

01-05-2000

ET



101238156

*MRD  
12/17/99*

To the Honorable Commissioner of Patents and Trademarks

Documents or copy thereof.

1. Name of conveying party(ies):

Softarc, Inc.

- Individual(s)
- General Partnership
- Corporation- Canada
- Other

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and Address of receiving party(ies)

Name: Jonathan P. Asbury, Steven F. Asbury and Harold E. Welch

Address: c/o Smith Lyons  
Suite 5800, Scotia Plaza  
40 King Street West  
Toronto, Ontario M5H 3Z7

3. Nature of conveyance:

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

Execution Date: June 23, 1999

- Individual(s) citizenship Canada
- Association
- General Partnership
- Limited Partnership
- Corporation -
- Other

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)  
Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 1,794,764

Additional numbers attached?  Yes  No

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

Midge M. Hyman, Esq.  
Cowan, Liebowitz & Latman, P.C.  
1133 Avenue of the Americas  
New York, NY 10036-6799

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41)..... \$ 40.00

- Enclosed
- Any deficiency is authorized to be charged to Deposit Account No. 03-3415.

8. Deposit Account No. 03-3415

(Attach duplicate copy of this page if paying by deposit account)

12/30/1999 DNGUYEN 00000080 1794764

01 FC:481

40.00 DP

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Midge M. Hyman  
Name of Person Signing

*Midge M. Hyman*  
Signature

12/15/99  
Date

Total number of pages including cover sheet, attachments, and document: 10

Mail to: U.S. Patent and Trademark Office, Office of Public Records, Crystal Gateway 4, Room 335, Washington, DC 20231

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

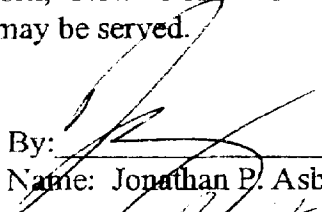
Registration No.: 1,794,764  
Dated: September 28, 1993  
Mark: **FIRSTCLASS**

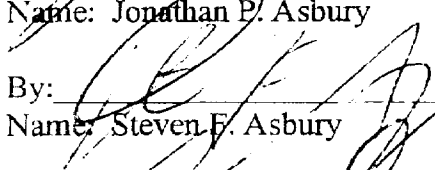
Assistant Commissioner for Trademarks  
2900 Crystal Drive  
Arlington, VA 22202-3515

Attn: BOX ASSIGNMENT/FEE

**DESIGNATION OF DOMESTIC REPRESENTATIVE**

With respect to the recordal of the attached Security Agreement against U.S. Registration No. 1,794,764, the undersigned parties, collectively appoint Midge Hyman, William M. Borchard, Arthur J. Greenbaum, Baila H. Celedonia, Mary L. Kevlin, Lynn S. Fruchter, Jeffrey H. Epstein and all other attorneys of Cowan, Liebowitz & Latman, P.C., 1133 Avenue of the Americas, New York, New York 10036-6799, as their domestic representatives on whom notices or process may be served.

By:   
Name: Jonathan P. Asbury

By:   
Name: Steven E. Asbury

By:   
Name: Harold E. Welch

Dated: 9/24/93

AGREEMENT  
(Trademark)

23 THIS AGREEMENT (TRADEMARK) (this "Agreement"), dated as of June 23, 1999, between SOFTARC INC., a corporation incorporated under the laws of Ontario (the "Grantor"), and Jonathan P. Asbury, Steven F. Asbury and Harold E. Welch, as secured parties (collectively, the "Secured Party");

**WITNESSETH:**

**WHEREAS** the Guarantor is a wholly-owned subsidiary of MC<sup>2</sup> Learning Systems Inc. ("MC<sup>2</sup>") and MC<sup>2</sup> has issued certain promissory notes (the "Notes") to the Secured Party;

**AND WHEREAS** pursuant to a guarantee dated as of the date hereof (together with all amendments, supplements, restatements, replacements and other modifications, if any, from time to time made thereto, the "Guarantee") the Guarantor has provided a guarantee in favour of the Secured Party of the performance by MC<sup>2</sup> of its obligations under the Notes;

**AND WHEREAS**, in connection with the Guarantee, the Grantor has executed and delivered a general security agreement, dated as of the date hereof (together with all amendments, supplements, restatements, replacements and other modifications, if any, from time to time made thereto, the "Security Agreement");

**AND WHEREAS** pursuant to the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Trademark Collateral (as hereinafter defined) to secure all Obligations; and

**AND WHEREAS** the Grantor has duly authorized the execution, delivery and performance of this Agreement;

**NOW THEREFORE** for good and valuable consideration the receipt of which is hereby acknowledged, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the payment and performance of all of the Obligations, the Grantor does hereby mortgage, pledge, hypothecate to the Secured Party, and grant to the Secured Party a security interest in, for its benefit and for the benefit of each Secured Party, all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing:

- (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear and designs (all of the foregoing items in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications with the Canadian Trademarks Office or in any office or agency of Canada or any Province thereof or any foreign country, including those referred to in Schedule 1 hereto and all reissues, extensions or renewals thereof;
- (b) all Trademark licenses and other agreements providing the Grantor with the right to use any items described in clause (a), including each Trademark license referred to in Schedule 1 hereto;
- (c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a);
- (d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clauses (a) and (b); and
- (e) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Schedule 1 hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world.

**SECTION 3. Security Agreement.** This Agreement has been executed and delivered by the Grantor for the purpose of recording the security interest of the Secured Party in the Trademark Collateral with the Canadian Trademark Office and the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party for the benefit of each of the Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

**SECTION 4. Release of Security Interest.** Upon payment in full of all Obligations and the termination of the Notes, the Secured Party shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.


**SECTION 5. Acknowledgment.** The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the

terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

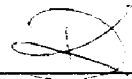
**IN WITNESS WHEREOF** the Grantor hereto has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the day and year first above written.

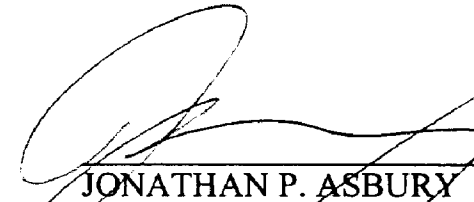
**SOFTARC INC.**

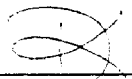
Per:   
Name: Myles McGovern  
Title: PRESIDENT

Address: 100 Allstate Parkway  
Markham, Ontario  
L3R 6H3

Facsimile No.: (905) 415-7151

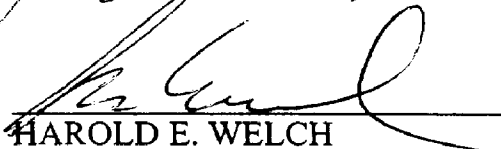
  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
JONATHAN P. ASBURY

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
STEVEN F. ASBURY

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
HAROLD E. WELCH

# SCHEDULE I

## Item A. Trademarks

### Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date.</u>
U.S.A.	First Class	1794764	September 28, 1993

(Logos attached)

### Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
NIL			

## Item B. Trademark Applications in Preparation

<u>Country</u>	<u>Trademark</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Products/ Services</u>
NIL				

### Trademark Licenses

<u>Country or Territory</u>	<u>Trademark</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
NIL					