

03-12-2003

Form PTO-1595

(Rev. 10/02)

OMB No. 0651-0027 (exp. 6/30/2005)

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102387667

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Centricity, Inc.

3-1003

2. Name and address of receiving party(ies)

Name: David L. Redmond

Internal Address: _____

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

3. Nature of conveyance:

☐

Assignment

☐

Merger

☐

Security Agreement

☐

Change of Name

☒

Other Secured Convertible Demand Note

Street Address: 2514 Prospect Road

City: Tampa State: FL Zip: 33629

Execution Date: October 15, 2001

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

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

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s) 09/532,101

B. Patent No.(s) _____

Additional numbers attached? ☐ Yes ☒ No

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

Name: Christopher S. Tuttle, Esq.

Internal Address: Kolisch Hartwell, P.C.

Street Address: 520 S.W. Yamhill Street, Suite 200

City: Portland State: OR Zip: 97204

6. Total number of applications and patents involved: 1

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

☒

Enclosed

☐

Authorized to be charged to deposit account

8. Deposit account number: _____

OFFICE OF PUBLIC RECORDS
2003 MAR 10 PM 3:50
FINANCE SECTION

03/11/2003 DBYRNE 00000091 09532101

DO NOT USE THIS SPACE

01 FC:8429. Signature.

40.00

Christopher S. Tuttle, Esq.

Name of Person Signing

Signature

March 3, 2003

Date

Total number of pages including cover sheet, attachments, and documents: 27

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231PATENT
REEL: 013822 FRAME: 0538

RECORDATION FORM COVER SHEET
-- CONTINUATION PAGE --

Serial No. 09/532,101

Continuation of Item No. 2.

Name of Receiving Party(ies):

Michael O'Dell
3143 Cobb Hill Lane
Oakton, Virginia 22124

Oliver P. MacKinnon, Jr.
87 White Oak Road
Fairfield, Connecticut 06430

W. Seymour Holt
6200 Courtney Campbell Causeway, Suite 880
Tampa, Florida 33607

Fernwood Direct Investment Fund, LLC
88 Broad Street
Boston, Massachusetts 02110

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, ASSIGNED OR TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, UNLESS THE COMPANY HAS RECEIVED THE WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY TO THE EFFECT THAT SUCH SALE, ASSIGNMENT OR TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS.

CENTRICITY, INC.

SECURED CONVERTIBLE DEMAND NOTE

Lake Oswego, Oregon
\$50,001

October 15, 2001

For value received, CENTRICITY, INC., an Oregon corporation (the "Company"), hereby unconditionally promises to pay to the order of David L. Redmond or registered assigns (the "Payee") the principal sum of up to Fifty Thousand One and 00/100 Dollars (\$50,001), reflecting the unpaid principal amount of all loans made by the Payee to the Company under this Note and reflected on the Schedule attached hereto, together with interest thereon, and Premium (as defined in the Agreement (as hereinafter defined)), if any, all as hereinafter provided, if not converted pursuant to the Agreement. Such principal sum, together with all interest incurred thereon, Premium, if any, and all other fees and costs, shall be due and payable upon the earlier of: (a) demand by holders of at least 67% of the aggregate outstanding principal of the Notes (as defined in the Agreement), (b) a Liquidation Event (as defined in the Agreement), or (c) the closing of an equity financing of the Company, subject to earlier acceleration upon the occurrence of an Event of Default (as such term is defined below).

Prior to the date upon which the balance of this Note becomes due and payable as described herein (the "Payment Due Date") and after the Payment Due Date, the unpaid principal balance outstanding on all advances, from time to time, hereunder shall accrue interest at a rate equal to twelve percent (12%) per annum. Interest shall be compounded annually and shall be computed on the basis of a 360-day year and a 30-day month. Notwithstanding any other provision of this Note, the Payee does not intend to charge and the Company shall not be required to pay any interest or other fees or charges in excess of the maximum permitted by applicable law; any payments in excess of such maximum shall be refunded to the Company or credited to reduce principal hereunder. All payments received by the Payee hereunder will be applied first to costs of collection and fees, if any, then to interest and premium, if any, and the balance to principal.

The Company may not make payment to Payee with respect to this Note unless, simultaneously therewith, the Company makes payments to all of the other Lenders pro rata, based on each Lender's portion of the aggregate principal balance of all of the Loans outstanding immediately prior to such payment. In the event of partial prepayment, such prepayment shall

first be credited to accrued interest and premium, if any, and the balance, if any, shall be credited to principal.

