



06-13-2002



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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): MindSurf Networks, Inc. 6-6-02
Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other Delaware
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Sylvan Ventures, LLC
Internal Address:
Street Address: 1001 Fleet Street, 9th Floor
City: Baltimore State: MD Zip: 21202
Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State Delaware
Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
Assignment Merger
Security Agreement Change of Name
Other
Execution Date: 05/30/02

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) 76/110,583 76/086,486
75/919,250 76/036,333
B. Trademark Registration No.(s) 2,208,030
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Robert W. Zentz, Esquire
Internal Address: Sylvan Ventures, LLC
Street Address: 1001 Fleet Street, 9th Floor
City: Baltimore State: MD Zip: 21202

6. Total number of applications and registrations involved: 5
7. Total fee (37 CFR 3.41): \$ 200 140.00
Enclosed
Authorized to be charged to deposit account
8. Deposit account number: 50-1656

DO NOT USE THIS SPACE

9. Signature.
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 16

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

06/12/2002 6TON11 00000111 76110583

01 FC:481 40.00 DP
02 FC:482 100.00 DP

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SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is entered into as of the 30th day of May, 2002 (the "Effective Date"), by and among **SYLVAN VENTURES, LLC**, a Delaware limited liability company ("Sylvan"), and **MINDSURF, INC.**, a Delaware corporation ("Mindsurf"), **MINDSURF NETWORKS, INC.**, a Delaware corporation, and **DISCOURSE TECHNOLOGIES, INC.**, a Delaware corporation (each, a "Grantor," and collectively, the "Grantors").

WHEREAS, on the Effective Date, Sylvan loaned to Grantors the sum of \$250,000 as evidenced by that certain Secured Promissory Note issued by Grantors to Sylvan (the "**Second May Note**");

WHEREAS, on May 15, 2002, Sylvan loaned to Grantors the sum of \$200,000 as evidenced by that certain Secured Promissory Note issued by Grantors to Sylvan (the "**First May Note**") and the Grantors and Sylvan entered into that certain Security Agreement, dated May 15, 2002 (the "**May Security Agreement**"), pursuant to which, each Grantor granted a security interest in such Grantor's collateral to Sylvan as security for the payment of the First May Notes;

WHEREAS, on March 12, 2002, the Grantors issued a Secured Convertible Promissory Note in the amount of \$500,000 to each of Aether Capital LLC ("Aether") and Sylvan (each note hereinafter referred to as a "**March Note**" and collectively referred to as the "**March Notes**") and the Grantors, Aether and Sylvan entered into that certain Security Agreement, dated March 12, 2002 (the "**March Security Agreement**"), pursuant to which, each Grantor granted a security interest in such Grantor's collateral to each of Aether and Sylvan as security for the payment of the March Notes;

WHEREAS, Aether has agreed to subordinate the repayment of its March Note to the repayment of the First May Note and Second May Note pursuant to the terms of the Subordination Agreement dated March 15, 2002 by and among the Grantors, Aether and Sylvan, as amended on May 30, 2002 (the "**Subordination Agreement**"); and

WHEREAS, each Grantor has agreed to grant to Sylvan a security interest in the Collateral (as defined herein and as identically defined in the March Security Agreement and May Security Agreement) to secure the obligations of each Grantor under the Second May Note, on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties hereby covenant and agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following definitions:

"Collateral" means, with respect to each Grantor, the property set forth on Exhibit A attached hereto and the Intellectual Property Collateral.

"Copyrights" means any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held.

"Intellectual Property Collateral" means all of Grantor's right, title, and interest in and to the following:

- (a) Copyrights, Trademarks and Patents;
- (b) Any and all trade secrets, inventions (whether or not patentable), mask works, programs, works of authorship, know-how, discoveries, developments, designs, design rights and techniques and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

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(c) Any and all claims for damages by way of past, present and future infringement of any of the rights included in (a) or (b) above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of such intellectual property rights;

(d) All licenses or other rights to use any of the Grantor's intellectual property, including without limitation, the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(e) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents;

(f) All documents, models, samples, specimens, invention disclosures, reports, drawings, research materials, notes and other materials in connection with or which in any way embody or relate to any of the Grantor's intellectual property, including without any limitation, any Patent or patentable matter and the right to pursue, prepare, file and prosecute any Patent application(s) in connection therewith;

(g) Any and all rights in or to the Grantor's intellectual property described on Exhibit A hereto (to the extent not otherwise described in clauses (a) through (f) above); and

(h) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

"Liens" means all mortgages, liens, deeds of trust, bailments, charges, pledges, security interests, options, licenses, assignments or other encumbrances.

