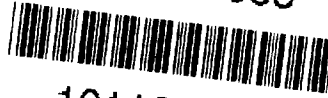9-2-99

UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1.   Name and address of conveying party:

NetPhone, Inc.
313 Boston Post Road West
Marlborough, MA 01752

A Delaware corporation

2.   Name and address of receiving party:

Fleet National Bank
One Federal Street
Boston, MA 02110

A national banking association

3.   Nature of conveyance: Security Agreement (Trademarks),
dated as of October 9, 1998

Execution date: October 9, 1998

4.   Application numbers and registration numbers:

A.   Trademark numbers:

See Schedule A attached hereto.

B.   Trademark application numbers:

See Schedule A attached hereto.

BUSDOCS:774354.1

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

Catherine A. Walters, Esq.
Bingham Dana LLP
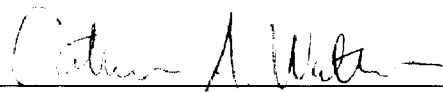150 Federal Street
Boston, Massachusetts 02110

6.   Total number of applications and trademarks involved: 3

7.   Total fee enclosed: $90.00

8.   Deposit account number: Not applicable

9.   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.

Catherine A. Walters, Esq.
September 1, 1999

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules): 9

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

U.S. Patent and Trademark Office
Office of Public Records
Customer Service Counter
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

SCHEDULE A
TO
SECURITY AGREEMENT (TRADEMARKS)

<u>Marks with Federal Registration</u>

<u>Marks</u>	<u>Registration No./Reg. Date</u>	<u>Use</u>
NETPHONE	No. 2,090,342 August 26, 1997	Telephone system, comprised of hardware and software which is integrated into or installed in a user's local area network server, therefore allowing for integration of voice and data applications such as caller identification through a visual display and visual display of information relating to the caller, as well as typical telephone functions managed through the computer, such as voicemail, transferring calls between extensions, conferencing calls and placing calls on hold.
NETPHONE and design	No. 2,161,657 June 2, 1998	Telephone system, comprised of hardware and software which is integrated into or installed in a user's local area network server, therefore allowing for integration of voice and data applications such as caller identification through a visual display and visual display of information relating to the caller, as well as typical telephone functions managed through the computer, such as voicemail, transferring calls between extensions, conferencing calls and placing calls on hold.

PHONEMASTER   No. 2,138,600   Computer software program
           February 24, 1998   on disc or CD which provides
                       the user with graphical access
                       to and control of telephone
                       functions such as caller
                       identity processing, screen
                       popping of personal computer
                       databases, visual voice mail,
                       hands-free operation, online
                       telephone directory,
                       workgroup status information,
                       call logging, speed dialing,
                       multiple line appearances

Marks with Pending Applications

Marks	Serial No./Filing Date	Use
	None.	

SECURITY AGREEMENT (TRADEMARKS)

WHEREAS, NETPHONE, INC., a Delaware corporation, with a principal place of business at 313 Boston Post Road West, Marlborough, MA 01752 (the "Company") and FLEET NATIONAL BANK, with a place of business at One Federal Street, Boston, Massachusetts 02110 (the "Bank") have entered into an Inventory, Accounts Receivable and Intangibles Security Agreement dated October 24, 1997 (the "Security Agreement") and are also parties to a related letter agreement, as amended (as so amended, the "Letter Agreement") between the Bank and the Company; and

WHEREAS, the Company is the owner and user of the trademarks listed on Schedule A hereto and identified in said Security Agreement (the "Trademarks"); and

WHEREAS, among the security interests granted by the Company to the Bank pursuant to the Security Agreement is a security interest in the Trademarks listed on Schedule A hereto, together with the goodwill of the business associated with and symbolized by such Trademarks; and

WHEREAS, the parties to the Security Agreement contemplate and intend that, if an Event of Default (as defined in the Letter Agreement) shall occur and be continuing, the Bank shall have all rights of the Company in and to the Trademarks and the goodwill of the business of the Company associated with and symbolized by the Trademarks as may be necessary or proper in order to enable the Bank, as foreclosing secured party, to continue such business of the Company or, following such foreclosure, to transfer to a purchaser all such rights as may be necessary or proper to enable such purchaser to continue such business of the Company;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties reconfirm the terms of the Security Agreement, as if set forth fully herein, and acknowledge that the Bank has a security interest in the Trademarks listed on Schedule A hereto, together with the goodwill of the business associated with and symbolized by such Trademarks; as security for the Obligations (as defined in the Security Agreement), the Company hereby collaterally assigns to the Bank, and grants a security interest to the Bank in and to, all of the Company's right, title and interest in and to said Trademarks and the goodwill of the business associated therewith; the Company agrees that it will not sell or assign any of the Trademarks without the prior written consent of the Bank; and the Company and the Bank request that the Commissioner of Patents and Trademarks record this document with respect to the Trademarks.

The Company hereby appoints the Bank as the Company's attorney-in-fact (with full power of substitution and resubstitution) with the power and authority, after the occurrence of any Event of Default (as defined in the Letter Agreement), to execute and deliver, in the name and on behalf of the Company, and to cause the recording of all such further assignments and other instruments as the Bank may reasonably deem necessary or desirable in order to carry out the intent of the Security Agreement and this Security Agreement (Trademarks). The Company

agrees that all third parties may conclusively rely on any such further assignment or other instrument, so executed, delivered and recorded by the Bank (or the Bank's designee in accordance with the terms hereof) and on the statements made therein.

NETPHONE, INC.   FLEET NATIONAL BANK

By: _____   By: _____
Name: _____   Its _____
Title: _____

COMMONWEALTH OF MASSACHUSETTS)

) ss.
COUNTY OF _____)

Then personally appeared before me the above-named _____ , the
_____ of NetPhone, Inc., and stated that he/she executed the foregoing instrument under the authority of said corporation's Board of Directors and acknowledged the foregoing instrument to be the free act and deed of said corporation.

WITNESS my hand and seal this ____ day of October, 1998.

_____
Notary Public
My commission expires:

SCHEDULE A
TO
SECURITY AGREEMENT (TRADEMARKS)

Marks with Federal Registration

Marks	Registration No./Reg. Date	Use
NETPHONE	No. 2,090,342 August 26, 1997	Telephone system, comprised of hardware and software which is integrated into or installed in a user's local area network server, therefore allowing for integration of voice and data applications such as caller identification through a visual display and visual display of information relating to the caller, as well as typical telephone functions managed through the computer, such as voicemail, transferring calls between extensions, conferencing calls and placing calls on hold.
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PHONEMASTER

No. 2,138,600
February 24, 1998

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workgroup status information,
call logging, speed dialing,
multiple line appearances

Marks with Pending Applications

Marks   Serial No./Filing Date   Use

None.