



02-05-1999

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TRADEMARK FEE PROCESS.
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TO: The Commissioner of Patents and

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1 original document(s) or copy

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment
 - Security Agreement
 - Merger
 - Change of Name
 - Other
 - License
 - Nunc Pro Tunc Assignment
- Effective Date
Month Day Year

PATENT &
TRADEMARK OFFICE

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AK/A/T/A

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

- Individual
 - General Partnership
 - Limited Partnership
 - Corporation
 - Association
 - Other
 - Citizenship/State of Incorporation/Organization
- 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 should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

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. 20503

REEL: 1860 FRAME: 0190

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)

Correspondent Name and Address

Area Code and Telephone Number

514-843-7070

Name

CINAR Corporation

Address (line 1)

1055 Rene Levesque Est

Address (line 2)

Montreal (Quebec) H2L 4S5

Address (line 3)

CANADA

Address (line 4)

Pages

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

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

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

Trademark Application Number(s)

Registration Number(s)

74594577

75403708

75278684

1946284

2026296

Number of Properties

Enter the total number of properties involved.

#

5

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

140.00

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

#

01-2510

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.

Carol Lally, Esq.

Name of Person Signing

Carol Lally

Signature

2-5-99

Date Signed

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of February 5, 1999, among WATERWAYS L.P., a Delaware limited partnership ("Waterways"), CINAR CORPORATION, a Canadian corporation (the "Ultimate Parent"), CINAR EDUCATION INC., a Delaware corporation ("Cinar Education"), OCEANVIEW FILMS COMPANY, a Nova Scotia unlimited liability company ("Oceanview"), SEAWAYS, L.L.C., a Delaware limited liability company ("Seaways"), CARSON-DELLOSA PUBLISHING COMPANY, INC., a North Carolina corporation ("CDP"), HIGHREACH LEARNING, INC., a North Carolina corporation ("HLI") and UNIQUE COLLATING SERVICE, INC., a North Carolina corporation ("Unique") (Waterways, the Ultimate Parent, Cinar Education, Oceanview, Seaways, CDP, HLI and Unique are sometimes collectively referred to herein as the "Grantors" and individually as a "Grantor"), and ROYAL BANK OF CANADA, in its capacity as Lender under the Credit Agreement hereinafter defined (the "Lender").

WITNESSETH:

WHEREAS pursuant to that certain Credit Agreement, dated as of January 25, 1999, among Waterways L.P. and Carson-Dellosa Publishing Company, Inc., as Borrowers, the other Credit Parties (as defined therein) signatory thereto and the Lender (including all annexes, exhibits and schedules thereto, as amended by a First Amendment to Credit Agreement dated the date hereof and as may be from time to time further amended or restated, supplemented or otherwise modified, the "Credit Agreement"), the Lender has agreed to make the Advances:

WHEREAS, each Grantor herein is a party to the Credit Agreement, benefiting from the Credit Facilities made available to the Borrowers thereunder; and

WHEREAS, in order to induce the Lender to enter into the Credit Agreement and the other Loan Documents and to induce the Lender to make the Advances as provided for in the Credit Agreement, the Grantors have agreed to grant a continuing Lien on the Collateral (as hereinafter defined) to secure the Obligations;

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINED TERMS

All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement. All other undefined terms contained in this Security Agreement, unless the context indicates otherwise, have the meanings provided for by the Code to the extent the same are used or defined therein.

2. GRANT OF LIEN

(a) To secure the prompt and complete payment, performance and observance of all of the Obligations (specifically including, without limitation, each Grantor's Obligations arising

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under the cross-guaranty provisions of Section 11 of the Credit Agreement, all Obligations of the Ultimate Parent arising under the Ultimate Parent Guaranty, all obligations of 3416020 Canada Inc. to the Lender under the Credit Agreement and that certain guaranty dated as of January 25, 1999 granted by 3416020 Canada Inc. in respect of the Ultimate Parent's Obligations, and all obligations of each Grantor now or hereafter existing under this Agreement including, without limitation, all fees, costs and expenses whether in connection with collection actions hereunder or otherwise) (collectively, the "Secured Obligations"), each Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to the Lender a continuing security interest in and Lien upon all of its right, title and interest in, to and under all of such Grantor's property of any kind whatsoever, whether now owned or hereafter acquired by such Grantor, including, without limitation, the following property, whether now owned by or owing to, or hereafter acquired by or arising in favor of such Grantor (including under any trade names, styles or derivations thereof), and whether owned or consigned by or to, or leased from or to, such Grantor, and regardless of where located (all of which being hereinafter collectively referred to as the "Collateral"):

- (i) all Accounts;
- (ii) all Chattel Paper;
- (iii) all Contracts;
- (iv) all Documents;
- (v) all Equipment;
- (vi) all Fixtures;
- (vii) all General Intangibles;
- (viii) all goods;
- (ix) all Instruments;
- (x) all Inventory;
- (xi) all Investment Property;
- (xii) all deposit and bank accounts and all deposits therein;
- (xiii) all money, cash or cash equivalents of any Grantor; and
- (xiv) to the extent not otherwise included, all Proceeds and products of the foregoing and all accessions to, substitutions and replacements for, and rents and profits of, each of the foregoing.

(b) In addition, in order to induce the Lender to make the Advances under and pursuant to the Credit Agreement, each Grantor hereby grants to the Lender a right of set-off in, to, under and against any payment obligation of the Lender to such Grantor, whether in the form

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of cash, credit balance, overdraft reserve or right, deposit account or other account and all deposits therein or credits thereto, held by or paid or to be paid to the Lender for the account, on behalf of or in the name of such Grantor for any purpose whatsoever.

3. THE LENDER'S RIGHTS; LIMITATIONS ON THE LENDER'S OBLIGATIONS

(a) It is expressly agreed by the Grantors that, anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of its Contracts and each of its Licenses to observe and perform all the conditions and obligations to be observed and performed by it thereunder. The Lender shall not have any obligation or liability under any Contract or License by reason of or arising out of this Security Agreement or the granting herein of a Lien thereon or the receipt by the Lender of any payment relating to any Contract or License pursuant hereto. The Lender shall not be required or obligated in any manner to perform or fulfill any of the obligations of any Grantor under or pursuant to any Contract or License, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any Contract or License, or to present or file any claims, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(b) The Lender may at any time after a Default or Event of Default shall have occurred and be continuing, without prior notice to any Grantor, notify Account Debtors, parties to the Contracts and obligors in respect of Instruments and Chattel Paper, that the Accounts and the right, title and interest of any Grantor in and under such Contracts, Instruments and Chattel Paper have been assigned to the Lender, and that payments shall be made directly to the Lender. Upon the request of the Lender, each Grantor shall so notify Account Debtors, parties to Contracts and obligors in respect of Instruments and Chattel Paper.

(c) The Lender may at any time in the Lender's own name or in the name of any Grantor communicate with Account Debtors, parties to Contracts, obligors in respect of Instruments and obligors in respect of Chattel Paper to verify with such Persons, to the Lender's satisfaction, the existence, amount and terms of any such Accounts, Contracts, Instruments or Chattel Paper. If a Default or Event of Default shall have occurred and be continuing, each Grantor, at its own expense, shall cause the independent certified public accountants then engaged by such Grantor to prepare and deliver to the Lender at any time and from time to time promptly upon the Lender's request the following reports with respect to each Grantor: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a set verification of such Accounts as the Lender may request. Each Grantor, at its own expense, shall deliver to the Lender the results of each physical verification, if any, which such Grantor may in its discretion have made, or caused any other Person to have made on its behalf, of all or any portion of its Inventory.

