EXHIBIT 13  
  
  
 PLEDGE AGREEMENT  
 OF  
 DIGITAL TRANSMISSION SYSTEMS, INC.  
 401(K) AND EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST  
  
  
 THIS AGREEMENT (the "Agreement") is made and entered into as of the date  
subscribed below, by and between (i) DIGITAL TRANSMISSION SYSTEMS, INC. EMPLOYEE  
STOCK OWNERSHIP PLAN AND TRUST, a Georgia trust (the "ESOP" or "Trust"), acting  
by XXXXX XXXXXXX as Trustee (the "Trustee"), (said Trust being hereinafter  
called "Pledgor"), and (ii) WI-LAN, INC., Alberta, Canada (hereinafter called  
"Lender").  
  
1. PLEDGE OF STOCK.  
  
 1.1 In consideration of the loan in the principal amount of Nine Hundred  
Thousand Dollars ($900,000) made by Lender to Pledgor (the "Loan"), as evidenced  
by the Note executed simultaneously herewith (the "Note"), and as security for  
the payment of the Note, Pledgor hereby assigns, transfers, pledges and grants  
to Lender, pursuant to the Georgia Uniform Commercial Code (the "UCC"), a  
security interest in 9,000,000 of Shares of the no par value common stock of  
Digital Transmission Systems, Inc. to be purchased, by Pledgor in part with  
monies received from the Loan ("Shares") which will be acquired by the Trust  
under the Note. Shares pledged hereunder shall not have been previously  
allocated to participants in the ESOP or in any other way encumbered. Such  
assignment and pledge includes any stock rights, rights to subscribe,  
liquidation dividends, stock dividends, dividends paid in stock or cash, stock  
splits, warrants, options, stock purchase rights, new securities or other  
property which Pledgor is or may hereafter become entitled to receive in respect  
of, or in exchange for, or in substitution of, or on account of the Shares, and  
all proceeds thereof at any time hereafter acquired or issued; provided,  
however, prior to the occurrence of any Event of Default (as defined in the  
Stock Purchase Agreement of even date herewith), Pledgor shall be entitled to  
receive and retain all dividends of cash and noncash property (other than stock  
dividends, stock splits, warrants, options and stock purchase rights) and such  
dividends shall not constitute part of the Collateral. Upon the occurrence of  
any default specified or referred to in the Note or the Stock Purchase  
Agreement, Lender, at its discretion, may cause to be transferred to its own  
name, or to the name of any other person, firm or corporation, individually or  
as secured party or trustee or otherwise, to the extent such would not cause the  
Loan to fail as an exempt loan under Section 4975 of the Internal Revenue Code  
of 1986 (referred to hereinafter as the "Code") and the regulations thereunder,  
the property deposited with it pursuant to this Agreement. Subject to Section  
2.1 of this Agreement, all property assigned, transferred to, or pledged with  
the Lender and in which Lender is granted a security interest under this  
Agreement, including without limitation the Shares, is herein referred to as  
"Collateral". This Pledge Agreement is issued pursuant to the terms and  
provisions of that certain Stock Purchase Agreement of even date herewith (the  
"Stock Purchase Agreement") between Lender and Pledgor and the terms used herein  
shall have the same meaning as set out in the Stock Purchase Agreement, unless  
otherwise defined  
  
  
  
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herein.  
  
2. RELEASE OF COLLATERAL FROM PLEDGE.  
  
 2.1 Upon payment of the entire principal amount of the Note, including  
interest, or installments thereof, in conformity with arrangements agreed on by  
Lender and Pledgor, all (in case of full payment) or a portion (in the case of  
partial payment) of Shares of the Collateral shall be released from those  
pledged hereunder. If partial payment of the Loan is made, the number of Shares  
released shall bear such relation to the total number of Shares then encumbered  
hereunder as the principal and interest paid on the Note for such partial  
payment bears to the principal and interest paid on the Note for said payment  
plus the principal and interest yet to be paid on the Note, without taking into  
account any possible extension or renewal periods. After any Shares have been so  
released, Lender, or its agent, shall promptly deliver the same to Pledgor and  
such Shares shall no longer be Collateral hereunder. Upon release of said Shares  
hereunder, Pledgor shall allocate such Shares to participants in the ESOP as  
provided in the ESOP Plan and Trust documents.  
  
