



102619213

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

1. Name of conveying party(ies): 11-10-03

**NexTone Communications, Inc.**

- Individual  Association
- General Partnership  Limited Partnership
- Corporation: DELAWARE
- Other: \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):

Name: Core Capital Partners, L.P.

Street Address: 901 15th Street, NW  
Suite 950  
Washington, DC 20005

- Individual(s) citizenship: \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership of: \_\_\_\_\_
- Limited Partnership of: DELAWARE
- Corporation: \_\_\_\_\_
- 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: September 24, 2003

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,643,276

Additional numbers attached  Yes  No

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

Name: Raymond Millien, Esq.  
 Internal Address: PIPER RUDNICK LLP  
 Street Address: 1200 Nineteenth Street, NW  
 City: Washington State: DC ZIP: 20036

6. Total number of applications and registrations involved: ..... **1**

7. Total fee (37 C.F.R. § 3.41). . . . . \$ 40.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

**DO NOT USE THIS SPACE**

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.*

Raymond Millien, Esq.  
Name of Person Signing

Signature

11/10/2003  
Date

Total no. of pages incl. cover sheets, attachments, and document: **16**

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

1. Name of conveying party(ies):

- Individual                       Association
- General Partnership     Limited Partnership
- Corporation \_\_\_\_\_
- Other: \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):

Name: Minotaur Funds, LLC

Street Address: 901 15th Street, NW

9th Floor

Washington, DC 20005

Individual(s) citizenship: \_\_\_\_\_

Association \_\_\_\_\_

General Partnership of: \_\_\_\_\_

Limited Partnership of: \_\_\_\_\_

Corporation: \_\_\_\_\_

Other: Limited Liability Company of Maryland

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: \_\_\_\_\_

4. Application number(s) or registration number(s)

A. Trademark Application No.(s) \_\_\_\_\_

B. Trademark Registration No.(s) \_\_\_\_\_

Additional numbers attached  Yes  No

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

Name: \_\_\_\_\_

Internal Address: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

6. Total number of applications and registrations involved: .....

7. Total fee (37 C.F.R. § 3.41)..... \$ \_\_\_\_\_

Enclosed

Authorized to be charged to deposit account

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\_\_\_\_\_  
Name of Person Signing

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Total no. of pages incl. cover sheets, attachments, and document: \_\_\_\_\_

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

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

1. Name of conveying party(ies):

- Individual                       Association
- General Partnership     Limited Partnership
- Corporation \_\_\_\_\_
- Other: \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment                       Merger
- Security Agreement     Change of Name
- Other: \_\_\_\_\_

Execution Date: \_\_\_\_\_

2. Name and address of receiving party(ies):

Name: Mid-Atlantic Venture Fund III, L.P.

Street Address: 11710 Plaza America Drive

Suite 120

Reston, VA 20190

- Individual(s) citizenship: \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership of: \_\_\_\_\_
- Limited Partnership of: PENNSYLVANIA
- Corporation: \_\_\_\_\_
- 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

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

Additional numbers attached  Yes  No

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

Name: \_\_\_\_\_

Internal Address: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

6. Total number of applications and registrations involved: .....

7. Total fee (37 C.F.R. § 3.41) . . . . . \$ \_\_\_\_\_

- Enclosed
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\_\_\_\_\_  
Name of Person Signing

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Total no. of pages incl. cover sheets, attachments, and document:

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

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

1. Name of conveying party(ies):

- Individual                       Association
- General Partnership       Limited Partnership
- Corporation \_\_\_\_\_
- Other: \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):

Name: DENIS SEYNHAEVE

Street Address: 218 Wardour Drive

Annapolis, MD 21401

Individual(s) citizenship: UNITED STATES

Association \_\_\_\_\_

General Partnership of: \_\_\_\_\_

Limited Partnership of: \_\_\_\_\_

Corporation: \_\_\_\_\_

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
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- Other: \_\_\_\_\_

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Internal Address: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

6. Total number of applications and registrations involved: .....

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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.