4. REPRESENTATIONS AND WARRANTIES

Each Grantor represents and warrants that:

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(a) Each Grantor is the sole owner of each item of the Collateral upon which it grants or purports to grant a Lien hereunder, and has good and marketable title thereto free and clear of any and all Liens other than (i) Permitted Encumbrances and (ii) Liens which are permitted by Sections 6.1.7 and 6.2.3 of the Credit Agreement.

(b) No effective security agreement, financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed (i) by any Grantor in favor of the Lender pursuant to this Security Agreement or the other Loan Documents, and (ii) in connection with any other Permitted Encumbrances or Liens which are permitted by Sections 6.1.7 and 6.2.3 of the Credit Agreement.

(c) This Security Agreement is effective to create a valid and continuing Lien on and, upon the filing of the appropriate financing statements in the jurisdictions listed on Schedule I hereto, a perfected Lien in favor of the Lender on the Collateral with respect to which a Lien may be perfected by filing pursuant to the Code. Such Lien is prior to all other Liens, except Permitted Encumbrances that would be prior to Liens in favor of the Lender and is enforceable as such as against any and all creditors of and purchasers from any Grantor (other than purchasers of Inventory in the ordinary course of business). All action by any Grantor necessary or desirable to protect and perfect such Lien on each item of the Collateral has been duly taken.

(d) Schedule II hereto lists all Instruments and Chattel Paper of each Grantor. All action by any Grantor necessary or desirable to protect and perfect the Lien of the Lender on each item set forth on Schedule II (including the delivery of all originals thereof to the Lender and the legending of all Chattel Paper as required by Section 5(b) hereof) has been duly taken. The Lien of the Lender on the Collateral listed on Schedule II hereto is prior to all other Liens, except Permitted Encumbrances that would be prior to the Liens in favor of the Lender, and is enforceable as such against any and all creditors of and purchasers from any Grantor.

(e) Each Grantor's (i) sole place of business or, if more than one place of business, chief executive office, (ii) warehouses and premises where any Collateral is stored or located, and (iii) locations of all of its books and records concerning the Collateral are set forth for each Grantor on Schedule III-A, Schedule III-B, Schedule III-C, Schedule III-D, Schedule III-E, Schedule III-F, Schedule III-G, Schedule III-H and Schedule III-I, respectively, hereto.

(f) With respect to the Accounts, except as specifically disclosed in the most recent Collateral Reports delivered to the Lender, (i) they represent *bona fide* sales of Inventory or rendering of services to Account Debtors in the ordinary course of each Grantor's business and are not evidenced by a judgment, Instrument or Chattel Paper; (ii) there are no setoffs, claims or disputes existing or asserted with respect thereto and no Grantor has made any agreement with any Account Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Account Debtor from liability therefor, or any deduction therefrom except a discount or allowance allowed by such Grantor in the ordinary course of its business for prompt payment and disclosed to the Lender; (iii) to each Grantor's knowledge, there are no facts, events or occurrences which in any way impair the

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validity or enforceability thereof or could reasonably be expected to reduce the amount payable thereunder as shown on any Grantor's books and records and any invoices, statements and Collateral Reports delivered to the Lender with respect thereto; (iv) no Grantor has received any notice of proceedings or actions which are threatened or pending against any Account Debtor which might result in any adverse change in such Account Debtor's financial condition; and (v) no Grantor has knowledge that any Account Debtor is unable generally to pay its debts as they become due. Further with respect to the Accounts (x) the amounts shown on all invoices, statements and Collateral Reports which may be delivered to the Lender with respect thereto are actually and absolutely owing to such Grantor as indicated thereon and are not in any way contingent; and (y) to each Grantor's knowledge, all Account Debtors have the capacity to contract.

(g) With respect to any Inventory scheduled or listed on the most recent Collateral Reports delivered to the Lender pursuant to the terms of this Security Agreement or the Credit Agreement, (i) such Inventory is located at one of the applicable Grantor's locations set forth on Schedule III-A, Schedule III-B, Schedule III-C, Schedule III-D, Schedule III-E, Schedule III-F, Schedule III-G, Schedule III-H and Schedule III-I, hereto, as applicable, (ii) no Inventory is now, or shall at any time or times hereafter be stored at any other location without the Lender's prior consent, and if the Lender gives such consent, each applicable Grantor will concurrently therewith obtain, to the extent required by the Credit Agreement, bailee, landlord and mortgagee agreements, (iii) the applicable Grantor has good, indefeasible and merchantable title to such Inventory and such Inventory is not subject to any Lien or security interest or document whatsoever except for the Lien granted to the Lender and except for Permitted Encumbrances or Liens which are permitted by Sections 6.1.7 and 6.2.3 of the Credit Agreement, (iv) except as specifically disclosed in the most recent Collateral Report delivered to the Lender, such Inventory is Eligible Inventory of good and merchantable quality, free from any defects, (v) such Inventory is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party as a precondition of such sale or other disposition, and (vi) the completion of manufacture, sale or other disposition of such Inventory by the Lender or its duly appointed agents following an Event of Default shall not require the consent of any Person and shall not constitute a breach or default under any contract or agreement to which any Grantor is a party or to which such property is subject.

(h) No Grantor has any interest in, or title to, any Patent, Trademark or Copyright except as set forth in Schedule IV hereto. This Security Agreement is effective to create a valid and continuing Lien on each Grantor's Patents, Trademarks and Copyrights (other than the Ultimate Parent's Patents, Trademarks and Copyrights which are registered outside the United States of America or which are not registered in any public office or register) and such Lien is enforceable as such as against any and all creditors of and purchasers from any Grantor. Upon filing of this Security Agreement with the United States Copyright Office and with the United States Patent and Trademark Office and the filing of appropriate financing statements listed on Schedule I hereto, all action necessary or desirable to protect and perfect the Lender's Lien on each Grantor's Patents, Trademarks or Copyrights (other than the Ultimate Parent's Patents,

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Trademarks and Copyrights which are registered outside the United States of America or which are not registered in any public office or register) shall have been duly taken.

(i) No Grantor has entered into any agreement with any Person for the control, within the meaning of such term provided in the Code and other applicable law, by any Person of any Investment Property constituting Collateral hereunder, except for control by the Lender pursuant to the Pledge Agreements.

5. COVENANTS

Each Grantor covenants and agrees with the Lender that from and after the date of this Security Agreement and until the Termination Date:

(a) **Further Assurances; Pledge of Instruments.** At any time and from time to time, upon the written request of the Lender and at the sole expense of the Grantors, each Grantor shall promptly and duly execute and deliver any and all such further instruments and documents and take such further actions as the Lender may deem desirable to obtain the full benefits of this Security Agreement and of the rights and powers herein granted, including, but not limited to, (i) using its best efforts to secure all consents and approvals necessary or appropriate for the assignment to or for the benefit of the Lender of any License or Contract held by such Grantor or in which such Grantor has any rights not heretofore assigned, (ii) filing any financing or continuation statements under the Code with respect to the Liens granted hereunder or under any other Loan Document and (iii) transferring the Collateral to the Lender's possession if such Collateral consists of Chattel Paper, Instruments or certificated securities (within the meaning of the Code or other applicable law) or if a Lien on such Collateral can be perfected only by possession. Each Grantor also hereby authorizes the Lender to file any such financing or continuation statements without the signature of such Grantor to the extent permitted by applicable law. If any amount payable under or in connection with any of the Collateral is or shall become evidenced by any Instrument or certificated security (within the meaning of the Code or other applicable law), such Instrument or certificated security, other than checks and notes received in the ordinary course of business, shall be duly endorsed in a manner satisfactory to the Lender immediately upon such Grantor's receipt thereof and promptly delivered into the Lender's possession in New York City. The Grantors agree that a photocopy of this Security Agreement may be filed with or in lieu of any financing statement to the extent permitted by applicable law to perfect the Liens granted hereunder.