"Patents" means all patents and improvements thereto, patent applications and improvements thereto, all types of exclusionary or protective rights granted (or applications therefor) and inventions and like protections (including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same) and any and all patentable subject matter (including, without limitation, methods of doing business, machines, articles of manufacture, processes, compositions of matter and new uses or improvements of any of the foregoing).

"Permitted Liens" means the following:

(a) Liens created by this Agreement, the March Security Agreement and the May Security Agreement; and

(b) Liens for fees, taxes, levies, imposts, duties or other governmental charges of any kind which are not yet delinquent or which are being contested in good faith by appropriate proceedings which suspend the collection thereof.

"Trademarks" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks and servicemarks.

2. Security Interest.

(a) Grant of Security Interest. In order to secure prompt repayment of the Second May Note in accordance with its terms, each Grantor hereby grants and pledges to Sylvan a first priority senior continuing security interest in all of Grantor's right, title and interest in, to and under the Collateral (including, without limitation, those Copyrights, Patents and Trademarks listed on Exhibits B, C and D attached hereto) and including, without limitation, all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits) and, with respect to the Intellectual Property Collateral, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions,

continuations, renewals, extensions and continuations-in-part thereof. Simultaneously with the execution of this Agreement, each Grantor shall execute and deliver to Sylvan one or more UCC-1 Financing Statements covering all of the Collateral as described on Exhibit A attached hereto as shall have been requested, prepared and delivered to each Grantor by Sylvan (collectively, the "UCC-1"). Each Grantor hereby consents to Sylvan filing the UCC-1 in the appropriate jurisdictions. The security interest granted herein constitutes a valid, first priority senior security interest in the presently existing Collateral and will constitute a valid, first priority senior security interest in Collateral acquired or created after the date hereof. Each Grantor shall, from time to time, execute and deliver to Sylvan, at the request of Sylvan, all financing statements and other documents that Sylvan may reasonably request, in form satisfactory to Sylvan and each Grantor, to perfect and continue perfected the Sylvan security interests in the Collateral.

(b) Duration of Security Interest. Sylvan's security interest in the Collateral granted pursuant to this Agreement shall continue until the payment in full of the Second May Note whereupon such security interest granted hereby shall terminate. Sylvan, upon payment in full of the Second May Note (in accordance with the immediately preceding sentence), shall, at the Grantors' expense, execute such documents and take such further reasonable actions, without recourse or representation, as may be necessary to effect the release and/or termination contemplated by this Section 2(b), including executing and delivering UCC-3 Termination Statements for filing in all relevant jurisdictions.

(c) Possession of Collateral. So long as no Event of Default has occurred, each Grantor shall remain in full possession, enjoyment and control of the Collateral, and shall manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto.

3. Representations, Warranties and Covenants. The Grantors jointly and severally represent, warrant and covenant to Sylvan as follows:

(a) Exhibits B, C and D attached hereto set forth any and all intellectual property rights with respect to which any Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office and any equivalent foreign governmental agencies, as applicable.

(b) Except as set forth on Exhibit C attached hereto, each Grantor is the sole owner and has good and marketable title to the Collateral, free and clear of any Liens, other than the Permitted Liens. No part of the Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Collateral violates the rights of any third party. No Grantor is a party to, nor bound by, any agreement that restricts the ability of any Grantor to grant the security interest in the Collateral contemplated herein, or which otherwise conflicts with any of the terms or conditions hereof. No Grantor has borrowed any funds, or issued or incurred any indebtedness, except for (i) trade payables incurred in the ordinary course of Grantor's business, (ii) in the case of Mindsurf, indebtedness in the aggregate principal amount of \$13,831,085 payable to Aether and Sylvan, (iii) the indebtedness evidenced by the March Notes, (iv) the indebtedness evidenced by the First May Note and (v) the indebtedness evidenced by the Second May Note.

