

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	General Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Vivonet Incorporated		06/12/2007	CORPORATION: WASHINGTON
RECEIVING PARTY DATA			
Name:	British Columbia Discovery Fund (VCC) Inc.		
Street Address:	1199 West Hastings Street, 5th Floor		
City:	Vancouver		
State/Country:	BRITISH COLUMBIA		
Postal Code:	V6E 3T5		
Entity Type:	CORPORATION: BRITISH COLUMBIA		
Name:	Roynat Capital Inc.		
Street Address:	40 King Street West, 26th Floor		
City:	Toronto		
State/Country:	ONTARIO		
Postal Code:	M5H 1H1		
Entity Type:	CORPORATION: CANADA		
Name:	Greenstone Venture Partners LP, Greenstone Ventures LP, Greenstone Venture Associates LP, Greenstone Associates LP		
Street Address:	1177 West Hastings Street, Suite 400		
City:	Vancouver		
State/Country:	BRITISH COLUMBIA		
Postal Code:	V6E 2K7		
Entity Type:	LIMITED PARTNERSHIP: BRITISH COLUMBIA		
Name:	Lukas Blucher		
Street Address:	Oberhof 1		
City:	Eurasberg		
State/Country:	GERMANY		

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Postal Code:	82547
Entity Type:	INDIVIDUAL: GERMANY

Name:	Roger Collins
Street Address:	15425 NE 144th Pl.
City:	Woodinville
State/Country:	WASHINGTON
Postal Code:	98072
Entity Type:	INDIVIDUAL: UNITED STATES

PROPERTY NUMBERS Total: 3

Property Type	Number	Word Mark
Registration Number:	2921000	VIVONET
Registration Number:	2706027	BRINGING SIMPLICITY TO A COMPLEX ENVIRONMENT
Serial Number:	78825558	ZATA

CORRESPONDENCE DATA

Fax Number: (303)629-3450
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 303-629-3400
Email: osman.lisa@dorsey.com
Correspondent Name: Dorsey & Whitney LLP
Address Line 1: 370 Seventeenth Street, Suite 4700
Address Line 2: Lisa A. Osman
Address Line 4: Denver, COLORADO 80202-5647

ATTORNEY DOCKET NUMBER:	366221
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DOMESTIC REPRESENTATIVE

Name:
Address Line 1:
Address Line 2:
Address Line 3:
Address Line 4:

NAME OF SUBMITTER:	Lisa A. Osman
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Signature:	/LAO 3463/
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Date:	06/15/2007
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Total Attachments: 27
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GENERAL SECURITY AGREEMENT

THIS AGREEMENT is between:

VIVONET INCORPORATED, (Organizational ID #WA602-001-72)

(“Debtor”)

AND

BRITISH COLUMBIA DISCOVERY FUND (VCC) INC., (BC Incorporation No. BC0658050)

(“BCDF”)

AND:

ROYNAT CAPITAL INC. (Federal Incorporation No. 3402363)

(“Roynat”)

AND:

GREENSTONE VENTURE PARTNERS LP, GREENSTONE VENTURES LP, GREENSTONE VENTURE ASSOCIATES LP and GREENSTONE ASSOCIATES LP (BC Registration No. 00-0273372, BC Registration No. 00-0273369, BC Registration No. 00-0276489 and BC Registration No. 00-0276490, respectively)

(“Greenstone”)

AND:

ROGER COLLINS, a businessman residing at 15425 NE 144th Pl., Woodinville, WA 98072

(“Collins”)

AND:

LUKAS BLUCHER, a businessman residing at Oberhof 1, Eurasberg 82547 Germany

(“Blucher”)

(collectively, the “Secured Party”)

PART 1

SECURITY INTERESTS

1.1 **Security Interests.** For valuable consideration and as security for the payment and performance of the Obligations (as later defined) the Debtor hereby:

- (a) mortgages and charges to the Secured Party, and grants to the Secured Party a security interest in, and the Secured Party hereby takes a security interest in, all of the Debtor's right, title and interest in, and to, all of the Debtor's present and after-acquired personal property and all proceeds thereof (except the property of the Debtor described in paragraph 1.3) of whatsoever nature and kind and wherever situate including, without limiting the generality of the foregoing, all of the Debtor's right, title and interest in and to all of the Debtor's present and after-acquired:
 - (i) **Accounts.** Debts, accounts, claims, monies and choses in action due or owing to or owned by the Debtor, and all books, records, documents, papers and electronically recorded data recording, evidencing, securing or otherwise relating to such debts, accounts, claims, monies and choses in action or any part or parts thereof (collectively "**Accounts**");
 - (ii) **Equipment.** Goods and equipment, including all machinery, fixtures, plants, tools, furniture, vehicles of any kind or description, all spare parts, accessions and accessories located at or installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto and any other goods that are not Inventory (collectively "**Equipment**");
 - (iii) **Inventory.** Inventory of whatever kind, including all raw materials, materials used or consumed in the business or profession of the Debtor, goods, work in progress, finished goods, returned goods, repossessed goods, goods used for packing, all packaging materials, supplies and containers, materials used in the business of the Debtor whether or not intended for sale and goods acquired or held for sale, lease or resale or furnished or to be furnished under contracts of rental or service (collectively "**Inventory**");
 - (iv) **Other Tangible Personal Property.** Chattel paper, documents of title, instruments, money, securities and other goods that are not Accounts, Equipment or Inventory;
 - (v) **Intangibles, including Intellectual Property.** Intangibles and intangible property (except for Accounts) including, without limitation, Investment Tax Credits, all contractual rights, licenses, goodwill, patents, including, but not limited to, those issued patents and applications (which includes

relevant registration particulars) as set out in Schedule 1 (“**Patents**”), as the same may be updated hereafter from time to time, trademarks, including, but not limited to, the list of all registered and unregistered marks (which includes any registration particulars) as set out in Schedule 1 (“**Trademarks**”), as the same may be updated hereafter from time to time, tradenames, copyrights, including, but not limited to, those issued patents and applications (which includes relevant registration particulars) as set out in Schedule 1 (“**Copyrights**”), as the same may be updated hereafter from time to time, other industrial designs and other industrial or intellectual property and undertaking of the Debtor, including that intellectual property listed in Schedule 1, and all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor and all other intangible property of the Debtor which is not Accounts, goods, chattel paper, documents of title, instruments, money or securities; and

- (b) grants, mortgages and charges, to and in favour of the Secured Party, as and by way of a floating charge, all of its currently owned and held or hereafter acquired property, assets and undertakings, real and personal, of every nature and kind and wherever situate, except such of its property, assets, undertakings and interests as are validly subject to the fixed and specific mortgages, charges and security interests granted pursuant to paragraph 1.1(a).