(b) **Maintenance of Records.** The Grantors shall keep and maintain, at their own cost and expense, as required under Section 5.1.3 of the Credit Agreement, satisfactory and complete records of the Collateral, including a record of any and all payments received and any and all credits granted with respect to the Collateral and all other dealings with the Collateral. The Grantors shall mark their books and records pertaining to the Collateral to evidence this Security Agreement and the Liens granted hereby. All Chattel Paper shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Royal Bank of Canada (acting through a New York branch)."

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(c) **Covenants Regarding Patent, Trademark and Copyright Collateral**

- (i) The Grantors shall notify the Lender immediately if they know or have reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated, or of any adverse determination or development (including the institution of, any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding any Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.
- (ii) In no event shall any Grantor, either itself or through any agent, employee, licensee or designee, file an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving the Lender prior written notice thereof, and, upon request of the Lender, such Grantor shall execute and deliver any and all security agreements as the Lender may request to evidence the Lender's Lien on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.
- (iii) The Grantors shall take all actions necessary or requested by the Lender to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.
- (iv) In the event that any of the Patent, Trademark or Copyright Collateral is infringed upon, or misappropriated or diluted by a third party, such Grantor shall notify the Lender promptly after such Grantor learns thereof. Such Grantor shall sue promptly for infringement, misappropriation or dilution, and shall take such other actions as the Lender shall deem appropriate under the circumstances to protect such Patent, Trademark or Copyright Collateral.

(d) **Indemnification.** In any suit, proceeding or action brought by the Lender relating to any Account, Chattel Paper, Contract, Document, General Intangible or Instrument for any sum owing thereunder or to enforce any provision of any Account, Chattel Paper, Contract, Document, General Intangible or Instrument, each Grantor will save, indemnify and keep the Lender harmless from and against all expense (including reasonable attorneys' fees and expenses), loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the obligor thereunder, arising out of a breach by any Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at

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any time owing to, or in favor of, such obligor or its successors from such Grantor, except in the case of the Lender, to the extent such expense, loss, or damage is attributable to the gross negligence or willful misconduct of the Lender as finally determined by a court of competent jurisdiction. All such obligations of the Grantors shall be and remain enforceable against and only against the Grantors and shall not be enforceable against the Lender.

(e) **Compliance with Terms of Accounts, etc.** In all material respects, each Grantor will perform and comply with all obligations in respect of its Accounts, Chattel Paper, Contracts and Licenses and all other agreements to which it is a party or by which it is bound relating to the Collateral.

(f) **Limitation on Liens on the Collateral.** No Grantor will create, permit or suffer to exist, and each Grantor will defend the Collateral against, and take such other action as is necessary to remove, any Lien on the Collateral other than the Lien provided herein, except such Liens as are expressly permitted by the Credit Agreement, and will defend the right, title and interest of the Lender in and to any of such Grantor's rights under the Collateral against the claims and demands of all Persons whomsoever.

(g) **Further Identification of the Collateral.** The Grantors will, if so requested by the Lender, furnish to the Lender, as often as the Lender requests, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Lender may reasonably request, all in such detail as the Lender may specify.

(h) **Notices.** The Grantors will advise the Lender promptly, in reasonable detail, (i) of any Lien (other than Permitted Encumbrances) or claim made or asserted against any of the Collateral, and (ii) of the occurrence of any other event which would have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereunder or under any other Loan Document.

(i) **Special Covenant of Ultimate Parent.** The Ultimate Parent shall not, and shall not permit 3416020 Canada Inc. to, (a) change its legal name, or (b) move outside the Province of Quebec its chief executive office, principal place of business, registered office, corporate offices or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral, in any case without at least forty-five (45) days' prior written notice to the Lender and after the Lender's written acknowledgement (not to be unreasonably delayed) that any reasonable action requested by the Lender in connection therewith, including to continue the perfection of any Liens in favor of the Lender in any Collateral, has been completed or taken provided that any such new location shall be in Canada or the United States of America.

6. THE LENDER'S APPOINTMENT AS ATTORNEY-IN-FACT

On the Closing Date, each Grantor shall execute and deliver to the Lender a power of attorney (the "Power of Attorney") substantially in the form attached hereto as Exhibit A. The power of attorney granted pursuant to the Power of Attorney is a power coupled with an interest and shall be irrevocable until the Termination Date. The powers conferred on the Lender under the Power of Attorney are solely to protect the Lender's interests in the Collateral and shall not

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impose any duty upon the Lender to exercise any such powers. The Lender agrees that (a) it shall not exercise any power or authority granted under the Power of Attorney unless and until an Event of Default has occurred and is continuing, and (b) the Lender shall account for any moneys received by the Lender in respect of any foreclosure on or disposition of the Collateral pursuant to the Power of Attorney provided that the Lender shall not have any duty as to any Collateral, and the Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers. NEITHER THE LENDER NOR ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES SHALL BE RESPONSIBLE TO ANY GRANTOR FOR ANY ACT OR FAILURE TO ACT UNDER ANY POWER OF ATTORNEY OR OTHERWISE, EXCEPT IN RESPECT OF DAMAGES TO THE EXTENT RESULTING FROM SUCH PARTY'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT AS FINALLY DETERMINED BY A COURT OF COMPETENT JURISDICTION, NOR FOR ANY PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES.

7. REMEDIES; RIGHTS UPON DEFAULT

(a) In addition to all other rights and remedies granted to it under this Security Agreement, the Credit Agreement, the other Loan Documents and under any other instrument or agreement securing, evidencing or relating to any of the Secured Obligations, if any Event of Default shall have occurred and be continuing, the Lender may exercise all rights and remedies of a secured party under the Code. Without limiting the generality of the foregoing, each Grantor expressly agrees that in any such event the Lender, without demand of performance or other demand, advertisement or notice of any kind (except as may be required under the Credit Agreement and except the notice specified below of time and place of public or private sale or any notice required by applicable law) to or upon such Grantor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the Code and other applicable law), may forthwith enter upon the premises of such Grantor where any Collateral is located through self-help, without judicial process, without first obtaining a final judgment or giving such Grantor or any other Person notice and opportunity for a hearing on the Lender's claim or action and may collect, receive, assemble, process, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at a public or private sale or sales, at any exchange at such prices as it may deem acceptable, for cash or on credit or for future delivery without assumption of any credit risk. The Lender shall have the right upon any such public sale or sales and to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption each Grantor hereby releases. Such sales may be adjourned and continued from time to time with or without notice. The Lender shall have the right to conduct such sales on any Grantor's premises or elsewhere and shall have the right to use any Grantor's premises without charge for such time or times as the Lender deems necessary or advisable.