Name of Person Signing

Signature

Date

Total no. of pages incl. cover sheets, attachments, and document:

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of September 24, 2003 by and among the persons and entities listed on the signature pages hereto (individually, a "*Secured Party*," and collectively, the "*Secured Parties*") and NEXSTONE COMMUNICATIONS, INC., a Delaware corporation ("*Grantor*").

## RECITALS

A. Each Secured Party has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "*Loan*") in the amounts and manner set forth in that certain Secured Note and Warrant Purchase Agreement by and among the Secured Parties and Grantor, dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "*Note Purchase Agreement*"). Capitalized terms used but not otherwise defined herein are used as defined in the Note Purchase Agreement.

B. Each Secured Party is willing to extend and to continue to extend financial accommodations to Grantor, but only upon the condition, among others, that Grantor shall grant to each Secured Party, a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Intellectual Property Collateral (as defined below) to secure the obligations of Grantor under the Note Purchase Agreement and the other agreements, instruments and documents delivered in connection therewith (collectively, the "*Note Documents*").

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Note Documents, Grantor hereby represents, warrants, covenants and agrees as follows:

## AGREEMENT

### 1. Definitions.

1.1 "*Copyrights*" means any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and any 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.

1.2 "*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, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights which may be available to Grantor now or hereafter existing, created, acquired or held;

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

(e) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

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

(g) 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.

1.3 "**Patents**" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

1.4 "**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.

## 2. **Grant of Security Interest.**

2.1 To secure its obligations under the Note Documents, Grantor grants and pledges to each Secured Party, subject to any Permitted Liens (as defined in the Security Agreement attached as an exhibit to the Note Purchase Agreement), a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on **Exhibits A, B and C** 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), 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.

## 3. **Events of Default.**

3.1 Each "**Event of Default**" under the Note Documents shall be an Event of Default hereunder, and are hereby incorporated herein by reference.

## 4. **Rights and Remedies.**

4.1 The rights and remedies of each Secured Party with respect to the security interest granted hereby are in addition to those set forth in the Note Purchase Agreement and the other Note Documents, and those which are now or hereafter available to Secured Party as a matter of law or equity. Each right, power and remedy of each Secured Party provided for herein or in the Note Purchase Agreement or any of the Note Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or

remedy provided for herein and the exercise by a Secured Party of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Note Purchase Agreement or any of the other Note Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including the Secured Parties, of any or all other rights, powers or remedies.

## **5. Representations and Warranties.**

**5.1** Grantor represents and warrants that **Exhibits A, B, and C** attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

**5.2** Except for any Permitted Liens and any licenses granted by Grantor to its customers in the ordinary course of business, Grantor is the sole owner of the Intellectual Property Collateral. Each of the Copyrights, Trademarks and Patents is valid and enforceable, and to the best of Grantor's knowledge, no part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party except to the extent such claim could not reasonably be expected to cause (i) a material adverse change to Grantor's business, (ii) a material impairment of the prospect of repayment of any portion of the obligations owing under the Note Documents, or (iii) a material impairment of the value or priority of Secured Party's security interest in the Collateral (as defined in the Note Documents).

## **6. Covenants.**

**6.1** Grantor shall execute and deliver such additional instruments and documents from time to time as each Secured Party shall reasonably request to perfect such Secured Party's security interest in the Intellectual Property Collateral.

**6.2** Grantor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use its best efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise each Secured Party in writing of material infringements detected and (iii) not allow any material Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of the Required Purchasers, which shall not be unreasonably withheld.

**6.3** The Secured Parties may audit Grantor's Intellectual Property Collateral to confirm compliance with this Section 6. Each Secured Party shall have the right (upon the prior consent of the Required Purchasers), but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this Section 6 to take but which Grantor fails to take, after 15 days' notice to Grantor. Grantor shall reimburse each Secured Party for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 6.