1.2 Collateral. The term “Collateral” means collectively all of the Debtor’s right, title and interest in and to all of the Debtor’s present and after-acquired property (real and personal), assets and undertakings, and all proceeds thereof (except the property of the Debtor described in paragraph 1.3) of whatsoever nature and kind and wherever situate including without limiting the generality of the foregoing all of the property described in paragraphs 1.1(a) and 1.1(b).

1.3 Exclusions. The mortgages, charges and security interests granted in this Security Agreement do not apply or extend to:

- (a) the last day of any term created by any lease or agreement therefor now held or hereafter acquired by the Debtor, but the Debtor will stand possessed of the reversion thereby remaining in the Debtor of any leasehold premises upon trust for the Secured Party to assign and dispose thereof as the Secured Party or any purchaser of such leasehold premises directs; and
- (b) any lease or other agreement which contains a provision which provides in effect that such lease or agreement may not be assigned, subleased, charged or encumbered without the leave, licence, consent or approval of the lessor or other party until such leave, licence, consent or approval is obtained, and the security interest created hereby will attach and extend to such lease or agreement as soon as such leave, licence, consent or approval is obtained.

1.4 **Intellectual Property.** Nothing in paragraph 1.1 shall be construed as constituting an absolute transfer or assignment of any present or future intellectual property or rights and interests therein, but that paragraph shall still be construed as granting to the Secured Party a security interest in and a charge on all of the Debtor's present and after-acquired intellectual property and rights and interests in intellectual property.

1.5 **Attachment.** The Debtor and the Secured Party do not intend to postpone the attachment of the security interests hereby created, except as provided in paragraph 1.3(b), and except as provided therein the security interests hereby created will attach when:

- (a) this Security Agreement has been executed, or in the case of after-acquired property, such property has been acquired by the Debtor;
- (b) value has been given; and
- (c) the Debtor has rights in the Collateral, or in the case of after-acquired property, acquires rights in the Collateral.

1.6 **Notification.** If this Security Agreement grants a security interest in Accounts, before or after an Event of Default (as later defined) has occurred, the Secured Party may notify any debtor of the Debtor on an intangible, chattel paper, or account, or any obligor on an instrument ("Account Debtor") of the security interest created hereby, and after an Event of Default the Secured Party may notify any Account Debtor to make all payments on Collateral to the Secured Party. The Debtor acknowledges that the proceeds of all sales, or any payments on or other proceeds of the Collateral, including but not limited to payments on, or other proceeds of, the Collateral received by the Debtor from any Account Debtor, whether before or after notification to such Account Debtor and whether before or after default under this Security Agreement, will be received and held by the Debtor in trust for the Secured Party and will be turned over to the Secured Party upon request, and the Debtor will not commingle any proceeds of or payments on the Collateral with any of the Debtor's funds or property, but will hold them separate and apart.

1.7 **Purchase Money Security Interests.** The security interests created hereby will constitute purchase money security interests to the extent that any of the Obligations are monies advanced by the Secured Party to the Debtor for the purpose of enabling the Debtor to purchase or acquire rights in any of the Collateral and were so used by the Debtor, and a certificate of an officer of the Secured Party as to the extent that the Obligations are monies so advanced and used will be prima facie proof of the purchase money security interests constituted hereby.

1.8 **Floating Charge Not a Fixed Charge.** The floating charge on real property created hereby is a floating charge within the meaning of section 203 of the *Land Title Act* (British Columbia) and does not become a fixed charge on specific land until the occurrence of an Event of Default (as later defined) under paragraph 6.1 below.

PART 2

OBLIGATIONS SECURED

2.1 **Obligations.** This Security Agreement and the security interests hereby created will be continuing security for payment by the Debtor to the Secured Party for the Principal (as defined in the Loan Agreement) and any accrued interest owing under the convertible loan agreement among the Debtor, Vivonet Canada Inc. and the Secured Party (the “**Loan Agreement**”) and any other amounts owing under the Transaction Documents (as defined in the Loan Agreement), and for performance of all obligations of the Debtor to the Secured Party under the Transaction Documents (collectively, the “**Obligations**”).

PART 3

SECURED PARTY APPROVAL

3.1 **Secured Party Approval.** Wherever this Security Agreement refers to any action being taken by the Secured Party with “**Secured Party Approval**”, such approval shall constitute the approval by any three (3) members of the Secured Party; provided that, after the Due Date (as defined in the Loan Agreement), any member of the Secured Party shall individually be entitled to take such action without Secured Party Approval.

PART 4

POSITIVE COVENANTS

4.1 **Positive Covenants.** The Debtor covenants with the Secured Party the following:

- (a) **Defend Collateral.** It will defend the Collateral against all claims and demands of all persons claiming the Collateral or an interest therein at any time;
- (b) **Financial Statements.** It will deliver to the Secured Party within 90 days after the end of each fiscal year of the Debtor financial statements of the Debtor, audited if available, including any auditor’s report and any notes accompanying such statements;
- (c) **Lists of Accounts.** If the Collateral includes Accounts, the Debtor will (unless the Secured Party otherwise agrees in writing) deliver to the Secured Party within 30 days of each calendar month end an aged list of the Accounts as at that particular month end in a form acceptable to the Secured Party;
- (d) **Provide Information.** Upon the demand by the Secured Party it will furnish in writing to the Secured Party all information requested concerning the Collateral, and it will promptly advise the Secured Party of the serial number, year, make and model of each serial numbered good at any time included in the Collateral;