(c) There are no actions or proceedings instituted or pending or, to the Grantors' knowledge, threatened against any Grantor that challenge any Grantor's ownership status or rights in any Collateral or any Grantor's right to use or otherwise exploit the Intellectual Property Collateral. No holding, decision or judgment has been rendered by any federal, state, local or foreign governmental authority which would limit, cancel or question the validity of any Grantor's ownership in any of the Intellectual Property Collateral. To the Grantors' knowledge, no third party is infringing or violating any Grantor's rights in or to any of the Intellectual Property Collateral or exceeding the scope of authorization or license of any of the Intellectual Property Collateral.

(d) Until payment in full of the Second May Note (in accordance with the terms of the Second May Note), the Grantors, jointly and severally, covenant and agree that:

(i) Each Grantor shall promptly notify Sylvan in writing of any material applications or registrations that any Grantor has made or filed in respect of any Patents, Copyrights or Trademarks and the status of any outstanding applications or registrations, as well as any material change in any Grantor's intellectual property, including but not limited to any subsequent ownership right of any Grantor in or to any Trademark, Patent or Copyright, and each Grantor shall promptly execute and deliver to Sylvan an Assignment, in form and substance reasonably satisfactory to Sylvan, with respect to any such Intellectual Property Collateral disclosed in such written notice.

(ii) Each Grantor shall use its best efforts to register or cause to be registered in a reasonable time (to the extent not already registered) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable: (i) those intellectual property rights listed on Exhibits B, C and D attached hereto, (ii) all material registerable intellectual property rights which any Grantor has developed as of the date of this Agreement but heretofore failed to register, and (iii) those additional material intellectual property rights developed or acquired by any Grantor from time to time in connection with any product or service, prior to the rendering of such service to any third party (including, without limitation, major revisions or additions to the intellectual property rights listed on Exhibits B, C and D attached hereto). Each Grantor shall give Sylvan written notice of all such applications or registrations, and each Grantor shall promptly execute and deliver to Sylvan an Assignment, in form and substance reasonably satisfactory to Sylvan, with respect to any such Intellectual Property Collateral disclosed in such written notice.

(iii) Without the prior written consent of Sylvan, no Grantor shall license, convey, sell, lease, transfer or otherwise dispose of (each a "Transfer") any of the Collateral, other than (A) Transfers in the ordinary course of business, consistent with prior practice, or (B) Transfers of worn-out or obsolete equipment.

(iv) No Grantor shall create, incur, assume or suffer to exist any Lien with respect to any of the Collateral, other than the Permitted Liens.

(v) Each Grantor shall execute and deliver such additional instruments and documents from time to time as Sylvan shall reasonably request to perfect Sylvan's security interest in the Collateral.

(vi) Each Grantor shall use its best efforts to (A) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (B) detect infringements of the Trademarks, Patents and Copyrights and promptly advise Sylvan in writing of material infringements detected and (C) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Sylvan.

4. Events of Default.

Any one or more of the following events shall constitute an "Event of Default" by Grantors under this Agreement:

(a) The occurrence of an Event of Default under any of the March Notes, First May Note or Second May Note; or

(b) Any Grantor's breach of any representation or warranty under this Agreement or violation or failure to perform under any of the covenants contained in this Agreement and Grantors shall fail to cure such breach, violation or failure within five (5) days of the earlier of (i) any Grantor becoming aware of such breach, violation or failure, and (ii) receipt of written notice by Sylvan of any such breach, violation or failure.

5. Sylvan's Rights and Remedies.

(a) Upon the occurrence of an Event of Default, and at any time and from time to time thereafter, subject to the provisions of the Maryland Uniform Commercial Code, Sylvan may, without notice of such election and without demand, take any one or more of the following, all of which are authorized by Grantors:

(i) Without notice, demand or hearing, any right to which is hereby waived by Grantors, Sylvan may take possession of all or any part of the Collateral and enter and remain upon the premises where such Collateral is located for the purpose of such possession and the exercise of the remedies provided herein, without the same being a trespass; and/or

(ii) Take possession of any Collateral and any agreement, instrument, lease, license, permit, contract or other document evidencing any of the Collateral and may apply or seek on behalf of and as attorney-in-fact for Grantors, any necessary consent to the assignment, transfer, conveyance, sale, renewal, reissuance or other disposition of the same, and Grantors shall cooperate fully with Sylvan in doing so and shall take all actions requested by Sylvan in furtherance thereof; and/or

(iii) Dispose of the Collateral by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including any Grantor's premises) as Sylvan determine is commercially reasonable, and apply any proceeds to the Second May Note in whatever manner or order Sylvan deems appropriate.

