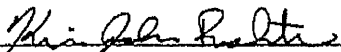


# TAB C

This is Exhibit "C"  
to the affidavit of Kim Alexander-Cook,  
sworn before me on the 26<sup>th</sup> day  
of March, 2010

  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
KEVIN JOHN RUSHTON

## ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT made in triplicate as of the \_\_\_\_\_ day of March, 2010

- A M O N G :** [4386370 CANADA INC.  
(hereinafter called "Brainhunter"),]
- A N D:** ZYLOG SYSTEMS (CANADA) LTD.  
(hereinafter called "Zylog (Canada)",
- A N D:** ZYLOG SYSTEMS (OTTAWA) LTD.  
(hereinafter called "Zylog (Ottawa)",
- A N D:** [HER MAJESTY THE QUEEN in right of  
Canada (hereinafter called "Canada") as  
represented by the Minister of Public  
Works and Government Services Canada]

**WHEREAS** Canada and Brainhunter have entered into the Contracts (as attached at Schedule A);

**WHEREAS** Brainhunter filed for protection under the *Companies' Creditors Arrangement Act* and obtained an initial order on December 2, 2009 and Deloitte and Touche Inc. was appointed the monitor (hereinafter the "Monitor") in that proceeding;

**WHEREAS** Brainhunter has made an absolute assignment of the Crown debt (as defined in the *Financial Administration Act*) due or becoming due under the Contracts (hereinafter the "Crown Debt") to Morrison Financial Services Ltd., notice of which has been given to the Crown pursuant to the requirements of the *Financial Administration Act*. (hereinafter called the "Crown Debt Assignment");

**WHEREAS** on February 17, 2010 Zylog Systems (Canada) Ltd. and Zylog Systems (India) Limited completed an asset purchase agreement dated January 18, 2010 with Brainhunter and other related entities whereby Brainhunter and such other entities agreed to sell, transfer and assign certain assets including the Contracts to Zylog Systems (Canada) Ltd. (the "Sale Agreement");

**WHEREAS** on February 18, 2010, Brainhunter (Ottawa) Inc. changed its name to 4386370 Canada Inc. and filed articles of amendment to that effect pursuant to the *Canada Business Corporation Act*;

**WHEREAS** made as of March 30, 2010 Zylog (Canada) and Zylog (Ottawa) in turn completed an asset transfer agreement whereby Zylog (Canada) agreed to transfer and assign certain assets including the Contracts to Zylog (Ottawa) (hereinafter called the "Transfer Agreement");

**WHEREAS** by order of the Ontario Superior Court of Justice (Commercial List) dated March 29, 2010 the Monitor has been authorized to sign this Agreement on behalf of Brainhunter pursuant to the Sale Agreement;

**WHEREAS** the assignments of the Contracts contemplated in the Sale Agreement and the Transfer Agreement are subject to the consent of Canada, and Canada has agreed to consent to such assignments on the terms and conditions hereinafter set out;

**WHEREAS** Brainhunter has agreed pursuant to the Sale Agreement to assign all of its rights and obligations under the Contracts to Zylog (Canada) subject to the Crown Debt Assignment and Zylog (Canada) has agreed pursuant to the Transfer Agreement to assign all of its rights and obligations under the Contracts to Zylog (Ottawa); and

**WHEREAS** Zylog (Ottawa) wishes to assume all of the rights and obligations created by the Contracts subject to the Crown Debt Assignment;

**NOW THEREFORE**, in consideration of the premises, covenants and agreements hereinafter set forth, the parties hereto mutually covenant and agree as follows:

## **ARTICLE 1 - DEFINITION AND INTERPRETATION**

### **Section 1.01 - Definitions**

1.01.01 Capitalized words and phrases used in this Agreement shall, unless specifically defined in this Agreement, have the meanings set out in the Contracts.

1.01.02 In this Agreement:

"Agreement" means this assignment and assumption agreement;

"Assignment" has the meaning ascribed to it in subsection 2.01.01;

"Assumption" has the meaning ascribed to it in subsection 3.01.01;

"Contracts" means the contracts listed in Schedule A;

"Crown Debt" has the meaning ascribed to it in the recital;

"Crown Debt Assignment" has the meaning ascribed to it in the recital;  
and

"Effective Date" means February [17], 2010. [Date to be confirmed]

**Section 1.02 - Subdivision**

1.02.01 The division of this Agreement into Articles, Sections, Subsections, Paragraphs, and Subparagraphs and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

**Section 1.03 - Preamble**

1.03.01 The Preamble forms an integral part of this Agreement, as though set out at length herein. Zylog (Canada) and Zylog (Ottawa) represent and warrant that the statements set out in the Preamble are accurate and complete.