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Each Grantor further agrees, at the Lender's request, to assemble or to permit the Lender to assemble all or any portion of, the Collateral and make it available to the Lender at places which the Lender shall select, whether at such Grantor's premises, on the books and records of any securities intermediary or elsewhere or otherwise. Until the Lender is able to effect a sale, lease, or other disposition of the Collateral, the Lender shall have the right to hold or use the Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving the Collateral or its value or for any other purpose deemed appropriate by the Lender. The Lender shall have no obligation to any Grantor to maintain or preserve the rights of such Grantor as against third parties with respect to the Collateral while the Collateral is in the possession of the Lender or its agent or any securities intermediary. The Lender may, if it so elects, seek the appointment of a receiver or keeper to take possession of the Collateral and to enforce any of the Lender's remedies with respect to such appointment without prior notice or hearing as to such appointment. The Lender shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Secured Obligations in the following order: (1) to Fees and the Lender's expenses reimbursable under the Credit Agreement or under any other Loan Document; (2) to interest on the Term Loan; (3) to interest on the Revolving Loan; (4) to principal payments on the Term Loan; (5) to principal payments on the Revolving Loan and (6) to all other Secured Obligations including expenses of the Lender to the extent reimbursable hereunder or under Section 10.3 of the Credit Agreement, and only after so paying over such net proceeds, and after the payment by the Lender of any other amount required by any provision of law, the Lender shall account for the surplus, if any, to any Grantor. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against the Lender arising out of the repossession, retention or sale of the Collateral except to the extent such claims, damages and demands arise out of the gross negligence or willful misconduct of the Lender as finally determined by a court of competent jurisdiction. Each Grantor agrees that ten (10) days prior notice by the Lender of the time and place of any public sale or of the time after which a private sale may take place is reasonable notification of such matters. The Grantors shall remain jointly and severally liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Secured Obligations, including any attorneys' fees and other expenses incurred by the Lender to collect such deficiency.

(b) Except as otherwise specifically provided therein, each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

8. GRANT OF LICENSE TO USE INTELLECTUAL PROPERTY COLLATERAL

For the purpose of enabling the Lender to exercise rights and remedies under Section 7 hereof (including, without limiting the terms of Section 7 hereof, in order to take possession of, hold, preserve, process, assemble, prepare for sale, market for sale, sell or otherwise dispose of the Collateral) at such time as the Lender shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Lender an irrevocable, non-exclusive license (exercisable upon the occurrence and during the continuance of an Event of Default and without

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payment of royalty or other compensation to such Grantor) to use, license or sublicense any Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

9. **LIMITATION ON THE LENDER'S DUTY IN RESPECT OF THE COLLATERAL**

The Lender shall use reasonable care with respect to the Collateral in its possession or under its control. The Lender shall not have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Lender, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

10. **REINSTATEMENT**

This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligor of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

11. **NOTICES**

Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

12. **SEVERABILITY**

Whenever possible, each provision of this Security Agreement shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision of this Security Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of

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such provision or the remaining provisions of this Security Agreement. This Security Agreement is to be read, construed and applied together with the Credit Agreement and the other Loan Documents which, taken together, set forth the complete understanding and agreement of the Lender and the Grantors with respect to the matters referred to herein and therein.

13. NO WAIVER; CUMULATIVE REMEDIES

The Lender shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Lender and then only to the extent therein set forth. A waiver by the Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Lender would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Lender and the Grantors.

14. LIMITATION BY LAW

All rights, remedies and powers provided in this Security Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Security Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Security Agreement invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

15. TERMINATION OF THIS SECURITY AGREEMENT

This Security Agreement shall terminate upon the Termination Date subject to the survival of Sections 5(d) and 10 hereof.

16. SUCCESSORS AND ASSIGNS

This Security Agreement and all obligations of the Grantors hereunder shall be binding upon the successors and assigns of each Grantor (including any debtor-in possession on behalf of such Grantor) and shall, together with the rights and remedies of the Lender hereunder, inure to the benefit of the Lender, all future permitted holders of any instrument evidencing any of the Secured Obligations and their respective successors and permitted assigns. No permitted sales of participations, other permitted sales, assignments, transfers or other permitted dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the Lien granted to the Lender hereunder. No Grantor

may assign, sell, pledge, hypothecate or otherwise transfer any interest in or obligation under this Security Agreement.

17. COUNTERPARTS

This Security Agreement may be executed in any number of separate counterparts, each of which shall be collectively and separately constitute one agreement.

18. GOVERNING LAW

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN ANY OF THE LOAN DOCUMENTS, IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS SECURITY AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. EACH GRANTOR HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK COUNTY, CITY OF NEW YORK, NEW YORK, SHALL HAVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN THE GRANTORS AND THE LENDER PERTAINING TO THIS SECURITY AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY MATTER ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENTS, PROVIDED, THAT THE LENDER AND THE GRANTORS ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF NEW YORK COUNTY, CITY OF NEW YORK, AND, PROVIDED, FURTHER, NOTHING IN THIS SECURITY AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE THE LENDER FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS, OR TO ENFORCE THIS SECURITY AGREEMENT OR A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE LENDER. EACH GRANTOR EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND EACH GRANTOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, ANY OBJECTION WHICH IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. EACH GRANTOR HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINTS AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH GRANTOR AT ITS ADDRESS SET FORTH IN THE CREDIT AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED

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COMPLETED UPON THE EARLIER OF ACTUAL RECEIPT THEREOF OR THREE (3) DAYS AFTER DEPOSIT IN THE U.S. MAIL, PROPER POSTAGE PREPAID.

19. WAIVER OF JURY TRIAL

BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX FINANCIAL TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND THE PARTIES WISH APPLICABLE STATE AND FEDERAL LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT DISPUTES ARISING HEREUNDER OR RELATING HERETO BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF THE JUDICIAL SYSTEM AND OF ARBITRATION, THE PARTIES HERETO WAIVE, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, ALL RIGHT TO TRIAL BY JURY IN ACTION, SUIT OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE LENDER AND THE GRANTORS ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED IN CONNECTION WITH, THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO.

20. SECTION TITLES

The Section titles contained in this Security Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not part of the agreement between the parties hereto.

21. NO STRICT CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Security Agreement. In the event an ambiguity or question of intent or interpretation arises, this Security Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Security Agreement.

22. ADVICE OF COUNSEL

Each of the parties represents to each other party hereto that it has discussed this Security Agreement and, specifically, the provisions of Section 18 and Section 19, with its counsel.

23. BENEFIT OF THE LENDER

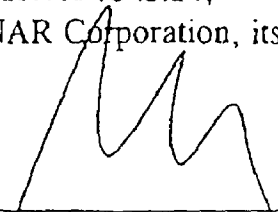
All Liens granted or contemplated hereby shall be for the benefit of the Lender, and all proceeds or payments realized from the Collateral in accordance herewith shall be applied to the Secured Obligations in accordance with the terms of Section 7 of this Security Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

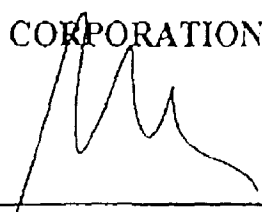
WATERWAYS L.P.,
By CINAR Corporation, its General
Partner

By:


Name: Ronald A. Weinberg
Title: President and Co-Chief Executive
Officer

CINAR CORPORATION

By:


Name: Ronald A. Weinberg
Title: President and Co-Chief Executive
Officer


CINAR EDUCATION INC.

By:

Name: Stephen T. Carson
Title: Assistant Secretary

OCEANVIEW FILMS COMPANY

By:


Name: Ronald A. Weinberg
Title: President and Secretary

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

WATERWAYS L.P.,

By CINAR Corporation, its General
Partner

By: _____

Name: Ronald A. Weinberg
Title: President and Co-Chief Executive
Officer

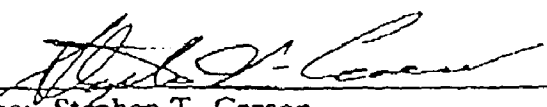
CINAR CORPORATION

By: _____

Name: Ronald A. Weinberg
Title: President and Co-Chief Executive
Officer

CINAR EDUCATION INC.