- (e) **Insurance.** It will insure and keep insured to their full insurable value with a company or companies selected by the Debtor and approved in writing by the Secured Party all the Collateral against such perils as may be prudent having regard to the nature of the Collateral and the business of the Debtor (including an extended coverage insurance clause), and whenever and to the extent required in writing by the Secured Party, the Debtor will:
- (i) furnish a certificate by an independent appraiser or insurance adjuster selected by the Debtor and approved by the Secured Party as to the sufficiency of such insurance, which certificate will be conclusive as against the Debtor both as to the amount of insurance required hereunder and the perils against which coverage is required hereunder, and the Debtor will immediately insure in accordance with such certificate;
 - (ii) cause to be included in such policy or policies a mortgage clause in such form as may be approved by the Secured Party;
 - (iii) cause to be endorsed in such form as may be required by the Secured Party on the policies evidencing such insurance a notation that any amounts payable under such policies will be paid to the Secured Party as its interest may appear; and
 - (iv) deposit with the Secured Party every policy and renewal certificate for such insurance or a certified copy thereof;
- (f) **Repair.** It will keep the Collateral in good condition and repair according to the nature and description thereof respectively and if the Debtor neglects to keep the Collateral or any part thereof in good condition and repair then the Secured Party may (but will not be required to) from time to time, without any notice to the Debtor in situations considered by the Secured Party to be emergency situations and otherwise upon not less than 15 days' notice, make such repairs as it in its sole discretion considers necessary;
- (g) **Other Indebtedness.** It will pay and discharge as they become due all payments due and owing under or concerning any other indebtedness created or security given by the Debtor to any person or corporation and will observe, perform and carry out all the terms, covenants, provisions and agreements relating thereto, and any default in payment of any monies due and payable under or relating to any previous indebtedness or security or in the observance, performance or carrying out of any of the terms, covenants, provisions and agreements relating thereto will be considered to be a default hereunder at the option of the Secured Party and any and all remedies available to the Secured Party hereunder by reason of any default hereunder or by law or otherwise will be immediately available to the Secured Party upon any default of the Debtor under the other indebtedness created or security given by the Debtor;

- (h) **Right of Inspection.** The Secured Party will have the right whenever it considers reasonably necessary either by its officers or authorized agents to enter upon the Debtor's premises and to inspect the Collateral, all books of account and records of the Debtor and copies of all returns made from time to time by the Debtor to boards, agencies or governmental departments and to make extracts therefrom, and generally to conduct such examinations as it may see fit, and without limiting the generality of the foregoing the Secured Party may request information from the solicitor, auditor and other advisors and agents of the Debtor for the time being concerning the affairs and the conduct of business of the Debtor, and the Debtor hereby irrevocably authorizes and directs, and this will constitute the sufficient authority and direction to, any such solicitor, auditor or other person to disclose to the Secured Party such information as to any and all matters relating to the affairs and conduct of the business of the Debtor whether of a confidential nature or otherwise and any costs, expenses and outlays which the Secured Party may incur pursuant hereto will be payable immediately by the Debtor to the Secured Party, will bear interest at the highest rate borne by any of the other Obligations and will, together with such interest, form part of the Obligations secured by this Security Agreement;
- (i) **Costs of Preparation & Enforcement.** It will pay all costs, charges and expenses of and incidental to the taking, preparation, execution and registering notice (and any amendments and renewals of such notice) of this Security Agreement and in taking, recovering, keeping possession of or inspecting the Collateral and generally in any other proceedings taken in enforcing the remedies in this Security Agreement or otherwise in connection with this Security Agreement or by reason of non-payment or procuring payment of the monies hereby secured;
- (j) **Costs Caused by Default.** If the Debtor defaults in any covenant to be performed by it hereunder, the Secured Party may, but is not required to, perform any covenant of the Debtor capable of being performed by the Secured Party, and if the Secured Party is put to any costs, charges, expenses or outlays to perform any such covenant, the Debtor will indemnify the Secured Party for such costs, charges, expenses or outlays and such costs, charges, expenses or outlays (including solicitors' fees and charges incurred by the Secured Party on an "own client" basis) will be payable immediately by the Debtor to the Secured Party, will bear interest at the highest rate borne by any of the other Obligations and will, together with such interest, form part of the Obligations secured by this Security Agreement;
- (k) **Court Costs.** In any judicial proceedings taken to cancel this Security Agreement or to enforce this Security Agreement and the covenants of the Debtor hereunder the Secured Party will be entitled to special costs. Any costs so recovered will be credited against any solicitors' fees and charges paid or incurred by the Secured Party relating to the matters in respect of which the costs were awarded and which

have been added to the monies secured hereunder pursuant to the foregoing clause;

- (l) **Notice of Litigation.** It will give written notice to the Secured Party of all litigation or other claims before any court, administrative board or other tribunal affecting the Debtor or the Collateral or any part thereof;
- (m) **Corporate Existence etc.** It will at all times maintain its corporate existence; that it will carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good business practice; and that it will keep or cause to be kept proper books of account in accordance with sound accounting practice;
- (n) **Taxes.** It will pay all taxes, rates, levies, charges, assessments, statute labour or other imposition whatsoever now or hereafter rated, charged, assessed, levied or imposed by any lawful authority or otherwise howsoever on it, on the Collateral or on the Secured Party in respect of the Collateral or any part or parts thereof, or any other matter or thing in connection with this Security Agreement, except when and so long as the validity of such taxes, rates, levies, charges, assessments, statute labour or other imposition is in good faith contested by it, and will, if and when required in writing by the Secured Party, furnish for inspection the receipts for any such payments;
- (o) **Payments.** It will promptly pay or remit all amounts which if left unpaid or unremitted might give rise to a lien or charge on any of the Collateral ranking or purporting to rank in priority to any security interest created by this Security Agreement;
- (p) **Further Assurances.** It will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered, such further acts, deeds, mortgages, transfers and assurances as the Secured Party may reasonably require for the better assuring, charging, assigning and conferring unto the Secured Party the Collateral and the security interests intended to be created hereunder, for the purpose of accomplishing and effecting the intention of this Security Agreement;
- (q) **Purchase Monies.** If the Secured Party advances money to the Debtor for the purpose of enabling the Debtor to purchase or acquire rights in any Collateral the Debtor will use such money only for that purpose and will promptly provide the Secured Party with evidence that such money was so applied;
- (r) **Securities.** If the Collateral at any time includes a security the Debtor will, if required by the Secured Party, deliver any certificate evidencing the security to the Secured Party and transfer the security into the name of the Secured Party or the Secured Party's nominee, and until an Event of Default the Secured Party will provide the Debtor with all notices and other communications received by it or its

nominee as registered owner of such security and will appoint, or cause its nominee to appoint, the Debtor as proxy to vote concerning the security.