(b) Upon the occurrence of an Event of Default, each Grantor hereby irrevocably appoints the Sylvan as such Grantor's true and lawful attorneys to: (i) dispose of any Collateral, subject to the provisions of applicable law; (ii) modify or amend, in their sole discretion, without first obtaining Grantor's approval of or signature to such modification, Exhibits B, C and D hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Grantor no longer has or claims to have any right, title or interest; and (iii) to transfer the Collateral into the name of Sylvan or a third party to the extent permitted under applicable law. The appointment of Sylvan as each Grantor's attorneys in fact pursuant to this Agreement, and each and every one of the rights and powers of Sylvan, being coupled with an interest, is irrevocable until the Second May Note is fully paid and satisfied.

(c) Sylvan's rights and remedies under this Agreement, the Second May Note and all other agreements shall be cumulative. Sylvan shall have all other rights and remedies not inconsistent herewith as provided under the Maryland Uniform Commercial Code, other applicable law or in equity. No exercise by Sylvan of one right or remedy hereunder shall be deemed an election of any other right or remedy, and no waiver by Sylvan of any default on any Grantor's part shall be deemed a continuing waiver. No delay by Sylvan shall constitute a waiver, election or acquiescence by Sylvan. No waiver of any rights of Sylvan hereunder shall be effective unless made in a written document signed by Sylvan and then shall be effective only in the specific instance and for the specific purpose for which it was given.

6. Notices.

All notices, demands and requests of any kind to be delivered to any party in connection with this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, sent by confirmed facsimile or if sent by nationally-recognized overnight courier or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

If to any Grantor: c/o MindSurf, Inc.
 1001 Fleet Street
 Baltimore, Maryland 21202
 Fax No. (410) 843-6355
 Attention: Barry Offutt, Chief Financial Officer

with a copy to: Hogan and Hartson, LLP
 111 S. Calvert Street
 Suite 1600
 Baltimore, Maryland 21202
 Fax No. (410) 539-6981

Attention: Walter G. Lohr, Jr.

If to Sylvan:

Sylvan Ventures, LLC
1001 Fleet Street
9th Floor
Baltimore, Maryland 21202
Fax No. (410) 843-8093
Attention: Lee McGee, Chief Financial Officer

with a copy to:

Robert W. Zentz, Esquire
1001 Fleet Street
Baltimore, Maryland 21202
Fax No. (410) 843-8060

or to such other address as the party to whom notice is to be given may have furnished to the other parties hereto in writing in accordance with the provisions of this Section. Any such notice or communication shall be deemed to have been received (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of facsimile, when receipt is confirmed, (iii) in the case of nationally-recognized overnight courier, on the next business day after the date when sent and (iv) in the case of mailing, on the third business day following the date of the postmark on the piece of mail containing such communication.

7. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland (without giving effect to principles of conflicts of laws of the State of Maryland or any other state). Each of the parties hereby irrevocably submits to the jurisdiction of the Circuit Court located in Baltimore City or any Federal court sitting in Baltimore, Maryland for purposes of any controversy, claim or dispute arising out of or related to this Agreement and hereby waives any defense of an inconvenient forum and any right of jurisdiction on account of the place of residence or domicile.

8. **General Provisions.**

(a) This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Agreement nor any rights hereunder may be assigned by any Grantor without the prior written consent of Sylvan. Sylvan shall have the right without the consent of or notice to Grantors to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Sylvan's obligations, rights and benefits hereunder; provided, that such sale, transfer, negotiation or grant is in connection with the transfer of the Second May Note in accordance with the terms thereof.

(b) Time is of the essence for the performance of all obligations set forth in this Agreement.

(c) In the event any provision of this Agreement (or any part of any provision) is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such provision shall be deemed modified with retroactive effect to render such provision valid and enforceable to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Agreement shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby. If a court of competent jurisdiction will not so modify such provision, the parties agree to negotiate in good faith an enforceable substitute provision for any invalid or unenforceable provision that most nearly achieves the intent and economic effect of such provision.

(d) This Agreement, the Subordination Agreement and the Second May Note contain the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings among the parties with respect thereto. No provision of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by each Grantor and by Sylvan.

(e) This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement.

(f) All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any amount is outstanding under the Second May Note.

