d) a disposition of Collateral may be on such terms and conditions as to credit, deferred payment or otherwise as the Lender, in its discretion, may deem advantageous;
- (e) the Lender may establish an upset or reserve bid or price in respect of the Collateral; and
- (f) the Lender may buy in, rescind or vary any contract for the disposition of Collateral and may dispose of any Collateral again without being obligated to account or answer for any gain or loss occasioned thereby.

Section 4.8 Dealings by Third Parties. No person dealing with the Lender or its agent or a receiver shall be required (i) to determine whether the Security Interest has become enforceable; (ii) to determine whether the powers which the Lender or such agent or receiver on behalf of the Lender is purporting to exercise have become exercisable; (iii) to determine whether any money remains due to the Lender by the Borrower; (iv) to determine the necessity or expediency of the stipulations and conditions subject to which any sale or license shall be made; (v) to determine the propriety or regularity of any sale or of any other dealing by the Lender with the Collateral; or (vi) to see to the application of any money paid to the Lender.

Section 4.9 Statutory Waiver. To the fullest extent permitted by Law, the Borrower waives all of the rights, benefits and protection provided to it by any statute which imposes limitations upon the rights, remedies or powers of a secured party.

ARTICLE 5

GENERAL

Section 5.1 Discharge. The Security Interest shall be released and discharged upon, but only upon, full payment of the Obligations and at the request and expense of the Borrower.

Section 5.2 No Merger, etc. No judgment recovered by the Lender shall 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 Lender in respect of the Obligations.

Section 5.3 Waivers, etc. No amendment, consent or waiver by the Lender shall be effective unless made in writing and signed by an authorized officer of the Lender and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 5.4 Further Assurances. The Borrower shall from time to time, whether before or after the Security Interest shall have become enforceable, do all such acts and things and execute and deliver all such deeds, transfers, assignments and instruments as the Lender may reasonably require for protecting the Collateral or perfecting the Security Interest and for exercising all rights, remedies, powers, authorities and discretions hereby conferred upon the Lender, and the Borrower shall, from time to time after the Security Interest has become enforceable, do all such acts and things and execute and deliver all such deeds, transfers, assignments and instruments as the Lender may require for facilitating the sale of or other dealing with the Collateral in connection with any realization thereof.

Section 5.5 Notice. All notices, requests, demands, directions and communications (in this Section 5.5, "notices") hereunder shall be sent by telex, facsimile or similar means of recorded communication or hand delivery and shall be effective when hand delivered or, in the case of successful telex, facsimile or similar means of recorded communication, when received. All notices shall be given to the respective addresses on page 1 of this Security Agreement or, in either case, in accordance with any unrevoked written direction as to a change of address given in accordance with this Section 5.5.

Section 5.6 Successors and Assigns. This Security Agreement shall be binding upon the Borrower, its successors and permitted assigns, and shall enure to the benefit of the Lender and its successors and assigns. The Borrower may not assign or novate any of its rights or obligations under this Security Agreement without the prior written consent of the Lender. All rights of the Lender hereunder shall be assignable in accordance with the terms of the Loan Agreement.

Section 5.7 Headings, etc. The division of this Security Agreement into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

Section 5.8 Severability. If and to the extent that any provision hereof shall conflict with any mandatory provision of the PPSA (including, without limitation, an exclusion or purported exclusion of a duty or onus imposed by the PPSA or a limitation or purported limitation of the liability of or the amount of damages recoverable from a person who has failed to discharge a duty or obligation imposed by the PPSA), such provision of the PPSA shall govern. The provisions of this Security Agreement are intended to be severable. If any provision of this Security Agreement shall be held to be invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

Section 5.9 Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and of Canada applicable therein and shall be treated in all respects as a British Columbia contract.


Section 5.10 Incorporation of Schedules. Schedules A, B and C shall, for all purposes hereof, form an integral part of this Security Agreement.

Section 5.11 Conflict. In the event of a conflict or inconsistency between the provisions of this Security Agreement and the provisions of the Loan Agreement, the provisions of the Loan Agreement shall prevail.

Section 5.12 Acknowledgement of Receipt/Waiver. The Borrower acknowledges receipt of an executed copy of this Security Agreement. The Borrower waives, to the extent permitted by Law, the right to receive a copy of any financing statement, financing change statement or verification statement registered with or issued by any personal property registry or other governmental or regulatory body in connection with this Security Agreement.