All principal plus accrued and unpaid interest on the Note shall be immediately due and payable upon notice in writing from Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company, without presentment, demand, protest, or notice, upon the occurrence of an any one or more of the following events (each, an "Event of Default"): (a) failure of the Company to pay any amount when due hereunder; (b) dissolution, merger, consolidation, termination of existence, suspension or discontinuance of business, ceasing to operate as a going concern, or business failure of the Company; (c) the entry of any judgment or order against the Company for the payment of money in an amount in excess of \$25,000, if the same is not satisfied or enforcement proceedings are not stayed within thirty (30) days or if, within thirty (30) days after the expiration of any such stay, the judgment or order is not dismissed, discharged or satisfied; (d) the appointment of a receiver, trustee, custodian or similar official, for the Company or any property or assets of the Company; (e) the conveyance of any or all assets to a trustee, mortgagee or liquidating agent or assignment for the benefit of creditors by the Company; (f) the commencement of any proceeding, whether federal or state, relating to bankruptcy, insolvency, dissolution, reorganization, composition, renegotiation of outstanding indebtedness, arrangement or otherwise to the relief of debtors or the readjustment of indebtedness, by or against the Company, which is not stayed, vacated or released within thirty (30) days of commencement; or (g) a material breach of the Agreement that is not cured within thirty (30) days of the Company's awareness of such breach. All accrued and unpaid interest on the Note shall be paid upon payment of the principal of the Note, whether by demand, or upon acceleration as provided herein, or otherwise. At the time that the payment of the balance of this Note becomes due, the Payee may proceed with every remedy available at law or in equity. The enumeration of the Events of Default above shall not serve to limit the right of the Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company to demand payment of the Notes in the absence of an Event of Default, as set forth in the first paragraph of this Note.

This Note is secured by, and entitled to the benefits of, the Security Agreement. This reference to the Security Agreement shall not affect or impair the absolute and unconditional obligation of the Company to pay all principal and interest and premium, if any, under this Note upon demand or as otherwise provided herein.

This Note is issued pursuant to and is entitled to the benefits of a certain Bridge Loan Agreement, dated as of October 10, 2001, by and among the Company and the lenders named therein (the "Agreement"), the terms of which are incorporated herein, and each holder of this Note, by his, her or its acceptance hereof, agrees to be bound by the provisions of the Agreement. Without limiting the foregoing, the holder of this Note is entitled to exercise either the equity conversion rights or right to a Premium as set forth in Section 1.9 of the Agreement.

Principal and interest and Premium, if any, shall be payable in lawful money of the United States of America, at the address of the Payee set forth in the Agreement or at such other address as the Payee or any subsequent holder may designate from time to time to the Company in writing. If any day on which a payment is due pursuant to the terms of this Note is not a

Business Day (as such term is defined in the Agreement), such payment shall be due on the next Business Day following.

Upon surrender of this Note for transfer or exchange, a new note or new notes of the same tenor dated the date to which interest has been paid on the surrendered Note and in an aggregate principal amount equal to the unpaid principal amount of the Note so surrendered will be issued to, and registered in the name of, the transferor or transferees. The Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes.

In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

In case any payment herein provided for shall not be paid when due, the Company promises to pay all costs of collection or enforcement of this Note, including, without limitation, court costs and all reasonable attorney's fees and expenses incurred or paid by the Payee in enforcing the obligations of the Company.

This Note may be not be prepaid without the prior written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding.

All notices to the Company and the Payee required or permitted hereunder shall be made in accordance with the Agreement.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oregon.

Whenever used herein, the terms "Company" and "Payee" shall be deemed to include, to the extent applicable, the successors and assigns of such parties; provided, however, that the obligations of the Company under this Note may not be assigned without the express written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Purchase Agreement and then outstanding, which consent may be withheld in the sole and absolute discretion of such Payee or holder.

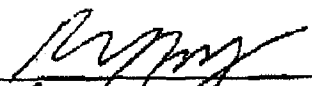
The Company and all endorers of this Note herein waive presentment, notice of nonpayment, protest and all other demand and notices in connection with the delivery, acceptance, performance or enforcement of this Note.

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[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Company has executed this Secured Convertible Demand
Note as of the date and year first written above.

CENTRICITY, INC.

By: 
Name: R. Lynn Nye Jr.
Title: CEO + PRESIDENT

SCHEDULE TO PROMISSORY NOTE

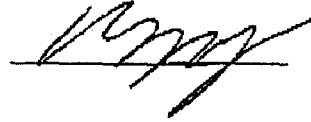
Amount of
Loan

Date of
Loan

Signature of
Company

\$50,001

10/15/01



\$ _____

\$ _____

\$ _____

\$ _____

Payments on
Loan

15115686.1

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, ASSIGNED OR TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, UNLESS THE COMPANY HAS RECEIVED THE WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY TO THE EFFECT THAT SUCH SALE, ASSIGNMENT OR TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS.

CENTRICITY, INC.