3. PRESERVATION AND PROTECTION OF COLLATERAL.  
  
 3.1 Lender shall be under no duty or liability with respect to the  
collection, protection or preservation of the Collateral or otherwise, beyond  
the use of reasonable care in the custody and preservation thereof while in its  
possession, or in the possession of its agent.  
  
4. SALE OR TRANSFER OF NOTE.  
  
 4.1 Upon transfer of all or any part of the indebtedness, provided such  
transfer shall be subject to any applicable provisions of ERISA and the Code in  
order to maintain the qualification of the ESOP Plan and Trust, Lender may  
transfer all or any part of the Collateral, and shall be fully discharged from  
all liability and responsibility accruing thereafter, with respect to such  
Collateral so transferred, and the transferee shall be vested with all the  
rights and powers of Lender hereunder with respect to such Collateral so  
transferred; but with respect to any Collateral not so transferred, Lender shall  
retain all rights and powers hereby given.  
  
5. DEFAULT.  
  
 5.1 Should any default specified in the Note and/or Stock Purchase  
Agreement occur, Lender or any holder of the indebtedness secured hereby is  
given full power and authority, then or at any time thereafter, at its election,  
to sell, assign and deliver or collect all or such portion of the Collateral, or  
any substitute therefor or any addition thereto, to the extent such would not  
cause the Loan to fail as an exempt loan under Section 4975 of the Code and the  
regulations thereunder, in one or more sales, with or without any previous  
demands or demand of performance (except for any notice required by the Stock  
Purchase Agreement) or notice of advertisement, in such order as Lender may  
elect; and any such sale may be made either at public or private sale at  
Lender's place of business or  
  
  
  
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elsewhere, either for cash or upon credit or for future delivery with such sale  
being governed by the applicable provisions of the Uniform Commercial Code; and  
Lender may be purchaser of any or all Collateral so sold and hold the same  
thereafter in its own right free from any claim of Pledgor or right of  
redemption. Upon termination of the Trust, all of the Collateral shall be  
applied to discharge the indebtedness secured hereby. All demands, notices and  
advertisements are hereby waived to the extent permitted by law. Any sales  
hereunder may be conducted by an auctioneer or any officer or agent of Lender or  
of any holder of the indebtedness secured hereby.  
  
 5.2 Notwithstanding any other provisions of this Pledge Agreement, in case  
of an Event of Default as provided in the Note and/or Stock Purchase Agreement,  
Lender shall have no right to receive payment from any assets of the Trust, or  
any recourse against any assets of the Trust, other than, to the extent  
permitted under Treasury Regulation 54.4975-7(b)(5): the Collateral;  
contributions (other than contributions of "employer stock", as defined in  
Section 409(l) of the Code) that are made to the Trust to enable the Trust to  
meet its obligations under the Note; earnings attributable to the Collateral and  
investment of such contributions; and the Loan proceeds prior to purchase of the  
Shares (as defined in the Loan Agreement) and any earnings thereon.  
  
6. PROCEEDS OF SALE.  
  
 6.1 The proceeds of the sale of any of the Collateral and all sums received  
or collected from or on account of such Collateral shall be applied to payment  
of expenses incurred or paid by Lender or such other holder in connection with  
any sale, transfer or delivery of the Collateral to the payment of any other  
costs, charges, reasonable attorneys' fees or expenses provided for in the Note  
or the Stock Purchase Agreement, and to the payment of the Note or any part  
thereof, all in such order and manner as Lender or such holder in its discretion  
may determine. Lender or such holder shall notify Trustee of any balance, and  
shall pay any balance to Trustee or to the person or persons entitled thereto  
upon proper demand being made therefor.  
  
7. PRESENTMENTS, ETC.  
  
 7.1 Lender shall be under no duty or obligation whatsoever to make or give  
any presentment, demand for performance, notice of nonperformance, protest,  
notice of protest or notice of dishonor in connection with any obligation or  
evidence of indebtedness held by Lender as Collateral, or in connection with any  
obligations or evidence of indebtedness which constitute in whole or in part the  
indebtedness secured hereunder.  
  
8. WAIVER BY PLEDGOR.  
  
 8.1 Pledgor waives any right to require Lender to (a) proceed against any  
person, (b) proceed against or exhaust the Collateral or any other collateral or  
security for the Note, or (c) pursue any other remedy in Lender's power,  
including but not limited to pursuit of any rights which Lender may have against  
any person or against any other collateral, security or guaranty, and Pledgor  
waives any defense arising by reason of any disability or other defense of any  
person, or by reason of the cessation from any cause whatsoever of the  
  
  
  
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liability of any other person. Until all indebtedness to the Lender shall have  
been paid in full, Pledgor shall have no right of subrogation, and Pledgor  
waives any right to enforce any remedy which it now has or may hereafter have  
against any other person and waives any benefit of and any right to participate  
in any collateral or security whatsoever now or hereafter held by Lender except  
as otherwise specified herein.  
  