IN WITNESS WHEREOF the Borrower has duly executed this Security Agreement as of the day and year set out below.

KEYCAFE INC.

By: 
Name: Clayton Brown
Title: CEO
Execution Date: November 30, 2017

SCHEDULE A

TRADEMARKS, TRADEMARK REGISTRATIONS AND PENDING APPLICATIONS

TRADEMARK MATTERS as of 26 Sept 2017						
Mark:	Jurisdiction:	Serial Number:	Filing Date:	OWGMI Ref:	Status:	Deadlines:
KEYCAFE	Canada	609804	3 Jan 2013	T534 0001	Registered on 30 July 2015	First Renewal: 30 Jul 2030
	United States	5171779	19 Jun 2013	T534 0004	Registered on 28 March 2017	Affidavit of Use: 28 Mar 2023 First Renewal: 28 Mar 2027
	Europe	014429872	30 Jul 2015	T534 0012	Registered on 31 March 2016	First Renewal: 30 Jul 2025
	Japan	2017-106711	16 Aug 2017	T534 0026	Pending	None presently
KEY EXCHANGE SIMPLIFIED	United States	None	None	T534 0021	Not Filed	None - File Closed
KEY EXCHANGE	United States	86/865884	5 Jan 2016	T534 0022	Abandoned	None - File Closed

SCHEDULE B

PATENTS, PATENT APPLICATIONS, INDUSTRIAL DESIGNS AND INDUSTRIAL DESIGN APPLICATIONS

PATENT MATTERS as of 26 Sept 2017						
Title:	Jurisdiction:	Serial Number:	Filing Date:	OWGM Ref:	Status:	Deadlines:
METHODS AND SYSTEMS FOR MANAGEMENT OF KEY EXCHANGES	USA	61705618	15 Feb 2013	T534 0005	Expired - PCT application filed	None
	WIPO	PCT/CA2014/050022	15 Jan 2014	T534 0005	Nationalized	None
	Canada	2899851	15 Jan 2014	T534 0006	Pending	Next Tax: 15 Jan 2018
	USA	9582949	15 Jan 2014	T534 0007	Granted	Reissue: 28 Feb 2019 Next Tax: 28 Aug 2020
	USA	15385403	20 Dec 2016	T534 0024	Pending - Continuation of US Patent No. 9582949	OA Response: 12 Oct 2017
	Australia	2014218292	15 Jan 2014	T534 0008	Pending	Next Tax: 15 Jan 2019 Exam Request: 15 Jan 2019
	Japan	2015-557302	15 Jan 2014	T534 0009	Pending	None presently
	China	201480008989.9	15 Jan 2014	T534 0010	Pending	None presently
	Europe	14751958.1	15 Jan 2014	T534 0011	Pending	Next Tax: 15 Jan 2019

Brazil	11-2015-019625-0	15 Jan 2014	T534 0013	Pending	Next Tax: 15 Jan 2019
Korea	10-2015-7024643	15 Jan 2014	T534 0014	Pending	Exam Request: 15 Jan 2019
India	2598/AIUMNT/2015	15 Jan 2014	T534 0015	Pending	None presently
Mexico	MX/2(2015-010586	15 Jan 2014	T534 0016	Pending	First Tax: 15 Jan 2019
Singapore	11201506274-Y	15 Jan 2014	T534 0017	Pending (grant fee paid)	First Tax: 15 Jan 2018
				Granted	Next
South Africa	201505870	15 Jan 2014	T534 0018		Tax: 15 Jan 2019
Philippines	1-2015-501749	15 Jan 2014	T534 0019	Pending	None presently
Israel	240498	15 Jan 2014	T534 0020	Pending	Second Tax: 15 Jan 2020
Hong Kong	16105543.3	15 Jan 2014	T534 0023	Pending	First Tax: 15 Jan 2023

SCHEDULE C

COPYRIGHT APPLICATIONS AND REGISTRATIONS

1. Owned by the Borrower

2. Licensed to the Borrower

SCHEDULE D

WEBSITE NAMES, DOMAIN NAMES AND WORLDWIDE WEB ADDRESSES

keycafe-staging.com

keycafe.ch

keycafe.co

key.cafe

keycafe.fr

keycafe.net

keycafe.in

keycafe.cn

keycafe.ca

keycafe.com

SCHEDULE E
DISCLOSURES

N/A.

29152.137618.KMM1.14390590.1

RECORDED: 01/08/2018

TRADEMARK
REEL: 006249 FRAME: 0459