SECURED CONVERTIBLE DEMAND NOTE

Lake Oswego, Oregon
\$100,000

October 15, 2001

For value received, CENTRICITY, INC., an Oregon corporation (the "Company"), hereby unconditionally promises to pay to the order of Michael O'Dell or registered assigns (the "Payee") the principal sum of up to One Hundred Thousand and 00/100 Dollars (\$100,000), reflecting the unpaid principal amount of all loans made by the Payee to the Company under this Note and reflected on the Schedule attached hereto, together with interest thereon, and Premium (as defined in the Agreement (as hereinafter defined)), if any, all as hereinafter provided, if not converted pursuant to the Agreement. Such principal sum, together with all interest incurred thereon, Premium, if any, and all other fees and costs, shall be due and payable upon the earlier of: (a) demand by holders of at least 67% of the aggregate outstanding principal of the Notes (as defined in the Agreement), (b) a Liquidation Event (as defined in the Agreement), or (c) the closing of an equity financing of the Company, subject to earlier acceleration upon the occurrence of an Event of Default (as such term is defined below).

Prior to the date upon which the balance of this Note becomes due and payable as described herein (the "Payment Due Date") and after the Payment Due Date, the unpaid principal balance outstanding on all advances, from time to time, hereunder shall accrue interest at a rate equal to twelve percent (12%) per annum. Interest shall be compounded annually and shall be computed on the basis of a 360-day year and a 30-day month. Notwithstanding any other provision of this Note, the Payee does not intend to charge and the Company shall not be required to pay any interest or other fees or charges in excess of the maximum permitted by applicable law; any payments in excess of such maximum shall be refunded to the Company or credited to reduce principal hereunder. All payments received by the Payee hereunder will be applied first to costs of collection and fees, if any, then to interest and premium, if any, and the balance to principal.

The Company may not make payment to Payee with respect to this Note unless, simultaneously therewith, the Company makes payments to all of the other Lenders pro rata, based on each Lender's portion of the aggregate principal balance of all of the Loans outstanding immediately prior to such payment. In the event of partial prepayment, such prepayment shall

first be credited to accrued interest and premium, if any, and the balance, if any, shall be credited to principal.

All principal plus accrued and unpaid interest on the Note shall be immediately due and payable upon notice in writing from Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company, without presentment, demand, protest, or notice, upon the occurrence of an any one or more of the following events (each, an "Event of Default"): (a) failure of the Company to pay any amount when due hereunder; (b) dissolution, merger, consolidation, termination of existence, suspension or discontinuance of business, ceasing to operate as a going concern, or business failure of the Company; (c) the entry of any judgment or order against the Company for the payment of money in an amount in excess of \$25,000, if the same is not satisfied or enforcement proceedings are not stayed within thirty (30) days or if, within thirty (30) days after the expiration of any such stay, the judgment or order is not dismissed, discharged or satisfied; (d) the appointment of a receiver, trustee, custodian or similar official, for the Company or any property or assets of the Company; (e) the conveyance of any or all assets to a trustee, mortgagee or liquidating agent or assignment for the benefit of creditors by the Company; (f) the commencement of any proceeding, whether federal or state, relating to bankruptcy, insolvency, dissolution, reorganization, composition, renegotiation of outstanding indebtedness, arrangement or otherwise to the relief of debtors or the readjustment of indebtedness, by or against the Company, which is not stayed, vacated or released within thirty (30) days of commencement; or (g) a material breach of the Agreement that is not cured within thirty (30) days of the Company's awareness of such breach. All accrued and unpaid interest on the Note shall be paid upon payment of the principal of the Note, whether by demand, or upon acceleration as provided herein, or otherwise. At the time that the payment of the balance of this Note becomes due, the Payee may proceed with every remedy available at law or in equity. The enumeration of the Events of Default above shall not serve to limit the right of the Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company to demand payment of the Notes in the absence of an Event of Default, as set forth in the first paragraph of this Note.

This Note is secured by, and entitled to the benefits of, the Security Agreement. This reference to the Security Agreement shall not affect or impair the absolute and unconditional obligation of the Company to pay all principal and interest and premium, if any, under this Note upon demand or as otherwise provided herein.

This Note is issued pursuant to and is entitled to the benefits of a certain Bridge Loan Agreement, dated as of October 10, 2001, by and among the Company and the lenders named therein (the "Agreement"), the terms of which are incorporated herein, and each holder of this Note, by his, her or its acceptance hereof, agrees to be bound by the provisions of the Agreement. Without limiting the foregoing, the holder of this Note is entitled to exercise either the equity conversion rights or right to a Premium as set forth in Section 1.9 of the Agreement.

