

02-02-2001



FORM PTO-1619A  
Expires 06/30/99  
OMB 0651-0027

101603210

U.S. Department of Commerce  
Patent and Trademark Office  
**PATENT**

3

1-73-01

**RECORDATION FORM COVER SHEET  
PATENTS ONLY**

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

**Submission Type**

New

Resubmission (Non-Recordation)  
Document ID#

Correction of PTO Error  
Reel #  Frame #

Corrective Document  
Reel #  Frame #

**Conveyance Type**

Assignment  Security Agreement

License  Change of Name

Merger  Other

*U.S. Government*  
(For Use ONLY by U.S. Government Agencies)

Departmental File  Secret File

**Conveying Party(ies)**

Mark if additional names of conveying parties attached

Name (line 1)  Execution Date  
Month Day Year

**Second Party**

Name (line 1)

Name (line 2)

Execution Date  
Month Day Year

**Receiving Party**

Mark if additional names of receiving parties attached

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

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**FOR OFFICE USE ONLY**

02/01/2001 DBYRNE 00000065 5112207  
01 FC:561 200.00 DP

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

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

**PATENT**  
**REEL: 011475 FRAME: 0477**

**Correspondent Name and Address**

Area Code and Telephone Number

843-720-4302

Name John C. McElwaine

Address (line 1) Nelson Mullins Riley & Scarborough, L.L.P.

Address (line 2) 151 Meeting Street, Suite 600

Address (line 3) Charleston, South Carolina 29401

Address (line 4)

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

# 15

**Application Number(s) or Patent Number(s)**

Mark if additional numbers attached

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

**Patent Application Number(s)**

**Patent Number(s)**

5112207

5238454

5242154

5447546

5798051

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

**Patent Cooperation Treaty (PCT)**

Enter PCT application number  
only if a U.S. Application Number  
has not been assigned.

PCT

PCT

PCT

PCT

PCT

PCT

**Number of Properties**

Enter the total number of properties involved.

# 5

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$ 200.00

Method of Payment:  
Deposit Account

Enclosed  Deposit Account

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

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Name of Person Signing

Signature

Date

## GENERAL SECURITY AGREEMENT

### 1. SECURITY INTEREST

(a) For value received, the undersigned (the “**Debtor**”), hereby grants to **ROYAL BANK OF CANADA**, as agent to the lenders (the “**Agent**”), a security interest (the “**Security Interest**”) in the undertaking of the Debtor and in all of the Debtor’s present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called “**Collateral**”), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (“**Debts**”);
- (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (v) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, and other industrial property, as such patents, trademarks, copyrights and other industrial property are described in Schedule “A”; and
- (vi) all property described in Schedule “C” or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* of the province of Ontario, as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. DEFINITIONS

In addition to the defined terms appearing above, capitalized terms used herein shall have (unless provided elsewhere herein) the following respective meanings:

**"Credit Agreement"** means the credit agreement dated as of November 10, 2000, between A.P. Plasman Acquisitionco Inc., as borrower, 1442026 Ontario Inc., 1442027 Ontario Inc., 1442066 Ontario Inc., 1442067 Ontario Inc., 1442068 Ontario Inc. and 1442074 Ontario Inc., as guarantors, the Agent, as agent for and on behalf of the Lenders, and the other lenders party thereto, as amended, restated, supplemented and otherwise modified from time to time;

**"Event of Default"** shall have the meaning ascribed to that term in the Credit Agreement;

## 3. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Debtor to the Agent (including interest thereon) for and on behalf of itself and the Lenders, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the **"Indebtedness"**). If the Security Interest in the Collateral is not sufficient, in the Event of Default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Agent shall be entitled to pursue full payment thereof.

## 4. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called **"Liens"**), save for the Security Interest and Permitted Liens, as such term is defined in the Credit Agreement, or hereafter approved in writing by the Agent, prior to their creation or assumption; and

(b) the locations specified in Schedule "B" as to business operations and records are at the date hereof accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures which form part of the Collateral will be situate at one of such locations.

**5. COVENANTS OF THE DEBTOR**

So long as this Security Agreement remains in effect the Debtor covenants and agrees:

(a) to keep the Collateral free from all Liens, except for the Security Interest and Permitted Liens and Liens hereafter approved in writing by the Agent, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, or otherwise dispose of Collateral or any interest therein without the prior written consent of the Agent, except in accordance with the Credit Agreement;

(b) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Agent of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith; and

(c) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

**6. USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with the Credit Agreement, the Debtor's covenants contained herein and Clause 8 hereof, the Debtor may, until an Event of Default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Agent shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Agent may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Agent may reasonably request in connection therewith and for such purpose to grant to the Agent or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

**7. SECURITIES**

(a) Until an Event of Default, the Debtor may:

- (i) exercise all rights to vote and all rights of conversion or retraction or other similar rights with respect to the Securities; and
- (ii) receive all notices or other communications delivered in respect of the Securities.