By: _____

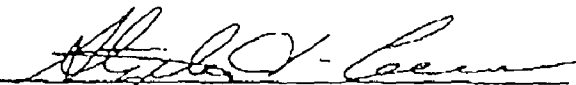

Name: Stephen T. Carson
Title: Assistant Secretary

OCEANVIEW FILMS COMPANY


By: _____

Name: Ronald A. Weinberg
Title: President and Secretary

SEAWAYS, L.L.C.

By: 
Name: Stephen T. Carson
Title: President


CARSON-DELLOSA PUBLISHING
COMPANY, INC.

By: 
Name: Stephen T. Carson
Title: President

HIGHREACH LEARNING, INC.

By: _____
Name: Michael G. Mayberry
Title: President

UNIQUE COLLATING SERVICE,
INC.

By: 
Name: Stephen T. Carson
Title: President

SEAWAYS, L.L.C.

By:

Name: Stephen T. Carson
Title: President


CARSON-DELLOSA PUBLISHING
COMPANY, INC.

By:

Name: Stephen T. Carson
Title: President

HIGHREACH LEARNING, INC.

By:



Name: Michael G. Mayberry
Title: President

UNIQUE COLLATING SERVICE,
INC.

By:

Name: Stephen T. Carson
Title: President

ROYAL BANK OF CANADA, as
Lender

By:


Name: N.G. Millar
Title: Senior Manager

SCHEDULE I
to
SECURITY AGREEMENT
FILING JURISDICTIONS

| Debtor | Secured Party | State/Country |
|---|--|------------------------------|
| CINAR Education Inc. c/o Carson-Dellosa Publishing Company, Inc. 4321 Piedmont Parkway Greensboro, NC 27410 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Delaware |
| Unique Collating Service, Inc. 255 Standard Drive Greensboro, NC 27409 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | North Carolina |
| Unique Collating Service, Inc. 255 Standard Drive Greensboro, NC 27409 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Guilford County in NC |
| Carson-Dellosa Publishing Company, Inc. 4321 Piedmont Parkway Greensboro, NC 27410 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | North Carolina |
| Carson-Dellosa Publishing Company, Inc. 4321 Piedmont Parkway Greensboro, NC 27410 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | County of Guilford in NC. |
| Carson-Dellosa Publishing Company, Inc. 4321 Piedmont Parkway Greensboro, NC 27410 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Utah |
| Carson-Dellosa Publishing Company, Inc. (doing business as) The Wild Goose Company 4321 Piedmont Parkway Greensboro, NC 27410 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Utah |
| The Wild Goose Company 375 W. Whitney Avenue Salt Lake City, Utah 84115 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Utah |

| Debtor | Secured Party | State/Country |
|--|---|--------------------------|
| HighReach Learning, Inc. 36 Old Shoals Road Arden, NC 28704 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | North Carolina |
| HighReach Learning, Inc. 36 Old Shoals Road Arden, NC 28704 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Buncombe County in NC |
| HighReach Learning, Inc. 36 Old Shoals Road Arden, NC 28704 | Royal Bank of Canada 1 Place Ville-Marie, 8th Floor Montreal, Quebec H3C 3E9 Canada | North Carolina |
| HighReach Learning, Inc. 36 Old Shoals Road Arden, NC 28704 | Royal Bank of Canada 1 Place Ville-Marie, 8th Floor Montreal, Quebec H3C 3E9 Canada | Buncombe County in NC |
| Seaways, L.L.C. Suite 106 1403 Foulk Road Wilmington, Delaware 19803 | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Delaware |
| Waterways L.P. c/o CINAR Corporation 1055, boulevard René-Lévesque Est Montreal, Quebec H2L 4S5 Canada | Royal Bank of Canada One Liberty Plaza New York, NY 10006-1404 | Delaware |

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INTELLECTUAL PROPERTY FILINGS

| <u>ENTITY</u> | <u>FILING LOCATION</u> |
|---|---|
| Carson-Dellosa Publishing Company, Inc. | U.S. Copyright Office U.S. Patent and Trademark Office |
| HighReach Learning, Inc. | U.S. Copyright Office U.S. Patent and Trademark Office |
| CINAR Corporation | U.S. Copyright Office U.S. Patent and Trademark Office |

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SCHEDULE II
to
SECURITY AGREEMENT

INSTRUMENTS
AND
CHATTEL PAPER

NIL

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TRADEMARK
REEL: 1860 FRAME: 0215

SCHEDULE III-A
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING WATERWAYS' COLLATERAL

- I. Sole place of business or if more than one place of business, the chief executive office of Waterways:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

- II. Warehouses:

Nil

- III. Other Premises at which the Collateral is Stored or Located:

Nil

- IV. Locations of Records Concerning the Collateral:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

SCHEDULE III-B
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING ULTIMATE PARENT'S COLLATERAL

I. Registered office and sole place of business of the Ultimate Parent:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

II. Warehouses:

Nil

III. Other Premises at which the Collateral is Stored or Located:

Nil

IV. Locations of Records Concerning the Collateral:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

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TRADEMARK
REEL: 1860 FRAME: 0217

SCHEDULE III-C
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING CINAR EDUCATION'S COLLATERAL

- I. Sole place of business or if more than one place of business, the chief executive office of Cinar Education:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

- II. Warehouses:

Nil

- III. Other Premises at which the Collateral is Stored or Located:

Nil

- IV. Locations of Records Concerning the Collateral:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

SCHEDULE III-D
IQ
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING OCEANVIEW'S COLLATERAL

Sole place of business or if more than one place of business, the chief executive office of Oceanview:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

II. Warehouses:

Nil

III. Other Premises at which the Collateral is Stored or Located:

Nil

IV. Locations of Records Concerning the Collateral:

1055 René-Lévesque Blvd. East, Suite 900
Montreal, Quebec H2L 4S5

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SCHEDULE III-E
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING SEAWAYS' COLLATERAL

- I. Sole place of business or if more than one place of business, the chief executive office of Seaways:

Suite 106, 1403 Foulk Road
Wilmington, Delaware 19803
U.S.A.

- II. Warehouses:

Nil

- III. Other Premises at which the Collateral is Stored or Located:

Nil

- IV. Locations of Records Concerning the Collateral:

Suite 106, 1403 Foulk Road
Wilmington, Delaware 19803
U.S.A.

SCHEDULE III-F
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING CDP'S COLLATERAL

- I. Solo place of business or if more than one place of business, the chief executive office of CDP:

4321 Piedmont Parkway
Greensboro, NC 27410
U.S.A.

- II. Warehouses:

Nil

- III. Other Premises at which the Collateral is Stored or Located:

375 West Whitney Avenue
Salt Lake City, UT 84115
U.S.A.

255 Standard Drive
Greensboro, NC 27409
U.S.A.

SEE ALSO SCHEDULE III-I

- IV. Locations of Records Concerning the Collateral:

4321 Piedmont Parkway
Greensboro, NC 27410
U.S.A.

SEE ALSO SCHEDULE III-I

SCHEDULE III-G
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING HLI'S COLLATERAL

I. Sole place of business or if more than one place of business, the chief executive office of HLI:

36 Old Shoals Road
Arden, NC 28704
U.S.A.

II. Warehouses:

Nil

III. Other Premises at which the Collateral is Stored or Located:

901 Center Park Drive, Suite 101
Charlotte, NC 28217

105 Fairview Road
Asheville, NC 28803

255 Standard Drive
Greensboro, NC 27409

4321 Piedmont Parkway
Greensboro, NC 27410

IV. Locations of Records Concerning the Collateral:

36 Old Shoals Road
Arden, NC 28704

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TRADEMARK
REEL: 1860 FRAME: 0222