Principal and interest and Premium, if any, shall be payable in lawful money of the United States of America, at the address of the Payee set forth in the Agreement or at such other address as the Payee or any subsequent holder may designate from time to time to the Company in writing. If any day on which a payment is due pursuant to the terms of this Note is not a

Business Day (as such term is defined in the Agreement), such payment shall be due on the next Business Day following.

Upon surrender of this Note for transfer or exchange, a new note or new notes of the same tenor dated the date to which interest has been paid on the surrendered Note and in an aggregate principal amount equal to the unpaid principal amount of the Note so surrendered will be issued to, and registered in the name of, the transferor or transferees. The Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes.

In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

In case any payment herein provided for shall not be paid when due, the Company promises to pay all costs of collection or enforcement of this Note, including, without limitation, court costs and all reasonable attorney's fees and expenses incurred or paid by the Payee in enforcing the obligations of the Company.

This Note may be not be prepaid without the prior written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding.

All notices to the Company and the Payee required or permitted hereunder shall be made in accordance with the Agreement.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oregon.

Whenever used herein, the terms "Company" and "Payee" shall be deemed to include, to the extent applicable, the successors and assigns of such parties; provided, however, that the obligations of the Company under this Note may not be assigned without the express written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Purchase Agreement and then outstanding, which consent may be withheld in the sole and absolute discretion of such Payee or holder.


The Company and all endorers of this Note herein waive presentment, notice of nonpayment, protest and all other demand and notices in connection with the delivery, acceptance, performance or enforcement of this Note.

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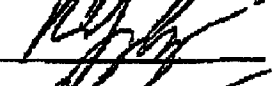
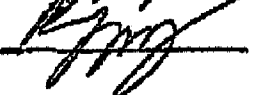
[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Company has executed this Secured Convertible Demand
Note as of the date and year first written above.

CENTRICITY, INC.

By: 
Name: R. Lynn Nye III
Title: CEO & PRESIDENT

SCHEDULE TO PROMISSORY NOTE

<u>Amount of</u> <u>Loan</u>	<u>Date of</u> <u>Loan</u>	<u>Signature of</u> <u>Company</u>
\$50,000	10/15/01	
\$25,000	11/28/01	
\$24,999	12/20/01	
\$ _____	_____	_____
\$ _____	_____	_____

Payments on
Loan

15115585.1

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, ASSIGNED OR TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, UNLESS THE COMPANY HAS RECEIVED THE WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY TO THE EFFECT THAT SUCH SALE, ASSIGNMENT OR TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS.

CENTRICITY, INC.

SECURED CONVERTIBLE DEMAND NOTE

Lake Oswego, Oregon
\$100,000

October 15, 2001

For value received, CENTRICITY, INC., an Oregon corporation (the "Company"), hereby unconditionally promises to pay to the order of Oliver P. MacKinnon, Jr. or registered assigns (the "Payee") the principal sum of up to One Hundred Thousand and 00/100 Dollars (\$100,000), reflecting the unpaid principal amount of all loans made by the Payee to the Company under this Note and reflected on the Schedule attached hereto, together with interest thereon, and Premium (as defined in the Agreement (as hereinafter defined)), if any, all as hereinafter provided, if not converted pursuant to the Agreement. Such principal sum, together with all interest incurred thereon, Premium, if any, and all other fees and costs, shall be due and payable upon the earlier of: (a) demand by holders of at least 67% of the aggregate outstanding principal of the Notes (as defined in the Agreement), (b) a Liquidation Event (as defined in the Agreement), or (c) the closing of an equity financing of the Company, subject to earlier acceleration upon the occurrence of an Event of Default (as such term is defined below).

Prior to the date upon which the balance of this Note becomes due and payable as described herein (the "Payment Due Date") and after the Payment Due Date, the unpaid principal balance outstanding on all advances, from time to time, hereunder shall accrue interest at a rate equal to twelve percent (12%) per annum. Interest shall be compounded annually and shall be computed on the basis of a 360-day year and a 30-day month. Notwithstanding any other provision of this Note, the Payee does not intend to charge and the Company shall not be required to pay any interest or other fees or charges in excess of the maximum permitted by applicable law; any payments in excess of such maximum shall be refunded to the Company or credited to reduce principal hereunder. All payments received by the Payee hereunder will be applied first to costs of collection and fees, if any, then to interest and premium, if any, and the balance to principal.

The Company may not make payment to Payee with respect to this Note unless, simultaneously therewith, the Company makes payments to all of the other Lenders pro rata, based on each Lender's portion of the aggregate principal balance of all of the Loans outstanding immediately prior to such payment. In the event of partial prepayment, such prepayment shall

first be credited to accrued interest and premium, if any, and the balance, if any, shall be credited to principal.