(s) **Patents.** The Debtor covenants and agrees to do the following:

- (i) maintain its Patents and applications;
- (ii) utilize its Patents in Canada;
- (iii) enforce all of the rights attached to the Patents against infringers;
- (iv) assist the Secured Party in acquiring title to the Patents and providing the Secured Party with a power of attorney for this purpose; and
- (v) file for, prosecute and obtain Patents for any and all improvements to the subject matter of the Patents and, accordingly, update Schedule 1 and notify the Secured Party, in accordance with the notice provisions set out hereafter, of such update.

(t) **Trademarks.** The Debtor covenants and agrees to do the following:

- (i) apply for registration in Canada of any of its Trademarks and, accordingly, update Schedule 1 if required and notify the Secured Party, in accordance with the notice provisions set out hereafter, of such update;
- (ii) seek the consent of the Secured Party before licensing any of its Trademarks;
- (iii) maintain the distinctiveness and validity of its Trademarks, including:
 - A. identifying the ownership of all Trademarks;
 - B. utilization of its Trademarks in association with its wares and/or services; and
 - C. paying all fees necessary to renew registrations; and
- (iv) enforce its Trademarks in respect of all material infringements.

(u) **Copyright.** The Debtor covenants and agrees to do the following:

- (i) apply for registration of Copyrights and, accordingly, update Schedule 1 if required and notify the Secured Party, in accordance with the notice provisions set out hereafter, of such update; and
- (ii) enforce the Copyrights, by way of lawsuit or otherwise, in respect of all material infringements, and to take all such steps as are necessary to ensure that the copyright works are not unlawfully reproduced.

4.2 For the purposes of this Part 4, any deliverables to be made by the Debtor to the Secured Party shall be made to each member of the Secured Party, and any rights of the Secured Party to carry out an action pursuant to this Part 4 shall be the rights of any member of the Secured Party.

PART 5

NEGATIVE COVENANTS

5.1 **Negative Covenants.** The Debtor covenants and agrees with the Secured Party that it will not, without the prior written consent of the Secured Party (by Secured Party Approval):

- (a) **Change Name.** Change its name;
- (b) **Amalgamate.** Amalgamate or otherwise merge its business with the business of any other person;
- (c) **Continue.** Continue from the jurisdiction which presently exercises primary corporate governance over the affairs of the Debtor;
- (d) **Permit Charges.** Permit the Collateral or any part or parts thereof to become subject to any mortgage, charge, lien, encumbrance or security interest, whether made, given or created by the Debtor or otherwise except as permitted by Schedule 2, if any;
- (e) **Sell Collateral.** Except as permitted in paragraph 5.2 sell, lease or otherwise dispose of the Collateral or any part or parts thereof (and in the event of any sale, lease or other disposition permitted or consented to it will pay the proceeds to the Secured Party);
- (f) **Abandon Collateral.** Release, surrender or abandon the Collateral or any part or parts thereof;
- (g) **Move Collateral.** Move the Collateral or any part or parts thereof from its present location or locations (and will promptly advise the Secured Party of the new location or locations);
- (h) **Accessions.** Permit any of the Collateral to become an accession to any property other than other Collateral.
- (i) **Patents.** Further license or grant any further security interests in the Patents or pending applications.
- (j) **Trademarks.** License any of its unregistered Trademarks.

5.2 **Sale of Inventory.** If this Security Agreement grants a security interest in Inventory, until an Event of Default has occurred and the Secured Party has determined (by Secured Party Approval) to enforce the security interests hereby created, the Debtor may only sell Inventory in

the ordinary course of business and provided that all sales will be on commercially reasonable terms, and all proceeds of sales will, upon demand, immediately be paid over to the Secured Party.

5.3 Sale of Equipment. If this Security Agreement grants a security interest in Equipment, until an Event of Default has occurred and the Secured Party has determined (by Secured Party Approval) to enforce the security interests hereby created, the Debtor may sell Equipment:

- (a) which is replaced by Equipment of like or superior quality and capacity (“**Replacement Equipment**”); or
- (b) which is obsolete, worn out or otherwise no longer used or useful to the Debtor in its business;

and the proceeds of which are either applied to the purchase price of Replacement Equipment or paid to the Secured Party to be held as security for, or applied to reduce, the Obligations, as the Secured Party (by Secured Party Approval) sees fit.

PART 6

DEFAULT AND ENFORCEMENT

6.1 Events of Default. The happening of any one or more of the Events of Default (as defined in the Loan Agreement) will constitute an event of default under this Security Agreement (herein each an “**Event of Default**”).

6.2 Acceleration. If an Event of Default occurs, all of the Obligations will immediately become due and payable without any demand or any notice of any kind to the Debtor. If any other Event of Default occurs, the Secured Party, in its sole and absolute discretion (by Secured Party Approval), may declare all or any part of the Obligations (whether or not by their terms payable on demand) immediately due and payable, without any further demand or notice of any kind.

6.3 Demand Obligations. The Debtor agrees that the provisions of paragraph 6.1 and paragraph 6.2 will not affect the demand nature of any indebtedness or obligations payable on demand and the Secured Party (by Secured Party Approval) may demand payment of such indebtedness and obligations at any time without restriction, whether or not the Debtor has complied with the provisions of this Security Agreement or any other instrument between the Debtor and the Secured Party.

6.4 Security Interests Enforceable. The occurrence of an Event of Default will cause the security interests created hereby to become enforceable without the need for any action or notice by the Secured Party.

6.5 Remedies of the Secured Party. If the security interests hereby created become enforceable, the Secured Party (by Secured Party Approval) may enforce its rights by any one or more of the following remedies:

- (a) **Take Possession.** By taking possession of the Collateral or any part thereof, and collecting, demanding, suing, enforcing, recovering, receiving and otherwise getting in the Collateral, and for that purpose entering into and upon any lands, tenements, buildings, houses and premises and doing any act and taking any proceedings in the name of the Debtor, or otherwise, as the Secured Party considers necessary;
- (b) **Court Appointed Receiver.** By proceedings in any court of competent jurisdiction for the appointment of a receiver or receiver-manager of all or any part of the Collateral;
- (c) **Court Ordered Sale.** By proceedings in any court of competent jurisdiction for the sale or foreclosure of all or any part of the Collateral;
- (d) **File Proofs of Claim.** By filing of proofs of claim and other documents to establish its claims in any proceeding or proceedings relating to the Debtor;
- (e) **Appoint Receiver.** By appointment by instrument in writing of a receiver or receiver-manager of all or any part of the Collateral;
- (f) **Sale or Lease.** By sale or lease by the Secured Party of all or any part of the Collateral (whether or not it has taken possession of the Collateral);
- (g) **Voluntary Foreclosure.** By retaining any of the Collateral in satisfaction of all or part of the Obligations, in accordance with paragraph 6.11;
- (h) **Other Remedies.** By any other remedy or proceeding authorized or permitted hereby or by law or equity (including all of the rights and remedies of a secured party under the *Personal Property Security Act* in effect from time to time);

and in exercising, delaying in exercising or failing to exercise, any such right or remedy the Secured Party will not incur any liability to the Debtor.