**ARTICLE 2 - ASSIGNMENT**

**Section 2.01 - Assignment**

2.01.01 Subject to the Crown Debt Assignment, Brainhunter hereby absolutely assigns, transfers and sets over unto Zylog (Canada) and Zylog (Canada) hereby absolutely assigns, transfers and sets over unto Zylog (Ottawa) the Contracts, and all rights, titles and interests, and without limiting the generality of the foregoing, and any and all monies which are now payable or which may hereafter become payable to Brainhunter under or in respect of the Contracts as of the Effective Date (the "Assignment").

2.01.02 For greater certainty, Zylog (Canada) and Zylog (Ottawa) acknowledge and agree that, notwithstanding subsection 2.01.01, the Crown Debt has previously been absolutely assigned pursuant to the Crown Debt Assignment to Morrison Financial Services Ltd.

2.01.03 Zylog (Canada) and Zylog (Ottawa) acknowledge and agree that nothing in subsection 2.01.01 is or is intended to be an assignment of a Crown debt as contemplated in Section 68 of the *Financial Administration Act*.

**ARTICLE 3 - ASSUMPTION**

**Section 3.01 - Assumption**

3.01.01 Zylog (Ottawa), hereby assumes, accepts and agrees to be bound by each and all of the provisions of the Contracts assigned to Zylog (Ottawa) pursuant to subsection 2.01.01 of this Agreement and

covenants and agrees with the Minister and Brainhunter that Zylog (Ottawa) shall, from and after the Effective Date, observe and perform all covenants, conditions and agreements to be observed and performed by Brainhunter under the Contracts as if Zylog (Ottawa) had been original signatory thereto (the "Assumption").

## **ARTICLE 4 - CONSENT**

### **Section 4.01 - Consent by Canada**

- 4.01.01 Subject to the receipt of a fully executed performance guarantee from each of Zylog (Canada) and Zylog Systems Limited (the "Performance Guarantees") Canada hereby consents to the Assignment and the Assumption on the terms herein set out.
- 4.01.02 Canada hereby expressly declares, and Zylog (Canada), Zylog (Ottawa) and Brainhunter acknowledge and agree, that the sole object, purport and effect of the consent set out in subsection 4.01.01 of this Agreement is solely to meet the requirements of assignment provision of each of the Contracts, and no action shall be taken or things done or maintained, under, by virtue of, or in connection with this Agreement that may prejudice, impair or affect in any way whatsoever any of the rights or remedies of Canada.

### **Section 4.02 - No representation or warranty**

- 4.02.01 Zylog (Canada) and Zylog (Ottawa) hereby acknowledge that Canada has made no representation or warranty in connection with the execution of this Agreement, and as to whether or not Brainhunter has performed or observed the covenants and agreements of Brainhunter in the Contracts.

### **Section 4.03 - No Waiver**

- 4.03.01 Canada hereby expressly declares, and Zylog (Canada) and Zylog (Ottawa) acknowledge and agree, that the consent set out in subsection 4.01.01 of this Agreement shall not imply any waiver by Canada of compliance with or observance or performance by Brainhunter and its successors and assigns, of any of the obligations of the Contractor under the Contracts to be complied with, observed and performed whether before, on or after the Effective Date, nor any waiver, impairment or restriction in any way whatsoever any of the rights or remedies of Canada in respect of the Contracts.
- 4.03.02 For greater certainty, Zylog (Ottawa) acknowledges and agrees that all references to the Contractor in the Contracts, shall include from and after the Effective Date, Zylog (Ottawa), including without limitation the

references to the Contractor in the default provision of each of the Contracts; provided that nothing herein shall require Canada to give notice to any person other than Zylog (Ottawa) where notice may or is required to be given to the Contractor by Canada pursuant to the Contracts.

## ARTICLE 5 - RELEASE

### Section 5.01 - Release

5.01.01 Zylog (Canada) and Zylog (Ottawa) acknowledge and agree that the receipt by Zylog (Canada) or Zylog (Ottawa), or by any other party to which the Receiver General Canada has acknowledged the assignment of Crown debt pursuant to the *Financial Administration Act*, of any monies paid by Canada to Zylog (Canada) or Zylog (Ottawa) or such other party under or in respect of the Contracts, shall be in complete discharge and release to Canada for and in respect of all monies so paid irrespective of the date when such monies were, might or would have been payable or the party to whom such monies were, might or would have been payable if it was not for the existence of this Agreement.

