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01-13-2009

Form PTO-1594 (Rev. 08/08)
OMB Collection 0651-0027 (exp. 8/31/2008)



RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

HATTERAS NETWORKS, INC

- Individual(s)
General Partnership
Corporation- State: Delaware
Other

Citizenship (see guidelines)

Additional names of conveying parties attached? Yes No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) December 23, 2008

- Assignment
Security Agreement
Merger
Change of Name
Other

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: HORIZON TECHNOLOGY FUNDING COMPANY V LLC

Internal Address:

Address:

Street Address: 76 Batterson Park Road

City: Farmington

State: Connecticut

Country: USA Zip: 06032

- Association
General Partnership
Limited Partnership
Corporation
Other LLC
Citizenship

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)
77522918 77522935 77523231 77523244 77523858
77523792 77523216 77523851

B. Trademark Registration No.(s)
3258208 2846299 2893700

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: John C. Bombara

Internal Address: Horizon Technology Finance Management
LLC

Street Address: 76 Batterson Park Road

City: Farmington

State: Connecticut Zip: 06032

Phone Number: 860-676-8657

Fax Number: 860-676-8655

Email Address: jay@horizontechfinance.com

6. Total number of applications and registrations involved:

11

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 290.00

- Authorized to be charged by credit card
Authorized to be charged to deposit account
Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number 00000075 77522918

Authorized user name

9. Signature:

[Signature]
Signature

1-9-09
Date

John C. Bombara
Name of Person Signing

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

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

GRANT OF SECURITY INTEREST
TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of December 23, 2008, is executed by HATTERAS NETWORKS, INC., a Delaware corporation with an address of 523 Davis Drive, Suite 500, Durham, NC 27713 ("Debtor"), in favor of HORIZON TECHNOLOGY FUNDING COMPANY V LLC, a Delaware limited liability company with an address of 76 Batterson Park Road, Farmington, Connecticut 06032 ("Secured Party").

A. Pursuant to a certain Venture Loan and Security Agreement, dated as of the date hereof (the "Agreement") by and between Debtor and the Secured Party, the Secured Party has agreed to extend certain credit facilities to Debtor upon the terms and subject to the conditions set forth therein;

B. Debtor owns the registered trademarks, service marks (and applications and registrations therefor), of the United States, more particularly described on Schedules 1-A and 1-B annexed hereto as part hereof (collectively, the "Trademarks");

C. Pursuant to the Agreement, Debtor has granted to Secured Party a security interest in all right, title and interest of Debtor in and to the Trademarks, together with associated goodwill, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof for the full term of the Trademarks (the "Collateral"), to secure the prompt payment, performance and observance of the Obligations (as defined in the Agreement);

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Debtor does hereby further grant to Secured Party a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Collateral granted hereby are more fully set forth in the Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, Debtor has caused this instrument to be executed as of the day and year first written above.

HATTERAS NETWORKS, INC.

By: 

Name: Kevin Sweeney

Title: CEO

TRADEMARK

REEL: 003918 FRAME: 0105

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

TRADEMARKS

Trademark	Owner	Registration Number	Registration Date
Extending the Ethernet Service Edge	Hatteras Networks	3258208	July 3, 2007
Hatteras Networks	Hatteras Networks	2846299	May 25, 2004
Hatteras Networks	Hatteras Networks	2893700	October 12, 2004

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

TRADEMARK APPLICATIONS

Trademark Application	Owner	Application Number	Application Date
etherflex	Hatteras Networks	77522918	7/15/2008
etherflex operating system	Hatteras Networks	77522935	7/15/2008
SERVflex	Hatteras Networks	77523231	7/16/2008
SUREflex	Hatteras Networks	77523244	7/16/2008
TDRplus	Hatteras Networks	77523858	7/16/2008
Big Flexible Pipe	Hatteras Networks	77523792	7/16/2008
FASTflex	Hatteras Networks	77523216	7/16/2008
Unleashing Ethernet Services	Hatteras Networks	77523851	7/16/2008