6.6 **Power of Sale.** The provisions of paragraph 6.7(g) will apply, *mutatis mutandis*, to a sale or lease of any of the Collateral by the Secured Party under paragraph 6.5(f).

6.7 **Receiver or Receiver-Manager.** Any time after the security interests hereby created have become enforceable, the Secured Party (by Secured Party Approval) may from time to time appoint in writing any qualified person to be a receiver or receiver-manager (“**Receiver**”) of the Collateral and may likewise remove any such person so appointed and appoint another qualified person in his stead. Any Receiver appointed hereunder will have the following powers:

- (a) **Take Possession.** To take possession of the Collateral or any part thereof, and to collect and get in the Collateral and for that purpose to enter into and upon any lands, tenements, buildings, houses and premises wheresoever and whatsoever and to do any act and take any proceedings in the name of the Debtor, or otherwise, as the Receiver considers necessary;

- (b) **Carry On Business.** If this Security Agreement creates security interests in substantially all of the Debtor's present and after-acquired personal property, to carry on or concur in carrying on the business of the Debtor (including, without limiting the generality of the powers contained in this Security Agreement, the payment of the obligations of the Debtor whether or not they are due and the cancellation or amendment of any contracts between the Debtor and any other person) and the employment and discharge of such agents, managers, clerks, accountants, servants, workmen and others upon such terms and with such salaries, wages or remuneration as the Receiver thinks proper;
- (c) **Repair.** To repair and keep in repair the Collateral or any part or parts thereof and to do all necessary acts and things for the protection of the Collateral;
- (d) **Arrangements.** To make any arrangement or compromise which the Receiver thinks expedient in the interests of the Secured Party or the Debtor and to assent to any modification or change in or omission from the provisions of this Security Agreement;
- (e) **Exchange.** To exchange any part or parts of the Collateral for any other property suitable for the purposes of the Debtor upon such terms as may seem expedient and either with or without payment or exchange of money or equality of exchange or otherwise;
- (f) **Borrow.** To raise on the security of the Collateral or any part or parts thereof, by mortgage, charge or otherwise any sum of money required for the repair, insurance or protection thereof, or any other purposes mentioned in this Security Agreement, or as may be required to pay off or discharge any lien, charge or encumbrance upon the Collateral or any part thereof, which would or might have priority over the security interests hereby created;
- (g) **Sell or Lease.** Whether or not the Receiver has taken possession, to sell or lease or concur in the sale or leasing of any of the Collateral or any part or parts thereof after giving the Debtor not less than 20 days' written notice of the Receiver's intention to sell or lease, and to carry any such sale or lease into effect by conveying, transferring, letting or assigning in the name of or on behalf of the Debtor or otherwise; and any such sale or lease may be made either at public sale or lease (including public auction or closed tender), or by private sale or lease, as the Receiver may determine and any such sale or lease may be made from time to time as to the whole or any part or parts of the Collateral; and the Receiver may make any stipulations as to title or conveyance or otherwise which the Receiver considers proper; and the Receiver may rescind or vary any contract for the sale or lease of any of the Collateral or any part or parts thereof, and may resell and re-lease without being answerable for any loss occasioned thereby; and the Receiver may sell or lease any of the Collateral for cash or credit, or part cash and part credit, or otherwise as may appear to be most advantageous, and at such prices as can be reasonably obtained therefor, and in the event of a sale or lease on credit

neither the Receiver nor the Secured Party will be accountable for or charged with any monies until actually received.

6.8 Liability of Receiver. The Receiver appointed and exercising powers under the provisions hereof will not be liable for any loss howsoever arising unless the loss is caused by the Receiver's own gross negligence or wilful default, and the Receiver will when so appointed be considered to be the agent of the Debtor and the Debtor will be solely responsible for the Receiver's acts and defaults and for the Receiver's remuneration.

6.9 Effect of Appointment of Receiver. As soon as the Secured Party takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor concerning the Collateral will cease, unless specifically continued by the written consent of the Secured Party (by Secured Party Approval) or the Receiver.

6.10 Validity of Sale or Lease. No purchaser at any sale and no lessee under any lease purporting to be made in pursuance of the powers set out in paragraph 6.5(f) and paragraph 6.7(g) will be bound to see or enquire whether any default has been made or continues or whether any notice required hereunder has been given or as to the necessity or expediency of the stipulations subject to which sale or lease has been made or otherwise as to the propriety of such sale or lease, or the regularity of proceedings or be affected by notice that such default has been made or continues or notice given as aforesaid, or that the sale or lease is otherwise unnecessary, improper or irregular; and in spite of any impropriety or irregularity or notice thereof to such purchaser or lessee the sale or lease to such purchaser or lessee will be considered to be within the aforesaid power and to be valid accordingly and the remedy (if any) of the Debtor in respect of any impropriety or irregularity whatsoever in any such sale or lease will be in damages only.

6.11 Voluntary Foreclosure. The Secured Party (by Secured Party Approval) may elect to retain any of the Collateral in satisfaction of the Obligations or any of them. The Secured Party (by Secured Party Approval) may designate any part of the Obligations to be satisfied by the retention of particular Collateral which the Secured Party considers to have a net realizable value approximating the amount of the designated part of the Obligations, in which case only the designated part of the Obligations will be considered to be satisfied by the retention of the particular Collateral.