All principal plus accrued and unpaid interest on the Note shall be immediately due and payable upon notice in writing from Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company, without presentment, demand, protest, or notice, upon the occurrence of an any one or more of the following events (each, an "Event of Default"): (a) failure of the Company to pay any amount when due hereunder; (b) dissolution, merger, consolidation, termination of existence, suspension or discontinuance of business, ceasing to operate as a going concern, or business failure of the Company; (c) the entry of any judgment or order against the Company for the payment of money in an amount in excess of \$25,000, if the same is not satisfied or enforcement proceedings are not stayed within thirty (30) days or if, within thirty (30) days after the expiration of any such stay, the judgment or order is not dismissed, discharged or satisfied; (d) the appointment of a receiver, trustee, custodian or similar official, for the Company or any property or assets of the Company; (e) the conveyance of any or all assets to a trustee, mortgagee or liquidating agent or assignment for the benefit of creditors by the Company; (f) the commencement of any proceeding, whether federal or state, relating to bankruptcy, insolvency, dissolution, reorganization, composition, renegotiation of outstanding indebtedness, arrangement or otherwise to the relief of debtors or the readjustment of indebtedness, by or against the Company, which is not stayed, vacated or released within thirty (30) days of commencement; or (g) a material breach of the Agreement that is not cured within thirty (30) days of the Company's awareness of such breach. All accrued and unpaid interest on the Note shall be paid upon payment of the principal of the Note, whether by demand, or upon acceleration as provided herein, or otherwise. At the time that the payment of the balance of this Note becomes due, the Payee may proceed with every remedy available at law or in equity. The enumeration of the Events of Default above shall not serve to limit the right of the Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company to demand payment of the Notes in the absence of an Event of Default, as set forth in the first paragraph of this Note.

This Note is secured by, and entitled to the benefits of, the Security Agreement. This reference to the Security Agreement shall not affect or impair the absolute and unconditional obligation of the Company to pay all principal and interest and premium, if any, under this Note upon demand or as otherwise provided herein.

This Note is issued pursuant to and is entitled to the benefits of a certain Bridge Loan Agreement, dated as of October 10, 2001, by and among the Company and the lenders named therein (the "Agreement"), the terms of which are incorporated herein, and each holder of this Note, by his, her or its acceptance hereof, agrees to be bound by the provisions of the Agreement. Without limiting the foregoing, the holder of this Note is entitled to exercise either the equity conversion rights or right to a Premium as set forth in Section 1.9 of the Agreement.

Principal and interest and Premium, if any, shall be payable in lawful money of the United States of America, at the address of the Payee set forth in the Agreement or at such other address as the Payee or any subsequent holder may designate from time to time to the Company in writing. If any day on which a payment is due pursuant to the terms of this Note is not a

Business Day (as such term is defined in the Agreement), such payment shall be due on the next Business Day following.

Upon surrender of this Note for transfer or exchange, a new note or new notes of the same tenor dated the date to which interest has been paid on the surrendered Note and in an aggregate principal amount equal to the unpaid principal amount of the Note so surrendered will be issued to, and registered in the name of, the transferor or transferees. The Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes.

In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

In case any payment herein provided for shall not be paid when due, the Company promises to pay all costs of collection or enforcement of this Note, including, without limitation, court costs and all reasonable attorney's fees and expenses incurred or paid by the Payee in enforcing the obligations of the Company.

This Note may be not be prepaid without the prior written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding.

All notices to the Company and the Payee required or permitted hereunder shall be made in accordance with the Agreement.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oregon.

Whenever used herein, the terms "Company" and "Payee" shall be deemed to include, to the extent applicable, the successors and assigns of such parties; provided, however, that the obligations of the Company under this Note may not be assigned without the express written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Purchase Agreement and then outstanding, which consent may be withheld in the sole and absolute discretion of such Payee or holder.

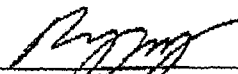
The Company and all endorser of this Note herein waive presentment, notice of nonpayment, protest and all other demand and notices in connection with the delivery, acceptance, performance or enforcement of this Note.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Company has executed this Secured Convertible Demand
Note as of the date and year first written above.

CENTRICITY, INC.

By: 
Name: R. Lynn Hye Jr.
Title: CEO + PRESIDENT

SCHEDULE TO PROMISSORY NOTE

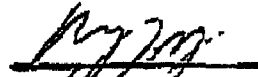
Amount of
Loan

Date of
Loan

Signature of
Company

\$50,001

10/15/01



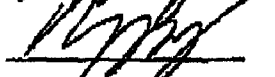
\$25,000

11/23/01



\$24,999

12/20/01



\$ _____

\$ _____

Payments on
Loan

15115686.7

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, ASSIGNED OR TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, UNLESS THE COMPANY HAS RECEIVED THE WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY TO THE EFFECT THAT SUCH SALE, ASSIGNMENT OR TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS.

CENTRICITY, INC.