**6.4** Grantor shall not permit the inclusion in any contract to which it becomes a party of any provisions that could restrict or invalidate the creation of a security interest in Grantor's rights and interests in any Intellectual Property Collateral

**6.5** Notwithstanding anything to the contrary contained herein, if the Company shall issue additional Notes pursuant to Section 2.2 of the Note Purchase Agreement, any purchaser of such Notes shall become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed a "***Secured Party***" and a party hereunder.

[Signature Page to Follow]



IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

**GRANTOR:**

NEXTONE COMMUNICATIONS, INC.

By: *Michael M. Sullivan*  
Name: Michael M. Sullivan  
Title: CFO

**Address:**

**[Additional Signature Pages Follow]**

**SECURED PARTIES:**

**CORE CAPITAL PARTNERS, L.P.**

By: \_\_\_\_\_  
Pascal Luck  
Its: Managing Director

Address:

**MINOTAUR FUNDS, LLC**

By: \_\_\_\_\_  
Mark Levine  
Its: Managing Member

Address:

**MID-ATLANTIC VENTURE FUND III, L.P.**

By: MAVF III Partners, L.P., a  
Pennsylvania limited partnership, its General Partner  
By: MAVF III, G.P., Inc., a Pennsylvania  
corporation, its General Partner

By: \_\_\_\_\_  
Thomas A. Smith, Director

Address:

**DENIS SEYNHAEVE**

By: \_\_\_\_\_


Address:

[Signature Page to Intellectual Property Security Agreement]

**EXHIBIT A**

**SECURED PARTIES:**

**CORE CAPITAL PARTNERS, L.P.**

By: 

Pascal Luck

Its: Managing Director

Address:

**MINOTAUR FUNDS, LLC**

By: 

Mark Levine

Its: Managing Member

Address:

**MID-ATLANTIC VENTURE FUND III, L.P.**

By: MAVF III Partners, L.P., a Pennsylvania limited partnership, its General Partner

By: MAVF III, G.P., Inc., a Pennsylvania corporation, its General Partner

By: \_\_\_\_\_

Thomas A. Smith, Director

Address:

**DENIS SEYNHAEVE**

By: \_\_\_\_\_

Address:

[Signature Page to Intellectual Property Security Agreement]

**EXHIBIT A**

**SECURED PARTIES:**

**CORE CAPITAL PARTNERS, L.P.**

By: \_\_\_\_\_  
Pascal Luck  
Its: Managing Director

**Address:**

**MINOTAUR FUNDS, LLC**

By: \_\_\_\_\_  
Mark Levine  
Its: Managing Member

**Address:**

**MID-ATLANTIC VENTURE FUND III, L.P.**

By: MAVF III Partners, L.P., a  
Pennsylvania limited partnership, its General Partner  
By: MAVF III, G.P., Inc., a Pennsylvania  
corporation, its General Partner

By: \_\_\_\_\_  
Thomas A. Smith, Director

**Address:**

**DENIS SEYNHAEVE**

By: \_\_\_\_\_

*Address: 220 WASHINGTON DRIVE  
ANNAPOLIS, MD 21401*

[Signature Page to Intellectual Property Security Agreement]

**EXHIBIT A**

**COPYRIGHTS**

<b>Description</b>	<b>Registration Number</b>	<b>Registration Date</b>
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None

**EXHIBIT B****PATENTS**

<b>Description</b>	<b>Registration/ Application Number</b>	<b>Registration/ Application Date</b>
Web appliance (expired and no longer needed)	091,693	07/01/98
Method of changing IP addresses of web appliances using the provisioning and configuration application	09/715,027	11/19/99
Dynamic network management configuration provisional patent	60/309,496	08/03/01
Download server provisional patent	60/304,439	07/12/01
Communications system using portal and user interface provisional patent	60/307,880	07/27/01

**EXHIBIT C**  
**TRADEMARKS**

<b>Description</b>	<b>Registration/ Application Number</b>	<b>Registration/ Application Date</b>
NEXTONE COMMUNICATIONS	2,643,276	10/29/02