6.12 Proceeds of Disposition. The proceeds of the sale, lease or other disposition of the whole or any part of the Collateral will be applied as follows:

- (a) FIRSTLY to pay and discharge all rents, taxes, rates, insurance premiums and out-goings affecting the Collateral;
- (b) SECONDLY to pay all costs and expenses of taking possession and/or sale or lease or otherwise (including the Receiver's remuneration, if any);

- (c) **THIRDLY** to pay such amounts as are necessary to keep in good standing all liens and charges on the Collateral ranking in priority to the security interests hereby created;
- (d) **FOURTHLY** to pay any principal, interest and other monies due and payable hereunder (in such order as the Secured Party may require); and
- (e) if any surplus remains in the hands of the Receiver or the Secured Party then the Debtor will be entitled to such surplus but only upon demand in writing made therefor.

6.13 No Set-Off, Etc. The Obligations will be paid by the Debtor without regard to any equities between the Debtor and the Secured Party or any right of set-off, combination of accounts, cross-claim or counterclaim. Any indebtedness owing by the Secured Party to the Debtor may be set off or applied against, or combined with, the Obligations by the Secured Party at any time, either before or after maturity, without demand upon, or notice to, anyone.

6.14 Deficiency. If the proceeds of the realization of the Collateral are insufficient to fully pay to the Secured Party the Obligations, the Debtor will immediately pay such deficiency or cause it to be paid to the Secured Party.

6.15 Waiver. The Secured Party (by Secured Party Approval) may waive any breach by the Debtor of any of the provisions contained in this Security Agreement or any Event of Default, provided always that no act or omission of the Secured Party will extend to or be taken in any manner whatsoever to affect any subsequent breach or Event of Default or the rights resulting therefrom.

6.16 Time for Payment. If the Secured Party demands payment of any Obligations which are payable on demand or if any Obligations are otherwise due by maturity or acceleration, it will be considered reasonable for the Secured Party to exercise its remedies immediately if such payment is not made, and any days of grace or any time for payment which might otherwise be required to be given to the Debtor by applicable law is hereby irrevocably waived.

PART 7

NOTICES

7.1 Notices. In this Security Agreement:

- (a) Any notice or communication required or permitted to be given under this Security Agreement will be in writing and will be considered to have been given if delivered by hand, transmitted by facsimile transmission or mailed by prepaid registered post in Canada, to the address or facsimile transmission number of each party set out below:

(i) if to Secured Party:

British Columbia Discovery Fund (VCC) Inc.
5th Floor
1199 West Hastings Street
Vancouver, British Columbia, V6E 3T5
Fax No.: (604) 662-3457

Attention: Charles Cook
E-mail: ccook@discoverycapital.com

And to:

Greenstone Management Partners Inc.
Suite 400 - 1177 West Hastings Street
Vancouver, British Columbia, V6E 2K7
Fax No: (604) 717-1976

Attention: Brent Holliday
E-mail: bh@greenstonevc.com

And to:

Roynat Capital Inc.
26th Floor, 40 King Street West
Toronto, Ontario, M5H 1H1
Fax No: (416) 933-2783

Attention: Michael McCarthy
E-mail: mccarthym@roynat.com

And to:

Lukas Blucher
Oberhof 1
Eurasberg 82547
Germany

E-mail: lbluechair@aol.com

And to:

Roger Collins
15425 NE 144th Pl.
Woodinville, WA
98072

E-mail: rogerc@sierraind.com

With a copy to:

Davis LLP
2800 Park Place, 666 Burrard Street
Vancouver, British Columbia, V6C 2Z7
Fax No: (604) 605-3546

Attention: Al Hudec
E-mail: ajhudec@davis.ca

(ii) if to Debtor:

Vivonet Incorporated
300-395 Railway Street,
Vancouver, British Columbia, V6A 1A7
Fax No.: (604) 408-4307

Attention: Ryan Volberg
E-mail: rvolberg@vivonet.com

With a copy to:

Fasken Martineau DuMoulin LLP
2100 - 1075 West Georgia Street
Vancouver, British Columbia, V6E 3G2
Fax No: (604) 631-3232

Attention: Steven G. Lukas
E-mail: slukas@van.fasken.com

or to such other address or facsimile transmission number as any party may designate in the manner set out above.

(b) Any notice or communication will be considered to have been received:

(i) if delivered by hand during business hours, upon receipt by a responsible representative of the receiver, and if not delivery during business hours, upon the commencement of the next business day;

- (ii) if sent by facsimile transmission during business hours, upon the sender receiving confirmation of the transmission, and if not transmitted during business hours, upon the commencement of the next business day; and
 - (iii) if mailed by prepaid registered post in Canada, upon the fifth business day following posting; except that, in the case of a disruption or an impending or threatened disruption in postal services every notice or communication will be delivered by hand or sent by facsimile transmission.
- (c) In this Security Agreement “business day” will mean a day which is not a Saturday or defined as a “holiday” under the *Interpretation Act* (British Columbia), as amended or replaced from time to time.

PART 8

GENERAL

8.1 **No Automatic Discharge.** This Security Agreement will not be or be considered to have been discharged by reason only of the Debtor ceasing to be indebted or under any liability, direct or indirect, absolute or contingent, to the Secured Party.

8.2 **Discharge.** If at any time there are no Obligations then outstanding and the Debtor is not in default of any of the covenants, terms and provisos on the Debtor's part contained in this Security Agreement, then, at the request and at the expense of the Debtor and upon payment by the Debtor to the Secured Party of the Secured Party's reasonable discharge fee for discharging a security agreement, the Secured Party (by Secured Party Approval) will cancel and discharge this Security Agreement and the security interests granted in this Security Agreement and the Secured Party will execute and deliver to the Debtor all such documents as are required to effect such discharge.

8.3 **No Obligation to Advance.** The Debtor acknowledges and agrees that none of the preparation, execution or registration of notice of this Security Agreement will bind the Secured Party to advance the monies hereby secured nor will the advance of a part of the monies hereby secured bind the Secured Party to advance any unadvanced portion thereof.

8.4 **Security Additional.** The Debtor agrees that the security interests created by this Security Agreement are in addition to and not in substitution for any other security now or hereafter held by the Secured Party.

8.5 **Realization.** The Debtor acknowledges and agrees that the Secured Party may realize upon various securities securing the Obligations or any part thereof in such order as it may be advised and any such realization by any means upon any security or any part thereof will not bar realization upon any other security or the security hereby constituted or parts thereof.