### Section 5.02 - No Release by Canada

5.02.01 It is hereby agreed and understood that this Agreement does not constitute a release by Canada of the due performance by Brainhunter or Zylog (Canada) of any and all of its obligations, terms and conditions of the Contracts whether before, on or after the Effective Date.

## ARTICLE 6 - CAPACITY OF MONITOR

6.01.01 The parties acknowledge and agree that Deloitte & Touche Inc. executes this Agreement solely in its capacity as the Monitor of Brainhunter appointed by the Ontario Superior Court of Justice and not in its personal capacity and shall not incur personal or corporate liability of any kind whatsoever, in contract, in tort, at equity or otherwise, as a result of executing this Agreement or otherwise pursuant to this Agreement. The parties acknowledge and agree that the Monitor has no obligations under this Agreement and that the Monitor has not agreed, and has no obligation, to carry out or perform any of the obligations of Brainhunter under this Agreement. No recourse or resort shall be had for any purpose, nor shall any judgment be issued nor any execution or other process be levied, against any assets or property of Deloitte & Touche Inc. or any of its affiliates, officers, directors, partners, employees, successors or assigns. Zylog (Canada) and Zylog (Ottawa) agree to jointly and severally indemnify Deloitte & Touche Inc., both in its capacity as Monitor and in its personal capacity, against all claims, losses and liabilities arising from or connected with this Agreement.

## ARTICLE 7 - NOTICE

### Section 7.01 - Notice

7.01.01 For the purposes of the notice provision of each of the Contract, the following shall be the address of Zylog (Ottawa):

Attention: Mr. Marc Bolduc  
Address: 1545-600 Carling Avenue Ottawa, ON K1Z 8P9  
Telephone: 613-789-7000  
Facsimile: 613-722-8756

or to such other address or facsimile number or addressed to such other person as Zylog (Ottawa) may, from time to time, designate in writing to any other party hereto.

## ARTICLE 8 - EFFECTIVE DATE

### Section 8.01 - Effective Date

8.01.01 This Agreement is effective on the Effective Date.

## ARTICLE 9 - GENERAL PROVISIONS

### Section 9.01 - Amendments

9.01.01 No amendment to this Agreement shall be binding unless it is incorporated into this Agreement by written amendment executed by the authorized representatives of Canada and of Zylog (Ottawa).

### Section 9.02 - Entire Agreement

9.02.01 This Agreement in conjunction with the Performance Guarantees constitutes the entire and sole agreement between the parties with respect to the subject-matter and supersedes all previous negotiations, communications and other agreements, whether written or oral, relating to it, unless they are incorporated by reference in this Agreement. There are no terms, covenants, representations, statements or conditions binding on the parties other than those contained in this Agreement.

### Section 9.03 - Governing Law

9.03.01 This Agreement shall be governed by and shall be construed and interpreted in accordance with the laws in force in the Province of Ontario, subject always to any paramount or applicable federal laws. Nothing in this Agreement is intended to or shall be construed as limiting, waiving or derogating from any Federal Crown prerogative.

**Section 9.04 - Enurement**

9.04.01 This Agreement shall enure to the benefit of, and shall be binding upon, the successors of the parties and the permitted assigns of Zylog (Ottawa).

**Section 9.05 - Execution**

9.05.01 This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

**IN WITNESS WHEREOF**, this Agreement has been duly executed on behalf of Canada by the authorized officers of the Minister of Public Works and Government Services Canada, by Brainhunter by the hands of the Monitor authorized by the Court to sign on its behalf, and by Zylog (Canada) and Zylog (Ottawa) by the hands of their respective officers duly authorized in that behalf.

**[4386370 CANADA INC.,  
by its Authorized Signatories**

per: \_\_\_\_\_

Name:

Title:

per: \_\_\_\_\_

Name:

Title: ]

**ZYLOG SYSTEMS (CANADA) LTD.,  
by its Authorized Signatories**

per: \_\_\_\_\_

Name:

Title:

per: \_\_\_\_\_

Name:

Title:

**ZYLOG SYSTEMS (OTTAWA) LTD.,**  
by its Authorized Signatories

per: \_\_\_\_\_  
Name:  
Title:

per: \_\_\_\_\_  
Name:  
Title:

**[HER MAJESTY THE QUEEN IN RIGHT OF  
CANADA REPRESENTED BY THE MINISTER OF  
PUBLIC WORKS AND GOVERNMENT SERVICES,**  
by its Authorized Signatories

per: \_\_\_\_\_  
Name:  
Title: **Corporate Secretary**

per: \_\_\_\_\_  
Name:  
Title: **Contracting Authority]**

Schedule A