 8.2 Lender may at any time deliver the Collateral or any part thereof to  
Pledgor and the receipt of Pledgor shall be a complete and full acquittance for  
the Collateral so delivered, and Lender shall be discharged from any liability  
or responsibility therefor accruing thereafter.  
  
9. VOTING RIGHTS.  
  
 9.1 Subject to any applicable provisions of ERISA, Lender may, after a  
default in payment of principal or interest under the Note or any other default  
under the Note, cause the Collateral to be voted, by a proxy designated by  
Lender, for or against any corporate action or for the election of any officer  
or director as Lender in its discretion shall deem desirable.  
  
10. POWER OF SALE.  
  
 10.1 Until all indebtedness of Pledgor to Lender shall have been paid in  
full, the power of sale and other rights, powers and remedies granted to Lender  
hereunder shall continue to exist and may be exercised at any time and from time  
to time irrespective of the fact that any such indebtedness or any part thereof  
may have become barred by any statute of limitations, or the personal liability  
of Pledgor may have ceased.  
  
11. OTHER RIGHTS.  
  
 11.1 The rights, powers and remedies given to Lender by this Agreement  
shall be in addition to all rights, powers and remedies given to Lender by  
virtue of any statute or rule of law. Any forbearance or failure or delay by  
Lender in exercising any right, power or remedy hereunder shall not be deemed to  
be a waiver of such right, power or remedy, and any single or partial exercise  
of any remedy hereunder shall not preclude the further exercise thereof; and  
every right, power and remedy of Lender shall continue in full force and effect  
until such right, power or remedy is specifically waived by Lender in an  
instrument in writing.  
  
12. GOVERNING LAW.  
  
 12.1 The validity and interpretation of this Agreement and performance of  
the parties hereto of their respective duties and obligations hereunder shall be  
governed by the laws of the State of Delaware, except with respect to interest  
which shall be governed by and construed in accordance with applicable Federal  
laws, if such laws permit a greater rate than Delaware law, and except as  
otherwise provided in the Stock Purchase Agreement.  
  
  
  
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13. EXEMPT LOAN.  
  
 13.1 It is expressly agreed and acknowledged that the Trust is an "employee  
stock ownership plan" within the meaning of Section 4975 of the Code, the  
applicable provisions of ERISA and regulations thereunder and that the Loan is  
intended to be an "exempt loan" in full compliance with Section 4975 of the  
Code, the applicable provisions of the Employee Retirement Income Security Act  
of 1974, as amended ("ERISA") and all regulations thereunder. To the extent that  
any provision of this Pledge Agreement conflicts with the provisions of Section  
4975 of the Code, ERISA, or regulations thereunder, or would (i) cause the Loan  
to fail to qualify as an "exempt loan", or (ii) cause the Trust to fail as an  
"employee stock ownership plan", (as all of these terms are defined  
hereinabove), the provision shall where possible be deemed amended from date of  
execution hereof to comply with the requirements of Section 4975 of the Code,  
ERISA and the regulations thereunder, or where amendment is not possible, said  
provision will be stricken as if never contained herein and treated as null and  
void from the date of execution hereof, with all remaining provisions continuing  
in effect; provided, however, that no such amendments or deletions shall be  
permitted or made hereto if, and to the extent that, such amendments or  
deletions would adversely effect Lender's rights to collect the indebtedness  
evidenced by the Note in the amounts and at the times specified in the Note or  
in any of the other Loan Documents.  
  
 EXECUTED as of this 31st day of December, 2001, at Atlanta, Georgia, the  
parties acting by and through their respective duly authorized officers.  
  
 PLEDGOR:  
  
 DIGITAL TRANSMISSION SYSTEMS, INC.  
 401(K) AND EMPLOYEE STOCK OWNERSHIP  
 PLAN AND TRUST  
  
  
 BY: /s/ Illegible  
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 TITLE: Trustee  
  
  
 LENDER:  
  
 WI-LAN, INC.  
  
 BY: /s/ X. Xxxxxxxx  
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 TITLE: Chairman, President & CEO