01/26/2006
SEP 1 2 2005
700239491
09-15-2005

Form PTO-1595 (Rev. 03/05)
OMB No. 0651-0027 (exp. 6/30/2005)

EPARTMENT OF COMMERCE
s Patent and Trademark Office

RECORD/
PA...
103082075

D4

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

1. Name of conveying party(ies)

ROYAL BANK OF CANADA

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

2. Name and address of receiving party(ies)

Name: Priority 1 Security Inc.
Internal Address: c/o Ogilvie LLP
Street Address: 1400, 10303 Jasper Avenue
City: Edmonton
State: Alberta
Country: Canada Zip: T5J 3N6
Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance/Execution Date(s):
Execution Date(s) December 20, 2004

- ☐ Assignment
- ☐ Merger
- ☐ Security Agreement
- ☐ Change of Name
- ☐ Joint Research Agreement
- ☐ Government Interest Assignment
- ☐ Executive Order 9424, Confirmatory License
- ☒ Other Assignment of Debt & Security

4. Application or patent number(s): ☐ This document is being filed together with a new application.

A. Patent Application No.(s)

B. Patent No.(s)

6,741,171

Additional numbers attached? ☐ Yes ☒ No

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

Name: Rod J. Wasylyshyn
Internal Address: Ogilvie LLP
Street Address: 1400, 10303 Jasper Avenue
City: Edmonton
State: Alberta Zip: T5J 3N6
Phone Number: (780) 421-1818
Fax Number: (780) 429-4453
Email Address:

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 1.21(h) & 3.41) $40.00

- ☐ Authorized to be charged by credit card
- ☐ Authorized to be charged to deposit account
- ☒ Enclosed
- ☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number

Authorized User Name

9. Signature:

Signature

September 6, 2005
Date

09/14/2005 DBYRNE 00000189 6741171
01 FC:8021

Rod J. Wasylyshyn
Name of Person Signing

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

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

8-12-05

ASSIGNMENT OF DEBT AND SECURITY

MADE TO TAKE EFFECT THE 29th DAY OF DECEMBER, 2004

BETWEEN:

ROYAL BANK OF CANADA

("Royal Bank")

AND:

PRIORITY 1 SECURITY INC.

("Priority 1")

WHEREAS:

Priority 1 has offered to purchase from Royal Bank any and all indebtedness owing by Phasys Limited ("Phasys") to Royal Bank, together with any security held by Royal Bank;

To the best of the information, knowledge and belief of Royal Bank:

(a) Phasys is indebted to Royal Bank in the amount set out in Schedule "A" to this Assignment ("Phasys Debt");

(b) part of the Phasys Debt is evidenced by the loan agreement dated February 14, 2002 ("Loan Agreement"), a photocopy of which is attached hereto and marked as Schedule "B" to this Assignment;

(c) Royal Bank is the holder of security from Phasys in the form of the General Security Agreement ("Security") which is attached hereto as Schedule "C" to this Assignment.

Priority 1 has offered to pay $25,000.00 to purchase Phasys' Debt and Security;

NOW THEREFORE WITNESSETH THAT, in consideration of the payment of the sum of $25,000.00, the receipt of which is hereby acknowledged by Royal Bank, Royal Bank and Priority 1 agree as follows:

1. Royal Bank does hereby absolutely assign, transfer and deliver to Priority 1 all of Royal Bank's right, title and interest in the Phasys Debt, Loan Agreement and the Security.

2. Royal Bank makes this Assignment of the Phasys Debt, Loan Agreement and Security on a non-recourse basis. That is, there shall be no recourse to Royal Bank of Canada with respect to this Assignment, save for as set out in paragraph 4 below.

3. The parties acknowledge and agree that Royal Bank has made no representations, warranties or promises with respect to this Assignment, other than as set out in paragraph 4 below.

4. Royal Bank hereby represents, warrants and covenants with Priority 1 that it has no knowledge or information that would lead it to believe that:

(a) the Phasys Debt is not owing;

(b) the Loan Agreement is not enforceable;

(c) the Security is not enforceable; or

(d) that Royal Bank is not entitled to enter into this Assignment.

Accordingly, any recourse that Priority 1 has to Royal Bank is limited to Priority 1 establishing that Royal Bank had actual knowledge or information that:

(a) the Phasys Debt was not due and owing;

(b) the Loan Agreement was not enforceable;

(c) the Security was not enforceable; or

(d) Royal Bank could not make the Assignment.

For clarification, such liability is rested upon actual knowledge or information; constructive knowledge or information will not suffice. In such event, Royal Bank's liability to Priority 1 shall be limited to the lesser of the actual damages suffered by Priority 1 and the sum of $25,000.00.

5. Priority 1 agrees that it will immediately inform Phasys of the assignment of the Phasys Debt and Security. Priority 1 also covenants that it will not ever act in the name of Royal Bank and acknowledges that it is not authorized to do so.

6. Priority 1 is hereby authorized to amend any registration Royal Bank has made at Alberta's Personal Property Registry relative to Phasys.

IN WITNESS WHEREOF Royal Bank and Priority 1 have executed this Assignment under the hands of officers or employees authorized in that behalf as of the day and year first above written.