SCHEDULE III-H
to
SECURITY AGREEMENT

SCHEDULE OF OFFICES, LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING UNIQUE'S COLLATERAL

- I. Sole place of business or if more than one place of business, the chief executive office of Unique:

255 Standard Drive
Greensboro, NC 27409
U.S.A.

- II. Warehouses:

Nil

- III. Other Premises at which the Collateral is Stored or Located:

255 Standard Drive
Greensboro, NC 27409
U.S.A.

4321 Piedmont Parkway
Greensboro, NC 27410
U.S.A.

- IV. Locations of Records Concerning the Collateral:

255 Standard Drive
Greensboro, NC 27409
U.S.A.

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TRADEMARK
REEL: 1860 FRAME: 0223

SCHEDULE III-I
to
SECURITY AGREEMENT

SCHEDULE OF ADDITIONAL LOCATIONS OF THE COLLATERAL
AND RECORDS CONCERNING CDP'S COLLATERAL

I. Additional Premises at which the Collateral is Stored or Located:

375 West Whitney Avenue
Salt Lake City, Utah 84115
U.S.A.

II. Additional Locations of Records Concerning the Collateral:

375 West Whitney Avenue
Salt Lake City, Utah 84115
U.S.A.

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SCHEDULE IV

Patents, Trademarks and Copyrights

1. **HLI**

**HLI
TRADEMARKS**

| Product Name | Function | Date Name Conceived | 1 st Use In Comm. | Trademark Reg. | Term | Post Regis Use Due |
|--|--|----------------------------------|---------------------------------|-------------------|---------|-----------------------------------|
| 1. The HighReach ¹ Learning B.R.A.G. Book Build, Read and Grow | Learn to write | 02-02-98 | | | | |
| | | 11-06-98 (Notice of Publication) | | | | |
| 2. The Red Umbrella | Magazine title | 04-26-95 | 08-01-95 | 06-04-06 | 10 yrs. | 06-04-02 |
| 3. The Red Umbrella with Design | Magazine title with Red Umb Symbol | 04-26-95 | 08-01-95 | 07-22-97 | 10 yrs. | 07-22-03 |
| 4. HighReach ¹ Learning Logo (Hand design) | Logo, original applic. Creative, Preschool Curr. | 05-01-91 | 12-01-91 | 11-10-92 | 10 yrs. | 11-10-98 |
| 5. HighReach Learning (name) | Printed educ. Materials | 05-01-91 | 12-01-91 | 03-29-94 | 10 yrs. | 04-27-98 ² 03-29-90 |
| 6. HighReach Learning (name) | Audio cassettes | 05-01-91 | 12-01-91 | 05-17-94 | 10 yrs. | 05-17-00 |
| 7. Smock-A-Roos | Musq. Costume | 12-07-93 | 09-01-94 | 01-16-96 | 10 yrs. | 09-01-00 |

**HLI
COPYRIGHTS**

| Product Name | Form Used | Date Mailed | Date Regis. | Regis. Number | Comments |
|---|--------------|----------------|----------------|------------------|--|
| 1. Sunshine Report | TX | 10-12-89 | 12-07-89 | TX 2710 023 | |
| 2. Birthday Party Invitation | TX | 10-12-89 | 12-07-89 | TXU 401-843 | |
| 3. Preschool Writing Paper | VAU | 03-25-90 | 12-08-89 | VAU 180-112 | |
| 4. Creative Preschool Curriculum Catalog | TX | 05-16-91 | 05-16-91 | TX 3 140 581 | Returned 08-21-91 for add. info. mods., done and returned 08-22- 91 |
| 5. The HighReach A-Z Skillbook | VA | 04-02-92 | 04-07-92 | VA 511 556 | Returned 06-08-92 for mods., done and returned 06-11-92 |
| 6. HighReach Friends | VA | 04-03-92 | No action | | Identical to The HighReach A-Z Skillbook, so deposited w/o action. See letter in file. |

¹ Applic. filed on or about 3-13-98

² Applic. to amend. for name change to HighReach Learning, Inc. 01-27-92; Mark issued to HighReach Learning 11-10-92

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2. CDP

CDP
 Trademarked™ Products 12/23/98

| Name of Trademarks | States | United States Patent and Trademark Office and States Trademarks Offices Registration No. | Application No. |
|--------------------------------------|------------------|--|-----------------|
| Calendar Pop-Outs™ | ™ not registered | ** | |
| Carson-Dellosa Manuscript Alphabet™ | ™ not registered | ** | |
| Colorful Punch-Out Accents™ | ™ not registered | ** | |
| Design Logo of Giraffe (Design only) | Registered | 1,755,276 | 74-261,144 |
| Math Windows™ | ™ not registered | ** | |
| Math Windows™ Packs | ™ not registered | ** | |
| Paw-Pets™ | ™ not registered | ** | |
| Paw-Pets™ Puppet Set | ™ not registered | ** | |
| Picture Perfect Chartlets™ | ™ not registered | ** | |
| Picture Perfect Chartlet™ Set | ™ not registered | ** | |
| Pop-Out™ Borders | ™ not registered | ** | |
| Pop-Out™ Calendar Header Set | ™ not registered | ** | |
| Pop-Out™ Calendar Headers | ™ not registered | ** | |
| Pop-Out™ Holiday/Seasonal Headers | ™ not registered | ** | |
| Pop-Up™ Nameplates | ™ not registered | ** | |
| Spin-a-Skill™ | ™ not registered | ** | |

CDP
 Copyrighted Products 12/23/98

| CD# | Description | Category | Registration |
|---------|--------------------------------------|----------|--------------|
| CD-6800 | All About Me | HWB | TX 4-205-532 |
| CD-6801 | Beginning Reading | HWB | TX 4-205-536 |
| CD-6803 | Matching: Similarities & Differences | HWB | TX 4-201-209 |
| CD-6804 | Positions | HWB | TX 4-201-211 |
| CD-6805 | Preschool & Kindergarten Skills | HWB | TX 4-201-210 |
| CD-6806 | Rhyming | HWB | TX 4-201-212 |
| CD-6807 | Scissors Skills | HWB | TX 4-205-544 |
| CD-6808 | Shapes | HWB | TX 4-205-540 |