(b) After an Event of Default, the Debtor waives all rights to receive any notices or communications delivered in respect of any Securities and agrees that no proxy issued by the Agent to the Debtor or its order in respect of any Securities shall thereafter be effective. After an Event of Default, the Agent may but shall not be bound or required to:

- (i) exercise any option or right which the holder of any of the Securities may at any time have, and any advance made for such purpose shall be added to the Indebtedness and all the provisions hereof shall apply thereto;
- (ii) vote all or any of the Securities at any meeting whether special or general at which the holder of such Securities is entitled to vote and give and grant to such person or persons as it designates power to vote such Securities as its proxy;
- (iii) sign on behalf of and as agent for the Debtor such income tax ownership certificates as may be required;
- (iv) transfer any Securities forming part of the Collateral and not specifically dealt with in a written agreement between the Debtor and the Agent, the same or any part thereof into the Agent's name or that of its nominee(s) so that the Agent or its nominee(s) may appear of record as the sole owner thereof; and
- (v) forthwith, without any notice, demand, advertisement, or any other formality (except as required by law), all of which are hereby waived to the extent possible under applicable laws, sell the Securities or any of them on any recognized exchange dealing in such securities or by public or private sale, and enforce payment and realize upon the Securities as fully and effectually as if the Agent were absolute owner thereof.

## 8. COLLECTION OF DEBTS

After and during the continuance of an Event of Default, the Agent may notify all or any account debtors of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Agent. The Debtor acknowledges that, after and during the continuance of an Event of Default, any payments on or other proceeds of Collateral received by the Debtor from account debtors, whether before or after notification of this Security Interest to account debtors, shall be received and held by the Debtor in trust for the Agent and shall be turned over to the Agent upon request.

**9. INCOME FROM AND INTEREST ON COLLATERAL**

(a) Until an Event of Default, the Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if the Agent receives any such Money prior to an Event of Default, the Agent shall receive and hold such Money in trust for the Debtor and pay the same promptly to the Debtor.

(b) After and during the continuance of an Event of Default and notice in respect of this section by the Agent, the Debtor will not request or receive any Money constituting income from or interest on Collateral and if the Debtor receives any such Money without any request by it, the Debtor will pay the same promptly to the Agent.

**10. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS**

(a) After and during the continuance of an Event of Default has occurred, the Debtor authorizes the Agent:

(i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;

(ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral and to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) After and during the continuance of an Event of Default, if the Debtor receives any such increase or profits (other than Money) or payments or distributions, the Debtor will deliver the same promptly to the Agent to be held by the Agent as herein provided.

**11. EVENT OF DEFAULT**

The happening of an Event of Default shall constitute a default hereunder.

**12. DISPOSITION OF MONEY**

Subject to any applicable requirements of the P.P.S.A. and the provisions of the Credit Agreement and this Agreement, all Money collected or received by the Agent pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as the Agent deems best or, at the option of the Agent, may be held unappropriated in an interest bearing collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Agent hereunder, and any surplus shall be accounted for as required by law.

**13. REMEDIES**

Upon the occurrence of an Event of Default and acceleration by the Agent in accordance with the Credit Agreement:

(a) The Agent may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Agent or not, to be a receiver or receivers (hereinafter called a “Receiver”, which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Agent, and the Agent shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor’s business or as security for loans or advances to enable the Receiver to carry on the Debtor’s business or otherwise, as such Receiver shall, in its discretion, determine and any amounts so borrowed, together with interest thereon, shall be secured by Collateral in priority to the security interests, mortgages, charges, assignments and transfers created and constituted hereby. Except as may be otherwise directed by the Agent, all Money received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Agent. Every such Receiver may, in the discretion of the Agent, be vested with all or any of the rights and powers of the Agent.

(b) The Agent may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) The Agent may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon an Event of Default, the Agent may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Agent may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Agent and in addition to any other rights the Agent may have at law or in equity, the Agent shall have, both before and after an Event of Default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Agent shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Agent shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Agent’s possession and shall not be liable or accountable for failure to do so.

(e) The Debtor acknowledges that the Agent or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the



Debtor agrees upon request from the Agent or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) The Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Agent or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitor's and auditor's costs and other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Agent or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) The Agent will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

#### 14. MISCELLANEOUS

(a) The Debtor hereby authorizes the Agent to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which the Debtor's business is carried on and Collateral and records relating thereto are situate) as the Agent may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the officer or officers of the Agent from time to time having account management responsibility for the Debtor after the occurrence and during the continuance of an Event of Default the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of the Agent, whenever Indebtedness is immediately due and payable or the Agent has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Agent may, in its sole discretion, set off against Indebtedness any and all amounts then owed to the Debtor by the Agent in any capacity, whether or not due, and the Agent shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Agent's records subsequent thereto.