SECURED CONVERTIBLE DEMAND NOTE

Lake Oswego, Oregon
\$100,000

October 15, 2001

For value received, CENTRICITY, INC., an Oregon corporation (the "Company"), hereby unconditionally promises to pay to the order of W. Seymour Holt or registered assigns (the "Payee") the principal sum of up to One Hundred Thousand and 00/100 Dollars (\$100,000), reflecting the unpaid principal amount of all loans made by the Payee to the Company under this Note and reflected on the Schedule attached hereto, together with interest thereon, and Premium (as defined in the Agreement (as hereinafter defined)), if any, all as hereinafter provided, if not converted pursuant to the Agreement. Such principal sum, together with all interest incurred thereon, Premium, if any, and all other fees and costs, shall be due and payable upon the earlier of: (a) demand by holders of at least 67% of the aggregate outstanding principal of the Notes (as defined in the Agreement), (b) a Liquidation Event (as defined in the Agreement), or (c) the closing of an equity financing of the Company, subject to earlier acceleration upon the occurrence of an Event of Default (as such term is defined below).

Prior to the date upon which the balance of this Note becomes due and payable as described herein (the "Payment Due Date") and after the Payment Due Date, the unpaid principal balance outstanding on all advances, from time to time, hereunder shall accrue interest at a rate equal to twelve percent (12%) per annum. Interest shall be compounded annually and shall be computed on the basis of a 360-day year and a 30-day month. Notwithstanding any other provision of this Note, the Payee does not intend to charge and the Company shall not be required to pay any interest or other fees or charges in excess of the maximum permitted by applicable law; any payments in excess of such maximum shall be refunded to the Company or credited to reduce principal hereunder. All payments received by the Payee hereunder will be applied first to costs of collection and fees, if any, then to interest and premium, if any, and the balance to principal.

The Company may not make payment to Payee with respect to this Note unless, simultaneously therewith, the Company makes payments to all of the other Lenders pro rata, based on each Lender's portion of the aggregate principal balance of all of the Loans outstanding immediately prior to such payment. In the event of partial prepayment, such prepayment shall

first be credited to accrued interest and premium, if any, and the balance, if any, shall be credited to principal.

All principal plus accrued and unpaid interest on the Note shall be immediately due and payable upon notice in writing from Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company, without presentment, demand, protest, or notice, upon the occurrence of an any one or more of the following events (each, an "Event of Default"): (a) failure of the Company to pay any amount when due hereunder; (b) dissolution, merger, consolidation, termination of existence, suspension or discontinuance of business, ceasing to operate as a going concern, or business failure of the Company; (c) the entry of any judgment or order against the Company for the payment of money in an amount in excess of \$25,000, if the same is not satisfied or enforcement proceedings are not stayed within thirty (30) days or if, within thirty (30) days after the expiration of any such stay, the judgment or order is not dismissed, discharged or satisfied; (d) the appointment of a receiver, trustee, custodian or similar official, for the Company or any property or assets of the Company; (e) the conveyance of any or all assets to a trustee, mortgagee or liquidating agent or assignment for the benefit of creditors by the Company; (f) the commencement of any proceeding, whether federal or state, relating to bankruptcy, insolvency, dissolution, reorganization, composition, renegotiation of outstanding indebtedness, arrangement or otherwise to the relief of debtors or the readjustment of indebtedness, by or against the Company, which is not stayed, vacated or released within thirty (30) days of commencement; or (g) a material breach of the Agreement that is not cured within thirty (30) days of the Company's awareness of such breach. All accrued and unpaid interest on the Note shall be paid upon payment of the principal of the Note, whether by demand, or upon acceleration as provided herein, or otherwise. At the time that the payment of the balance of this Note becomes due, the Payee may proceed with every remedy available at law or in equity. The enumeration of the Events of Default above shall not serve to limit the right of the Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company to demand payment of the Notes in the absence of an Event of Default, as set forth in the first paragraph of this Note.

This Note is secured by, and entitled to the benefits of, the Security Agreement. This reference to the Security Agreement shall not affect or impair the absolute and unconditional obligation of the Company to pay all principal and interest and premium, if any, under this Note upon demand or as otherwise provided herein.

This Note is issued pursuant to and is entitled to the benefits of a certain Bridge Loan Agreement, dated as of October 10, 2001, by and among the Company and the lenders named therein (the "Agreement"), the terms of which are incorporated herein, and each holder of this Note, by his, her or its acceptance hereof, agrees to be bound by the provisions of the Agreement. Without limiting the foregoing, the holder of this Note is entitled to exercise either the equity conversion rights or right to a Premium as set forth in Section 1.9 of the Agreement.