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| CD# | Description | Category | Registration |
|---------|-----------------------------------|----------|--------------|
| CD-6809 | Alphabet Kids | HWB | TX 4-219-081 |
| CD-6810 | Alphabet Sounds & Pictures | HWB | TX 4-205-534 |
| CD-6811 | Capital & Lowercase Letters | HWB | TX 4-219-080 |
| CD-6812 | Letters & Their Sounds | HWB | TX 4-219-077 |
| CD-6813 | Consonants | HWB | TX 4-219-082 |
| CD-6814 | Vowel Puzzles | HWB | TX 4-205-533 |
| CD-6815 | Phonics Grade 1, Part 1 | HWB | TX 4-205-542 |
| CD-6816 | Phonics Grade 1, Part 2 | HWB | TX 4-221-746 |
| CD-6817 | Phonics Grade 2, Part 1 | HWB | TX 4-182-279 |
| CD-6818 | Phonics Grade 2, Part 2 | HWB | TX 4-182-280 |
| CD-6819 | Reading Grade 1 | HWB | TX 4-219-075 |
| CD-6820 | Reading Grade 2 | HWB | TX 4-221-748 |
| CD-6821 | Reading Grade 3 | HWB | TX 4-205-539 |
| CD-6822 | Reading Comprehension | HWB | TX 4-209-773 |
| CD-6823 | Reading Comprehension | HWB | TX 4-201-208 |
| CD-6824 | Reading Comprehension | HWB | TXu 714-237 |
| CD-6825 | Reading Comprehension | HWB | TX 4-205-545 |
| CD-6826 | Grammar | HWB | TX 4-163-972 |
| CD-6827 | Prefixes & Suffixes | HWB | TX 4-163-968 |
| CD-6828 | Synonyms, Antonyms & Homonyms | HWB | TX 4-163-969 |
| CD-6829 | Printing Practice | HWB | TX 4-205-543 |
| CD-6830 | Handwriting Practice | HWB | TX 4-201-213 |
| CD-6831 | Spelling & Writing Grade 1 | HWB | TX 4-369-115 |
| CD-6832 | Spelling & Writing Grade 2 | HWB | TX 4-205-541 |
| CD-6833 | Spelling & Writing Grade 3 | HWB | TX 4-219-074 |
| CD-6834 | Vocabulary Development | HWB | TX 4-205-535 |
| CD-6835 | Writing Letters & Thank-You Notes | HWB | TX 4-221-747 |
| CD-6836 | Numbers 1-10 | HWB | TX 4-219-076 |
| CD-6837 | Numbers 1-20 | HWB | TXu 714-236 |
| CD-6838 | Beginning Math | HWB | TX 4-221-744 |
| CD-6839 | Fun With Numbers | HWB | TX 4-219-079 |
| CD-6840 | Addition Facts | HWB | TX 4-219-078 |
| CD-6841 | Subtraction Facts | HWB | TX 4-221-745 |
| CD-6842 | Addition & Subtraction | HWB | TX 4-163-971 |
| CD-6843 | Multiplication Facts | HWB | TX 4-205-547 |
| CD-6844 | Division Facts | HWB | TX 4-205-546 |
| CD-6845 | Multiplication & Division | HWB | TXu 710-480 |
| CD-6846 | Decimals | HWB | TX 4-163-970 |
| CD-6847 | Fractions | HWB | TX 4-153-500 |
| CD-6848 | Whole Numbers | HWB | TXu 710-479 |
| CD-6849 | Beginning Money Skills | HWB | TX 4-221-749 |
| CD-6850 | Basics About Money | HWB | TX 4-205-537 |
| CD-6851 | Math Grade 1 | HWB | TX 4-221-742 |
| CD-6852 | Math Grade 2 | HWB | TX 4-205-538 |
| CD-6853 | Math Grade 3 | HWB | TX 4-221-743 |

Some of the above-registered copyrights are jointly owned.

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**CDP
Patented Products**

| CD# | Description | Category | Status | Patent Registration |
|---------|-----------------|--------------------|----------------|---------------------|
| CD-5620 | Big Apple | Shape Pocket Chart | Patent Pending | |
| CD-5621 | Small Apple | Shape Pocket Chart | Patent Pending | |
| CD-5622 | Overalls | Shape Pocket Chart | Patent Pending | |
| CD-5623 | Big School Bus | Shape Pocket Chart | Patent Pending | |
| CD-5624 | Big Tree | Shape Pocket Chart | Patent Pending | |
| CD-5701 | Multi-Use Kit | Fabric Chart | Patent | 5800182 |
| CD-5702 | Clock Kit | Fabric Chart | Patent | 5800182 |
| CD-5703 | Graph Grid Kit | Fabric Chart | Patent | 5800182 |
| CD-5704 | Number Line Kit | Fabric Chart | Patent | 5800182 |
| CD-5705 | Piggy Bank Kit | Fabric Chart | Patent | 5800182 |
| CD-5706 | U.S. Map Kit | Fabric Chart | Patent | 5800182 |
| CD-5707 | World Map Kit | Fabric Chart | Patent | 5800182 |
| CD-5708 | Alphabet Kit | Fabric Chart | Patent | 5800182 |
| CD-5709 | Calendar Kit | Fabric Chart | Patent | 5800182 |
| CD-5710 | Colors Kit | Fabric Chart | Patent | 5800182 |
| CD-5711 | Fractions Kit | Fabric Chart | Patent | 5800182 |
| CD-5712 | Human Body Kit | Fabric Chart | Patent | 5800182 |
| CD-5713 | Numbers Kit | Fabric Chart | Patent | 5800182 |
| CD-5714 | Shapes Kit | Fabric Chart | Patent | 5800182 |
| CD-5715 | Weather Kit | Fabric Chart | Patent | 5800182 |

ULTIMATE PARENT'S TRADEMARKS

CANADA (Canadian Trade-Marks Office)

| <u>Trademark</u> | <u>Registration Number</u> | <u>Application Number</u> |
|-------------------------------|----------------------------|---------------------------|
| CINAR | 402,532 | 0652,599 |
| CINAR & Design | 439,594 | 0746,522 |
| CINAR ANIMATION & Design | 449,638 | 0761,351 |
| A BUNCH OF MUNSCII | 466,700 | 0768,778 |
| CINAR & Design | 402,531 | 0652,596 |
| HAPPY CASTLE | 374,401 | 0601,776 |
| A BUNCH OF MUNSCII & Design | 460,279 | 0768,777 |
| ARE YOU AFRAID OF THE DARK? | --- | 0765,856 |
| LA MAISON DE QUIMZIE & Design | --- | 0805,265 |
| WIMZIE'S HOUSE & Design | --- | 0805,266 |

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| <u>Trademark</u> | <u>Registration Number</u> | <u>Application Number</u> |
|-----------------------------|----------------------------|---------------------------|
| CINAR (stylized letters) | 1,946,284 | 74-500,392 |
| CINAR ANIMATION & Design | 2,026,296 | 74-593,471 |
| ARE YOU AFRAID OF THE DARK? | --- | 74-594,577 |
| WIMZIE'S HOUSE & Design | --- | 75-403,708 |
| WIMZIE'S HOUSE & Design | --- | 75-278,684 |

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ULTIMATE PARENT'S COPYRIGHTS

ARE YOU AFRAID OF THE DARK? (II)

(Episodes 27-39)

Copyright Registration - CANADA

ARE YOU AFRAID OF THE DARK? (IV)

(Episodes 40-52)

Copyright Registration - CANADA

ARE YOU AFRAID OF THE DARK? (V)

(Episodes 53-65)

Copyright Registration - CANADA

ARSENE LUPIN (1-26)

Copyright Registration - CANADA

LES BABALOUS (1-65)

Copyright Registration - CANADA

BONJOUR TIMOTHY

Copyright Registration - CANADA

Caillou (65 x 5 minute episodes)

Copyright Registration - CANADA - STATUS: UNREGISTERED

Caillou (65 x 5 minute episodes)

Copyright Registration - U.S. - STATUS: UNREGISTERED

CHAT PERCHÉ (1-15)

Copyright Registration - CANADA

CHRIS CROSS (7-13)

Copyright Registration - CANADA

**THE COUNTRY MOUSE AND THE
CITY MOUSE ADVENTURES (1-26)**

Copyright Registration - CANADA & U.S.

**THE COUNTRY MOUSE AND THE
CITY MOUSE ADVENTURES (1-26)**

Copyright Registration - CANADA

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EMILY OF NEW MOON (1-13)
Copyright Registration - CANADA & U.S.