(c) Upon the Debtor's failure to perform any of its duties hereunder, the Agent may, but shall not be obligated to, perform any or all of such duties, and the Debtor shall pay to the Agent, forthwith upon written demand therefor, an amount equal to the expense incurred by the Agent in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate set out therefor in the Credit Agreement.

(d) The Agent may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Agent may see fit without prejudice to the liability of the Debtor or the Agent's right to hold and realize the Security Interest. Furthermore, the Agent may demand, collect and sue on Collateral in either the Debtor's or the Agent's name, at the Agent's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by the Agent in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Agent may remedy any Event of Default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the Event of Default remedied and without waiving any other prior or subsequent Event of Default by the Debtor. All rights and remedies of the Agent granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Agent on which the Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by the Agent.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against the Agent. If more than one debtor executes this Security Agreement the obligations of such debtors hereunder shall be joint and several.

(h) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(i) Subject to the requirements of Clause 13(g) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of the Agent, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of the Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to the Agent. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(j) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by the Agent and is intended to be a

continuing Security Agreement and shall remain in full force and effect until all Indebtedness shall be paid in full.

(k) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(l) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(m) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(n) Nothing herein contained shall in any way obligate the Agent to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(o) The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Agent.

(p) The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

- (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
- (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Agent at the time of amalgamation and any "Indebtedness" of the amalgamated company to the Agent thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(q) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province of Ontario and of Canada applicable therein as the same may from time to time be in effect, including, where applicable, the P.P.S.A.

(r) The records of the Agent shall be conclusive evidence in the absence of manifest error of the balance of the Indebtedness at any time and from time to time, whether the Debtor is in an Event of Default and whether any demand has been made.

**15. CONFLICT OF TERMS**

Except as otherwise provided in this Security Agreement by specific reference to the applicable provisions of the Credit Agreement, if any provision contained in this Security Agreement is in conflict with any provision of the Credit Agreement, the provision contained in the Credit Agreement shall govern and control. For greater certainty, any provision contained in this Security Agreement shall not be in conflict with any provision in the Credit Agreement if a provision is contained in this Security Agreement and not in the Credit Agreement.

**16. COPY OF AGREEMENT**

The Debtor hereby acknowledges receipt of a copy of this Security Agreement.

**17. NOTICE**

Whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given if delivered personally or sent by telecopier or by prepaid mail to the mailing address or telecopier number of the party stated below or to such other mailing or telecopier number as the party may notify to the other from time to time under this provision. Any such notice, request or other communication if delivered or mailed, shall be deemed to have been given when received and, if telecopied before 4:30 p.m. on a business day, shall be deemed to have been received on that day, and if telecopied at any other time, shall be deemed to have been received on the business day next following the date of transmission.

The address of the Debtor is:

Build-A-Mold Limited  
c/o A.P. Plasman Acquisitionco Inc.  
5245 Burke Street  
Windsor, Ontario  
N9A 6J3

Attention: Chief Financial Officer

Telephone: (519) 737-6984

Facsimile: (519) 737-6572

The address of the Agent is:

Royal Bank of Canada  
Global Banking Agency - Canada  
12<sup>th</sup> Floor, South Tower

Royal Bank Plaza  
200 Bay Street  
Toronto, Ontario  
M5J 2J5

Attention:       Manager - Agency

Telephone:       (416) 974-5869

Facsimile:       (416) 974-2407

**[INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF** the Debtor has executed this Security Agreement as of the 15<sup>th</sup> day of November, 2000.

**BUILD-A-MOLD LIMITED**

By: \_\_\_\_\_ C.S.

Name: Jim Tracey

Title: Secretary

**SCHEDULE "A"****(INTELLECTUAL PROPERTY)**

1. SELF RELEASING MOLD, United States Patent Number 5,112,207. Patent dated May 12, 1992.
2. ONE-PIECE FLEXIBLE COUPLING HAVING A PLURALITY OF AXIALLY SPACED DISKS, United States Patent Number 5,238,454. Patent dated August 24, 1993.
3. TOURQUE LIMITER FOR WHEEL-LIFT MECHANISM, United States Patent Number 5,242,154. Patent dated September 7, 1993.
4. CARBURETOR AIR FILTER AND METHOD OF OPERATION OF SAME, United States Patent Number 5,447,546. Patent dated September 5, 1995.
5. SEALING DEVICE FOR MOLTEN METAL VALVE PIN, United States Patent Number 5,798,051. Patent dated August 25, 1998.

**SCHEDULE "B"**

**1. Locations of the Debtor's Business Operations**

5245 Burke Street  
Windsor, Ontario

**2. Locations of Records relating to Collateral**

5245 Burke Street  
Windsor, Ontario

1622 Country Road 22  
Lakeshore, Ontario

**3. Locations of Collateral**

5245 Burke Street  
Windsor, Ontario



**SCHEDULE "C"**

**(DESCRIPTION OF PROPERTY)**

NIL