Principal and interest and Premium, if any, shall be payable in lawful money of the United States of America, at the address of the Payee set forth in the Agreement or at such other address as the Payee or any subsequent holder may designate from time to time to the Company in writing. If any day on which a payment is due pursuant to the terms of this Note is not a

Business Day (as such term is defined in the Agreement), such payment shall be due on the next Business Day following.

Upon surrender of this Note for transfer or exchange, a new note or new notes of the same tenor dated the date to which interest has been paid on the surrendered Note and in an aggregate principal amount equal to the unpaid principal amount of the Note so surrendered will be issued to, and registered in the name of, the transferor or transferees. The Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes.

In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

In case any payment herein provided for shall not be paid when due, the Company promises to pay all costs of collection or enforcement of this Note, including, without limitation, court costs and all reasonable attorney's fees and expenses incurred or paid by the Payee in enforcing the obligations of the Company.

This Note may be not be prepaid without the prior written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding.

All notices to the Company and the Payee required or permitted hereunder shall be made in accordance with the Agreement.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oregon.

Whenever used herein, the terms "Company" and "Payee" shall be deemed to include, to the extent applicable, the successors and assigns of such parties; provided, however, that the obligations of the Company under this Note may not be assigned without the express written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Purchase Agreement and then outstanding, which consent may be withheld in the sole and absolute discretion of such Payee or holder.


The Company and all endorsers of this Note herein waive presentment, notice of nonpayment, protest and all other demand and notices in connection with the delivery, acceptance, performance or enforcement of this Note.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Company has executed this Secured Convertible Demand
Note as of the date and year first written above.

CENTRICITY, INC.

By: 
Name: R Lynd Nye Jr
Title: CEO + President

SCHEDULE TO PROMISSORY NOTE

Amount of
Loan

Date of
Loan

Signature of
Company

\$50,001

10/15/01



\$25,000

11/28/01



\$24,999

12/20/01



\$ _____

\$ _____

Payments on
Loan

15115586.7

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, ASSIGNED OR TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, UNLESS THE COMPANY HAS RECEIVED THE WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY TO THE EFFECT THAT SUCH SALE, ASSIGNMENT OR TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION OF SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS.

CENTRICITY, INC.

SECURED CONVERTIBLE DEMAND NOTE

Lake Oswego, Oregon
\$100,000

October 15, 2001

For value received, CENTRICITY, INC., an Oregon corporation (the "Company"), hereby unconditionally promises to pay to the order of Fernwood Direct Investment Fund, LLC or registered assigns (the "Payee") the principal sum of up to One Hundred Thousand and 00/100 Dollars (\$100,000), reflecting the unpaid principal amount of all loans made by the Payee to the Company under this Note and reflected on the Schedule attached hereto, together with interest thereon, and Premium (as defined in the Agreement (as hereinafter defined)), if any, all as hereinafter provided, if not converted pursuant to the Agreement. Such principal sum, together with all interest incurred thereon, Premium, if any, and all other fees and costs, shall be due and payable upon the earlier of: (a) demand by holders of at least 67% of the aggregate outstanding principal of the Notes (as defined in the Agreement), (b) a Liquidation Event (as defined in the Agreement), or (c) the closing of an equity financing of the Company, subject to earlier acceleration upon the occurrence of an Event of Default (as such term is defined below).

Prior to the date upon which the balance of this Note becomes due and payable as described herein (the "Payment Due Date") and after the Payment Due Date, the unpaid principal balance outstanding on all advances, from time to time, hereunder shall accrue interest at a rate equal to twelve percent (12%) per annum. Interest shall be compounded annually and shall be computed on the basis of a 360-day year and a 30-day month. Notwithstanding any other provision of this Note, the Payee does not intend to charge and the Company shall not be required to pay any interest or other fees or charges in excess of the maximum permitted by applicable law; any payments in excess of such maximum shall be refunded to the Company or credited to reduce principal hereunder. All payments received by the Payee hereunder will be applied first to costs of collection and fees, if any, then to interest and premium, if any, and the balance to principal.

The Company may not make payment to Payee with respect to this Note unless, simultaneously therewith, the Company makes payments to all of the other Lenders pro rata, based on each Lender's portion of the aggregate principal balance of all of the Loans outstanding immediately prior to such payment. In the event of partial prepayment, such prepayment shall

first be credited to accrued interest and premium, if any, and the balance, if any, shall be credited to principal.