(g) Sylvan shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral; (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause; (iii) any diminution in the value thereof; or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other person whomsoever. All risk of loss, damage or destruction of the Collateral shall be borne by Grantor.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed under seal as of the Effective Date.

WITNESS/ATTEST:

GRANTORS:

MINDSURF, INC.

By: [Signature] (SEAL)
Name: BARRY C. OFFUTT
Title: Vice President

MINDSURF NETWORKS, INC.

By: [Signature] (SEAL)
Name: BARRY C. OFFUTT
Title: Vice President

DISCOURSE TECHNOLOGIES, INC.

By: [Signature] (SEAL)
Name: BARRY C. OFFUTT
Title: Vice President

SYLVAN:

SYLVAN VENTURES, LLC

By: _____ (SEAL)
Name:
Title:

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed under seal as of the Effective Date.

WITNESS/ATTEST:

GRANTORS:

MINDSURF, INC.

By: _____ (SEAL)
Name:
Title:

MINDSURF NETWORKS, INC.

By: _____ (SEAL)
Name:
Title:

DISCOURSE TECHNOLOGIES, INC.

By: _____ (SEAL)
Name:
Title:

SYLVAN:

SYLVAN VENTURES, LLC

By: B Lee _____ (SEAL)
Name: B Lee McGee
Title: CEO

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EXHIBIT A**COLLATERAL DESCRIPTION ATTACHMENT
TO SECURITY AGREEMENT**

All personal property of Grantor, whether presently existing or hereafter created, written, produced or acquired, including, but not limited to:

- (i) all accounts receivable, accounts, chattel paper, contract rights (including, without limitation, royalty agreements, license agreements and distribution agreements), documents, instruments, money, deposit accounts and general intangibles, including, without limitation, returns, repossessions, books and records relating thereto, and equipment containing said books and records, all financial assets, all investment property, including securities and securities entitlements;
- (ii) all software, computer source codes and other computer programs and products (collectively, the "Software Products"), and all common law and statutory copyrights and copyright registrations, applications for registration, now existing or hereafter arising, United States of America and foreign, obtained or to be obtained on or in connection with the Software Products, or any parts thereof or any underlying or component elements of the Software Products, and all other copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, and all rights to renew or extend such copyrights and the right (but not the obligation) of Sylvan to sue in its own name and/or the name of Grantor for past, present and future infringements of copyright, and all other trade secrets, inventions (whether or not patentable), mask works, programs, works of authorship, know-how, discoveries, developments, designs, design rights and techniques, now or hereafter existing, created, acquired or held;
- (iii) all goods, including, without limitation, equipment and inventory;
- (iv) all guarantees and other security therefor;
- (v) all trademarks and servicemarks, whether registered or not, applications to register and registrations of the same and like protections, all tradenames and servicenames, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks and servicemarks, tradenames and servicenames;
- (vi) (a) all patents and patent applications filed in the United States Patent and Trademark Office or any similar office of any foreign jurisdiction (and all types of exclusionary or protective rights granted (or applications therefor) and inventions and like protections), and interests under patent license agreements, including, without limitation, the inventions and improvements described and claimed therein, (b) all patentable subject matter (including, without limitation, methods of doing business, machines, articles of manufacture, processes, compositions of matter and new uses or improvements of any of the foregoing, asexually reproduced plants and ornamental designs for an article of manufacture), (c) all documents, models, samples, specimens, invention disclosures, reports, drawings, research materials, notes and other materials in connection with or which in any way embody or relate to any of the Grantor's intellectual property, including without any limitation, any Patent or patentable matter and the right to pursue, prepare, file and prosecute any Patent application(s) in connection therewith, (d) licenses pertaining to any patent whether Grantor is licensor or licensee, (e) all income, royalties, damages, payments, accounts and accounts receivable now or hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past, present or future infringements thereof, (f) the right (but not the obligation) to sue for past, present and future infringements thereof, (g) all rights corresponding thereto throughout the world in all jurisdictions in which such patents have been issued or applied for, and (h) the reissues, divisions, continuations, renewals, extensions and continuations-in-part with any of the foregoing and the right to prepare applications, file and prosecute any of the foregoing patents, patent applications or patentable subject matter;
- (vii) all licenses or other rights to use any of the Grantor's intellectual property, and all license fees and royalties arising from such use to the extent permitted by such license or rights; and
- (viii) all products and proceeds, including, without limitation, insurance proceeds, of any of the foregoing.