8.6 **No Merger.** This Security Agreement will not operate to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest held or which may hereafter be held by the Secured

Party from the Debtor or from any other person whomsoever. The taking of a judgment concerning any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

8.7 Extensions. The Secured Party (by Secured Party Approval) may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests and otherwise deal with the Debtor, Account Debtors, sureties and others and with the Collateral and other security interests as the Secured Party (by Secured Party Approval) may see fit without prejudice to the liability of the Debtor or to the Secured Party's right to hold and realize on the security constituted by this Security Agreement.

8.8 Provisions Reasonable. The Debtor acknowledges that the provisions of this Security Agreement and, in particular, those provisions respecting rights, remedies and powers of the Secured Party or any Receiver against the Debtor, its business and any Collateral are commercially reasonable.

8.9 Assignment. The Secured Party may only assign, transfer or grant a security interest in this Security Agreement and the security interests hereby granted in accordance with section 6.10 of the Loan Agreement. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, will have all of the Secured Party's rights and remedies under this Security Agreement and the Debtor will not assert any defence, cross-claim, counterclaim, right of set-off or otherwise any claim which the Debtor now has or hereafter acquires against the Secured Party in any action commenced by any such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

8.10 Appropriation of Payments. Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party (by Secured Party Approval) may see fit and the Secured Party (by Secured Party Approval) may at all times and from time to time change any appropriation as the Secured Party (by Secured Party Approval) may see fit.

8.11 No Representations. The Debtor acknowledges and agrees that the Secured Party has made no representations or warranties other than those contained in the Loan Agreement.

8.12 Use of Collateral by Debtor. Except as provided herein, until an Event of Default occurs the Debtor will be entitled to possess, operate, collect, use and enjoy the Collateral in any manner not inconsistent with the terms hereof.

8.13 Modifications, Etc. No modification or amendment of this Security Agreement will be effective unless in writing and executed by the Debtor and each member of the Secured Party and no waiver of any of the provisions of this Security Agreement will be effective unless in writing and signed by the party waiving the provision.

8.14 **Disclosure of Information.** The Debtor consents to the Secured Party, in compliance or purported compliance with any statutory disclosure requirements, disclosing information about the Debtor, this Security Agreement, the Collateral and the Obligations to any person any member of the Secured Party believes is entitled to such information and the Debtor acknowledges and agrees that any member of the Secured Party may charge and retain a reasonable fee and its costs incurred in providing such information.

8.15 **Statutory Waivers.** To the fullest extent permitted by law, the Debtor waives all of the rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of a secured party or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

PART 9

INTERPRETATION

9.1 **Incorporated Definitions.** In this Security Agreement words which are defined in the *Personal Property Security Act* (British Columbia) which are not defined in this Security Agreement will have the meaning set out in the *Personal Property Security Act* (British Columbia).

9.2 **Headings.** The headings in this Security Agreement are inserted for convenience of reference only and will not affect the construction or interpretation of this Security Agreement.

9.3 **Generally Accepted Accounting Principles.** Where the Canadian Institute of Chartered Accountants includes a recommendation in its Handbook concerning the treatment of any accounting matter, such recommendation will be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and references in this Security Agreement to generally accepted accounting principles will be interpreted accordingly.

9.4 **Severability.** If any provision contained in this Security Agreement is invalid or unenforceable the remainder of this Security Agreement will not be affected thereby and each provision of this Security Agreement will separately be valid and enforceable to the fullest extent permitted by law.

9.5 **Laws of British Columbia.** This Security Agreement is governed by, and construed in accordance with, the laws of the Province of British Columbia and the Debtor submits to the non-exclusive jurisdiction of the courts of British Columbia concerning this Security Agreement.

9.6 **Time of Essence.** Time will be of the essence hereof.

9.7 **Number and Gender.** In this Security Agreement, where applicable, words in the singular include the plural and vice-versa and words in one gender include all genders.

9.8 **Counterparts.** This Security Agreement may be signed by original or facsimile and executed in any number of counterparts, and each executed counterpart will be considered to be an original. All executed counterparts taken together will constitute one agreement.

9.9 **Enurement.** This Security Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

PART 10

ACKNOWLEDGMENT AND WAIVER

10.1 **Acknowledgment and Waiver.** The Debtor:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed or issued, as the case may be, at any time in respect of this Security Agreement or any amendments hereto.

TO EVIDENCE ITS AGREEMENT the Debtor has executed this Security Agreement on the date appearing below.

VIVONET INCORPORATED

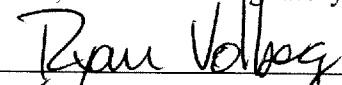
By:



President & CEO, Authorized Signatory

Print Name: _____

Dated: _____



June 12, 2007

SCHEDULE 1
INTELLECTUAL PROPERTY

Patents:

- None registered

Trademarks:

- Vivonet: US Reg #2921000; Serial Number: 76069266
- Halo (“bringing simplicity to a complex environment”): US Reg # 2706027; Serial Number: 76168865
- Zata: US Reg # n/a; Serial Number 78825558

Copyrights:

- None registered

Other:

The Vivonet Technology is all existing parts, components, elements, portions, or intellectual property conceived or reduced to practice, whether tangible or intangible, by the Debtor or their employees, agents or subcontractors, or acquired by or licensed to the Debtor, including, but not limited to, the source code, object code, graphic user interfaces and web-based training modules developed in connection with the products and end user documentation commonly known as the products Halo and Zata. All intellectual property of the Debtor related thereto, including server and client components, and all related materials or information, disks, tapes, manuals and other literature in machine readable or printed form and the end user documentation therefor, and any updated or subsequent versions thereof developed by or for the Debtor.