	ROYAL BANK OF CANADA
Witness	Per:
Witness	Per:
	PRIORITY 1 SECURITY INC.
Witness	Per:
Witness	Per:

BPMDOCS|BSUMMERS|532692-1

SCHEDULE "A"

...CLOSE INQ	DEC 10/04	11:48:25
12404190-001	PHASYS LIMITED*	810
DEMAND LOAN		II
INQ EFF DATE	DEC 10/04	
OUTSTANDING LOAN		70,000.00
INTEREST TO DATE		5,387.12
INSURANCE TO DATE		0.00
LOAN CLOSING AMT		75,387.12
AMORT TERM REMAINING		N/A
PER DIEM INTEREST		11.51
PYMT/MAT DATE		N/A
DEFERRED INDICATOR		
FEES OWING		0.00
UNCOLL INTEREST		5,168.49
NET CAPITALIZATION		0.00
DEFERRED INCOME		0.00
EXCESS KILOMETER CHARGE		N/A
STUDENT INTEREST		0.00
INT. REL. MONTHS		
PSED		N/A

CLOSE INQ	DEC 10/04	11:45:31
12404190-002	PHASYS LIMITED	810
DEMAND LOAN		II
INQ EFF DATE	DEC 10/04	
OUTSTANDING LOAN		445.31
INTEREST TO DATE		201.77
INSURANCE TO DATE		0.00
LOAN CLOSING AMT		647.08
AMORT TERM REMAINING		N/A
PER DIEM INTEREST		0.02
PYMT/MAT DATE		SEP 15/03
DEFERRED INDICATOR		

***CLOSE INQ	DEC 10/04	11:49:32
12404190-005	PHASYS LTD REL	810
DEMAND LOAN		RI
INQ EFF DATE	DEC 10/04	
OUTSTANDING LOAN		813.74
INTEREST TO DATE		4.95
INSURANCE TO DATE		0.00
LOAN CLOSING AMT		818.69
AMORT TERM REMAINING		N/A
PER DIEM INTEREST		0.21
PYMT/MAT DATE		N/A
DEFERRED INDICATOR		
FEES OWING		0.00
UNCOLL INTEREST		2.06
NET CAPITALIZATION		0.00
DEFERRED INCOME		0.00
EXCESS KILOMETER CHARGE		N/A
STUDENT INTEREST		0.00
INT. REL. MONTHS		
PSED		N/A

818.69
Plus Realization Costs W/O 5662.75

Total Realization Costs $6481.44

TOTAL P.04

SCHEDULE "B"

[redacted]

To: ROYAL BANK OF CANADA • We hereby apply for the following loan(s): [illegible] TR# [illegible]

[redacted]

Maximum Amount: $75,000.00 Revolvement Account [illegible] Minimum Retained Balance $1,000.00

Interest rate: Royal Bank Prime plus 1.75% per annum payable on the 21st day of each month Minimum Revolvement Amount: $5,000.00

[redacted]

Amount: $ [illegible]

Interest rate: Royal Bank Prime plus 3.00% per annum

Installment payments: $ [illegible] blended principal and interest

Original Amortization: 36 months End date: January 2004

Frequency of payments: Monthly

[redacted]

Monitoring - $125.00 per month - to include Revolving Funds Arrangement Monitoring and Management

Annual Renewal - $250.00

[redacted]

Application for Cheque (10 completed) Date: Feb 14, 2002

X Arranged by Mark Silva By: [signature] By: [signature]

[redacted]

Required Frequency

Review Engagement Financial Statements - Annually — Within 90 days of year end

Profit and Loss, Balance Sheet, Aged Listing of Accounts Receivable and Accounts Payable - Monthly — Within 20 days of month end

Twelve Month Rolling Cash Flow Projections - Quarterly — Within 20 days of quarter end

[redacted]

Bank Form Description

924 General Security Agreement

[redacted]

- it will maintain an annual [illegible] ratio of 1:1 or better;
- it will maintain an annual [illegible] ratio of 1:1 or better; and
- it will maintain a debt service coverage ratio of 1.1 or better.

All ratios to be calculated based on year end financial statements.

This Demand Loan Financing Agreement [illegible] and supersedes any and all previous Demand Loan Financing Agreements. We agree that the Loans will be subject to the Terms and Conditions on the reverse, which are incorporated into and form part of this Agreement. We expressly acknowledge that the Loans will be and remain repayable upon your demand at any time and that you may cancel any undrawn portion of the Loans at any time without prior notice.

Dated the 14th day of February 2002

PRAXYS LIMITED

By: [signature]

By: [signature]

Accepted and agreed
ROYAL BANK OF CANADA

By: [signature]
Form 62 (8/01)
[illegible]

[illegible]

[redacted]

Interest and Fees

[illegible]

Demand Operating Loans

[illegible]

Demand Installment Loan(s)

[illegible]

Evidence of Indebtedness

[illegible]

Debiting of Accounts

[illegible]

Compliance with Law

[illegible]

Expenses

[illegible]

Whole Agreement

[illegible]

Amendments and Waivers

[illegible]

Language

[illegible]

Acknowledgement of Terms and Conditions

[illegible] LIMITED

[illegible]

SCHEDULE "C"