EXHIBIT B

Copyrights

NONE

EXHIBIT C**Patents/Patent Applications**

Application / Patent No.	Filing Date	Title	Owner
N/A	N/A	Education-Based Computer System Including A Caching Server	Inventors have not yet assigned any rights to Mindsurf
09/827,349	04/06/01	Method And System For Providing Profile-Based Filtered Internet Access	Inventors have not yet assigned any rights to Mindsurf
09/635,875	08/10/00	System And Method For Universal Broadcast Messaging To Members Of A Community	Mindsurf Networks, Inc. (f/k/a HiFusion, Inc.)
PCT/US01/41651	08/10/01	System And Method For Universal Broadcast Messaging To Members Of A Community	MindSurf, Inc.
60/181,568		Application for design patent.	Discourse Technologies, Inc. *
09/250,687 / 6,302,698	02/16/99 / 10/16/01	Method And Apparatus For On-Line Teaching And Learning	Discourse Technologies, Inc. *
60/226,981		Application for design patent.	Discourse Technologies, Inc. *
09/760,267		Application for utility patent.	Discourse Technologies, Inc. *
5,263,869	11/23/93	Interactive group communication system	Discourse Technologies, Inc. *

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5,437,555	08/01/95	Remote Teaching System	Discourse Technologies, Inc. *
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* The Discourse Technologies, Inc. ("Discourse") patents and patent applications are subject to a security lien filed by Clarion Capital Corporation in that certain security agreement dated December 20, 1995 (the "Security Agreement"). Discourse has indicated that it has satisfied all loan obligations to Clarion Capital Corporation under the Security Agreement, and thus Clarion has no further rights to the patents and patent application covered under the Security Agreement.

EXHIBIT D

Trademark Applications / Registrations

Application / Registration No.	Filing Date	Title	Assignee / Owner
76/110,583	08/16/00	MINDSURF	Mindsurf Networks, Inc.
76/086,486	07/11/00	MINDSURF EXPLORE DISCOVER INVENT & Design	Mindsurf Networks, Inc.
75/221,130 2,208,030	01/03/97 12/08/98	MIND SURF	Mindsurf Networks, Inc.
75/919,250	02/15/00	HIFUSION	Mindsurf Networks, Inc. (f/k/a HiFusion, Inc.)
N/A	N/A	MINDSURF LEARNING ESSENTIALS	Not Assigned (Not yet filed)
N/A	N/A	ACHIEVEMENT AT HAND	Not Assigned (Not yet filed)
N/A	N/A	MIND SURF NETWORKS	Not Assigned (Not yet filed)

76/036,333	N/A	HIFUSIONBLAST	Mindsurf Networks, Inc. (f/k/a HiFusion, Inc.
N/A	N/A	ACHIEVEMENT ESSENTIALS	Not Assigned (Not yet filed)
N/A	N/A	MINDSURF NETWORKS	Not Assigned (Not yet filed)
N/A	N/A	MINDSURF NETWORKS	Not Assigned (Not yet filed)
N/A	N/A	MINDSURF NETWORKS	Not Assigned (Not yet filed)
N/A	N/A	ACHIEVEMENT ESSENTIALS	Not Assigned (Not yet filed)
N/A	N/A	ACHIEVEMENT ESSENTIALS	Not Assigned (Not yet filed)
N/A	N/A	ACHIEVEMENT ESSENTIALS	Not Assigned (Not yet filed)
75/521,618	07/20/98	STUDYCOM	Discourse Technologies, Inc. *
75/827,347	10/20/99	DISCOURSE WEB TRAVEL	Discourse Technologies, Inc. *

75/521,614	07/20/98	THE DISCOURSE GROUPWARE CLASSROOM	Discourse Technologies, Inc. *
73/501,208 1,382,088	09/26/84 02/11/86	DISCOURSE	Discourse Technologies, Inc. *

* The Discourse Technologies, Inc. ("Discourse") patents and patent applications are subject to a security lien filed by Clarion Capital Corporation in that certain security agreement dated December 20, 1995 (the "Security Agreement"). Discourse has indicated that it has satisfied all loan obligations to Clarion Capital Corporation under the Security Agreement, and thus Clarion has no further rights to the patents and patent application covered under the Security Agreement.