All principal plus accrued and unpaid interest on the Note shall be immediately due and payable upon notice in writing from Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company, without presentment, demand, protest, or notice, upon the occurrence of an any one or more of the following events (each, an "Event of Default"): (a) failure of the Company to pay any amount when due hereunder; (b) dissolution, merger, consolidation, termination of existence, suspension or discontinuance of business, ceasing to operate as a going concern, or business failure of the Company; (c) the entry of any judgment or order against the Company for the payment of money in an amount in excess of \$25,000, if the same is not satisfied or enforcement proceedings are not stayed within thirty (30) days or if, within thirty (30) days after the expiration of any such stay, the judgment or order is not dismissed, discharged or satisfied; (d) the appointment of a receiver, trustee, custodian or similar official, for the Company or any property or assets of the Company; (e) the conveyance of any or all assets to a trustee, mortgagee or liquidating agent or assignment for the benefit of creditors by the Company; (f) the commencement of any proceeding, whether federal or state, relating to bankruptcy, insolvency, dissolution, reorganization, composition, renegotiation of outstanding indebtedness, arrangement or otherwise to the relief of debtors or the readjustment of indebtedness, by or against the Company, which is not stayed, vacated or released within thirty (30) days of commencement; or (g) a material breach of the Agreement that is not cured within thirty (30) days of the Company's awareness of such breach. All accrued and unpaid interest on the Note shall be paid upon payment of the principal of the Note, whether by demand, or upon acceleration as provided herein, or otherwise. At the time that the payment of the balance of this Note becomes due, the Payee may proceed with every remedy available at law or in equity. The enumeration of the Events of Default above shall not serve to limit the right of the Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding to the Company to demand payment of the Notes in the absence of an Event of Default, as set forth in the first paragraph of this Note.

This Note is secured by, and entitled to the benefits of, the Security Agreement. This reference to the Security Agreement shall not affect or impair the absolute and unconditional obligation of the Company to pay all principal and interest and premium, if any, under this Note upon demand or as otherwise provided herein.

This Note is issued pursuant to and is entitled to the benefits of a certain Bridge Loan Agreement, dated as of October 10, 2001, by and among the Company and the lenders named therein (the "Agreement"), the terms of which are incorporated herein, and each holder of this Note, by his, her or its acceptance hereof, agrees to be bound by the provisions of the Agreement. Without limiting the foregoing, the holder of this Note is entitled to exercise either the equity conversion rights or right to a Premium as set forth in Section 1.9 of the Agreement.

Principal and interest and Premium, if any, shall be payable in lawful money of the United States of America, at the address of the Payee set forth in the Agreement or at such other address as the Payee or any subsequent holder may designate from time to time to the Company in writing. If any day on which a payment is due pursuant to the terms of this Note is not a

Business Day (as such term is defined in the Agreement), such payment shall be due on the next Business Day following.

Upon surrender of this Note for transfer or exchange, a new note or new notes of the same tenor dated the date to which interest has been paid on the surrendered Note and in an aggregate principal amount equal to the unpaid principal amount of the Note so surrendered will be issued to, and registered in the name of, the transferor or transferees. The Company may treat the person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes.

In the event any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Note operate or would prospectively operate to invalidate this Note, then and in any such event, such provision(s) only shall be deemed null and void and shall not affect any other provision of this Note and the remaining provisions of this Note shall remain operative and in full force and effect and in no way shall be affected, prejudiced, or disturbed thereby.

In case any payment herein provided for shall not be paid when due, the Company promises to pay all costs of collection or enforcement of this Note, including, without limitation, court costs and all reasonable attorney's fees and expenses incurred or paid by the Payee in enforcing the obligations of the Company.

This Note may be not be prepaid without the prior written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Agreement and then outstanding.

All notices to the Company and the Payee required or permitted hereunder shall be made in accordance with the Agreement.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oregon.

Whenever used herein, the terms "Company" and "Payee" shall be deemed to include, to the extent applicable, the successors and assigns of such parties; provided, however, that the obligations of the Company under this Note may not be assigned without the express written consent of Lenders holding at least 67% of the principal amount of the Notes issued pursuant to the Purchase Agreement and then outstanding, which consent may be withheld in the sole and absolute discretion of such Payee or holder.

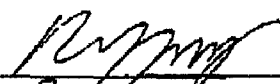
The Company and all endorsers of this Note herein waive presentment, notice of nonpayment, protest and all other demand and notices in connection with the delivery, acceptance, performance or enforcement of this Note.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, the Company has executed this Secured Convertible Demand
Note as of the date and year first written above.

CENTRICITY, INC.

By: 
Name: R. Lynn Nye III
Title: CEO & PRESIDENT

SCHEDULE TO PROMISSORY NOTE

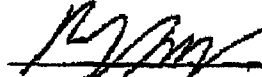
Amount of
Loan

Date of
Loan

Signature of
Company

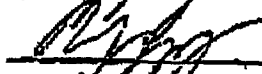
\$50,001

10/15/01



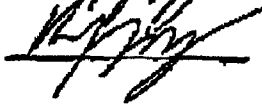
\$25,000

11/28/01



\$24,999

12/20/01



\$ _____

\$ _____

Payments on
Loan

15115536.1