SCHEDULE 2**LIST OF PRIOR RANKING CHARGES, SECURITY INTERESTS ETC.****British Columbia Personal Property Registration****Vivonet Canada Inc.**

	Base Number	Creditor	Collateral
1.	554586B	National Leasing Group Inc.	All computer systems, software of every nature or kind described in lease number 2248287 between Westcor Lease Financial Ltd., as original lessor and the debtor, as lessee, which lease was assigned by the original lessor to the secured party, as amended from time to time, together with all attachments, accessories and substitutions
2.	792336B	North Shore Credit Union	All debtors present and after acquired computers, hardware, software, printers together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements thereto and all proceeds that are goods, intangibles, securities, documents of title, chattel paper, instruments, or money (and terms used herein that are defined in the Personal Property Security Act of British Columbia have those defined meanings).
3.	890929B	National Leasing Group Inc.	All computer systems, software of every nature or kind described in lease number 2269621 between Westcor Lease Financial Ltd., as original lessor and the debtor, as lessee, which lease was assigned by the original lessor to the secured party, as amended from time to time, together with all attachments, accessories and substitutions
4.	020113C	MTC Leasing Inc.	(1) Poweredge 1750, 1 CPU 2.4 GHZ 512K/533 FSB Xeon, 4 gig DDR ram, 3 X 36 gig 10K SCSI HDD, Raid controller dual 1000/100/10 NIC's serial #4JISP51; (1) Poweredge 1750, 1 CPU 2.4 Ghz 512K/533 FSB Xeon, 1 gig DDR Ram, 1 x 36 gig 10k SCSI HDD, Raid controller, dual 1000/100/10 NIC's serial # G5Z6351; (1) Coldstream- double solid door reach-in cooler serial # 7408
5.	053162C	ADD Capital Corp.	Equipment and/or software as per lease agreement
6.	142196C	Excel Leasing Inc.	3 - Dell Poweredge 1850 server (S/N 68Q8G61;78Q8G61; 88Q8G61) for lease 3038

7.	148005C	National Leasing Group Inc.	All computer systems, software of every nature or kind described in lease number 2282422 between Westcor Lease Financial Ltd., as original lessor and the debtor, as lessee, which lease was assigned by the original lessor to the secured party, as amended from time to time, together with all attachments, accessories and substitutions
8.	282188C	Bodkin Capital Corporation	Server and computer and ancillary equipment/software attached thereto
9.	558301C	Dell Financial Services Canada Limited	All Dell and non Dell computer equipment and peripherals wherever located heretofore and hereinafter leased to debtor by secured party pursuant to an equipment lease 1930049-003 together with all substitutions, additions, accessions and replacements thereto and thereof now and hereinafter installed in, affixed to, or used in conjunction with such equipment, and proceeds thereof together with all rental or instalment payments, insurance proceeds, other proceeds and payments due or to become due and arising from or relating to such equipment. Proceeds: all present and after-acquired personal property
10.	565047D	Irwin Commercial Finance Canada Corporation	Laptop(s), computer(s), LCD Screen(s), projector(s), workstations(s), processor(s), DVD players(s), RAM(s), notebook(s), printer(s), computer equipment, complete with all hardware and software, together with all attachments, accessories, accessions replacements substitutions additions and improvements thereto and all proceeds in any form derived directly or indirectly from any sale and or dealing with the collateral and a right to an insurance payment or other payment that indemnifies or compensates for the loss or damage to the collateral or proceeds of the collateral
11.	570845 D	Irwin Commercial Finance Canada Corporation	Tradeshow booth(s), tradeshow display(s), together with all attachments accessories, accessions replacements substitutions additions and improvements thereto and all proceeds in any form derived directly or indirectly from any sale and or dealing with the collateral and a right to an insurance payment or other payment that indemnifies or compensates for the loss or damage to the collateral or proceeds of the collateral
12.	583249D	Irwin Commercial Finance Canada Corporation	This sale of goods registration covers the equipment listed on base registration 565047D, together with all attachments accessories, accessions replacements substitutions additions and improvements thereto and all proceeds in any form derived directly or indirectly from any sale and or dealing with the collateral and a right to an insurance payment or other payment that indemnifies or compensates for the loss or damage to the collateral or proceeds of the collateral

Vivonet Incorporated

	Base Number	Creditor	Collateral
1.	576486D	Dell Financial Services Canada Limited	<p>All Dell and non Dell computer equipment and peripherals wherever located heretofore and hereinafter leased to debtor by secured party pursuant to an equipment lease 1930049-004 together with all substitutions, additions, accessions and replacements thereto and thereof now and hereinafter installed in, affixed to, or used in conjunction with such equipment, and proceeds thereof together with all rental or instalment payments, insurance proceeds, other proceeds and payments due or to become due and arising from or relating to such equipment.-</p> <p>Proceeds: all present and after-acquired personal property</p>

Reg Date	Reg #	Length	Expires	Secured Party	Description	Commitment	
5/24/2004	554586B	4-Years	2/28/2008	National Leasing Group	Lease 2248287 - 3com Callcenter, Servers	\$0.00 - Paid out in full Feb 2007	INACTIVE
6/29/2004	792336B	4-Years	6/29/2008	North Shore Credit Union	Lease 95-1352 - 9 Posiflex Terms	\$543.51/mth - Through Oct 2007	
8/23/2004	890929B	4-Years	8/23/2008	National Leasing Group	Lease 2269621 - Servers	\$624.45/mth - Through Dec 07	
11/3/2004	020113C	3-Years	11/3/2007	MTC Leasing Inc.	Lease 81153-57146 - Servers & Fridge	\$337.89/mth - Through Nov 2007	
11/22/2004	053162C	3-Years	11/22/2007	ADD Capital Corp (Milestone)	Lease 10141 - Servers	\$770.28/mth - Through Mar 2008	
1/18/2005	142196C	3-Years	1/18/2008	Excel Leasing Inc.	Lease 3038 - Misc	\$0.00 - Paid out in full Dec 2006	
1/21/2005	148005C	4-Years	1/21/2009	National Leasing Group	Lease 2282422	\$477.47/mth - Through Feb 2008	
4/11/2005	282188C	3-Years	4/11/2008	Bodkin Capital Corp	Lease 63022 - Servers	\$441.12/mth - Through May 2008	
9/2/2005	558301C	4-Years	9/2/2009	Dell Financial Services	1930049-003 - Servers / Oracle	\$825.07/mth - Through Oct 2008	
3/20/2007	565047D	4-Years	3/20/2011	Inwin Commercial Finance	Lease 107005 - Sale-Leaseback	\$819.64/mth - Through Mar 2010	
3/22/2007	570845D	5-Years	3/22/2012	Inwin Commercial Finance	Lease 108814 - Tradeshow Booth Lease	\$1327.60/mth - Through Jun 2010	

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DEBTOR'S PLACE(S) OF BUSINESS

300-395 Railway Street,

Vancouver, British Columbia, V6A 1A7

LOCATION(S) OF COLLATERAL

300-395 Railway Street,

Vancouver, British Columbia, V6A 1A7