EMILY OF NEW MOON II (13-26) AND III (27-39)
Copyright Registration - CANADA - STATUS: UNREGISTERED

EMILY OF NEW MOON II (14-26)
Copyright Registration - U.S. - STATUS: UNREGISTERED

FAVORITE SONGS
"Happy Birthday to You"
Copyright Registration - CANADA

FAVORITE SONGS
"Itsy Bitsy Spider" / "Spider Junior High"
Copyright Registration - CANADA

FAVORITE SONGS
"Humpty Dumpty"
Copyright Registration - CANADA

FAVORITE SONGS
"I'm a Little Teapot" / "The Runaway Teapot"
Copyright Registration - CANADA

FAVORITE SONGS
"Rain, Rain Go Away" / "The Prince's Rain"
Copyright Registration - CANADA

FAVORITE SONGS
"Three Little Kittens..." / "Ice Queen's Mittens"
Copyright Registration - CANADA

FAVORITE SONGS
"Happy Birthday to You"
Copyright Registration - U.S.

FAVORITE SONGS
"Itsy Bitsy Spider" / "Spider Junior High"
Copyright Registration - U.S.

FAVORITE SONGS
"Humpty Dumpty"
Copyright Registration - U.S.

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FAVORITE SONGS

"I'm a Little Teapot" / "The Runaway Teapot"
Copyright Registration - U.S.

FAVORITE SONGS

"Rain, Rain Go Away" / "The Prince's Rain"
Copyright Registration - U.S.

FAVORITE SONGS

"Three Little Kittens..." / "The Queen's Mittens"
Copyright Registration - U.S.

FAVORITE SONGS

Seven (7) Certificates
Copyright Registration - U.S.
"The Real Story of Twinkle Twinkle Little Star"
"The Real Story of Baa Baa Black Sheep"
"The Real Story of Here Comes the Bride"
"The Real Story of O'Christmas Tree"
"The Real Story of Frere Jacques"
"The Real Story of Au Clair de la Lune"
"The Real Story of Sur le Pont d'Avignon"
- Registration of Assignment of Copyright in
the seven (7) shows listed above - U.S.

LITTLE LULU (1-6)

Copyright Registration - CANADA & U.S.

LITTLE LULU (7-26)

Copyright Registration - U.S.

THE MAKING OF MILLION DOLLAR BABIES

Copyright Registration - CANADA

MILLION DOLLAR BABIES

Copyright Registration - CANADA

MILLION DOLLAR BABIES

Copyright Registration - U.S.

LES NOUVELLES AVENTURES DES INTRÉPIDES (27-52)

Copyright Registration - CANADA

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LES HISTOIRES DU PERE CASTOR (27-52)

Copyright Registration - CANADA

THE BUSY WORLD OF RICHARD SCARRY (14-26)

Copyright Registration - CANADA

ROBINSON SUCROE (1-26)

Copyright Registration - CANADA

Sci-Squad (1-13)

Copyright Registration - CANADA - STATUS: UNREGISTERED

Sci-Squad (1-13)

Copyright Registration - U.S. - STATUS: UNREGISTERED

SLEEP ROOM (The)

WHITE FANG (The Legend of) (1-26)

Copyright Registration - CANADA

WIMZIE'S HOUSE (1-56)

Copyright Registration - CANADA

THE WHOLE OF THE MOON

Copyright Registration - CANADA

THE WONDERFUL WIZARD OF OZ

Copyright Registration - CANADA

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EXHIBIT A

POWER OF ATTORNEY

This Power of Attorney is executed and delivered by _____, a _____ [corporation/limited partnership/Nova Scotia unlimited liability company] (the "Grantor") to Royal Bank of Canada (hereinafter referred to as the "Attorney"), as Lender under that certain Credit Agreement dated as of January 25, 1999, among Waterways L.P. and Carson-Dellosa Publishing Company, Inc., the other Credit Parties (as defined therein) signatory thereto and the Attorney (as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), the related Security Agreement dated as of February 5, 1999 (the "Security Agreement") and other related documents provided therein or contemplated thereby (the "Loan Documents"). No person to whom this Power of Attorney is presented, as authority for the Attorney to take any action or actions contemplated hereby, shall be required to inquire or seek confirmation from the Grantor as to the authority of the Attorney to take any action described below, or as to the existence of or fulfillment of any condition to this Power of Attorney, which is intended to grant to the Attorney unconditionally the authority to take and perform the actions contemplated herein, and the Grantor irrevocably waives any right to commence any suit or action, in law or equity, against any person or entity which acts in reliance upon or acknowledges the authority granted under this Power of Attorney. The power of attorney granted hereby is coupled with an interest and is irrevocable until the Termination Date (as defined in the Credit Agreement) as provided in the Security Agreement.

The Grantor hereby irrevocably constitutes and appoints the Attorney (and all officers, employees or agents designated by the Attorney), with full power of substitution, as the Grantor's true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time in the Attorney's discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the Loan Documents and, without limiting the generality of the foregoing, the Grantor hereby grants to the Attorney the power and right, on behalf of the Grantor, without notice to or assent by the Grantor, and at any time, to do the following: (a) change the mailing address of the Grantor, open a post office box on behalf of the Grantor, open mail for the Grantor, and ask, demand, collect, give acquittances and receipts for, take possession of, endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, and notices in connection with any property of the Grantor; (b) effect any repairs to any assets of the Grantor, or continue or obtain any insurance and pay all or any part of the premiums therefor and costs thereof, and make, settle and adjust all claims under such policies of insurance, and make all determinations and decisions with respect to such policies; (c) pay or discharge any taxes, liens, security interests, or other encumbrances levied or placed on or threatened against the Grantor or its property; (d) defend any suit, action or proceeding brought against the Grantor if the Grantor does not defend such suit, action or proceeding or if Attorney believes that the Grantor is not pursuing such defense in a manner that will maximize the recovery to the Attorney, and settle, compromise or adjust any suit, action, or proceeding described above and, in connection therewith, give such discharges or releases as the Attorney may deem appropriate; (e) file or prosecute any claim, litigation, suit or proceeding in

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any court of competent jurisdiction or before any arbitrator, or take any other action otherwise deemed appropriate by the Attorney for the purpose of collecting any and all such moneys due to the Grantor whenever payable and to enforce any other right in respect of the Grantor's property; (f) cause the certified public accountants then engaged by the Grantor to prepare and deliver to the Attorney at any time and from time to time, promptly upon the Attorney's request, the following reports: (1) a reconciliation of all accounts, (2) an aging of all accounts, (3) trial balances, (4) test verifications of such accounts as the Attorney may request, and (5) the results of each physical verification of inventory; (g) communicate in its own name with any party to any Contract with regard to the assignment of the right, title and interest of such Grantor in and under the Contract with regard to the assignment of the right, title and interest of such Grantor in and under the Contracts and other matters relating thereto; and (h) execute, in connection with any sale provided for in any Loan Document, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral and to otherwise direct such sale or resale, all as though the Attorney were the absolute owner of the property of the Grantor for all purposes, and to do, at the Attorney's option and the Grantor's expense, at any time or from time to time, all acts and other things that the Attorney reasonably deems necessary to perfect, preserve, or realize upon the Grantor's property or assets and the Attorney's Liens thereon, all as fully and effectively as the Grantor might do. The Grantor hereby ratifies, to the extent permitted by law, all that said Attorney shall lawfully do or cause to be done by virtue hereof. This Power of Attorney is governed by the laws of the State of New York.

IN WITNESS WHEREOF, this Power of Attorney is executed by the Grantor this _____ day of _____.

[GRANTOR]

By: _____
Name:
Title:

ATTEST:

By: _____

Title: _____

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