

04-04-2000



To the Honorable Commissioner of Patent

101304196

attached original documents or copy thereof.

1. Name of conveying party(ies): 2-15-00
NextPoint Networks, Inc.
68 Tadmuck Road
Westford, Massachusetts 01886
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: Baker Communications Fund, L.P.
Internal Address:
Address: 540 Madison Avenue
City: New York State: NY Zip: 10022
Additional name(s) and address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other
Execution Date: January 21, 2000

4. Application number(s) or patent number(s):
If this document is being filed together with a new application, the execution date of the application is :
A. Patent Application No. (s)
09/409483 09/409558 60/102579
PCT/US99/22534 PCT/US99/22787
Additional numbers attached? Yes No

B. Patent No.(s)
6. Total number of applications and patents involved:
5
7. Total Fee (37 CFR 3.41) \$200.00
 Enclosed
 Charge fees to Deposit Account
Charge any additional fees associated with this paper or during the pendency of this application, or credit any overpayment, to deposit account.

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Michael J. Bevilacqua, Esquire
Internal Address: Hale and Dorr, LLP
Street Address: 60 State Street
City: Boston State: MA Zip: 02109

8. Deposit account number:
08-0219
(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
Michael J. Bevilacqua, Esquire
Name of Person Signing Signature Date 2/8/00

Total number of pages including cover sheet, attachments, and document: 12

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

106.825.116

Hale and Dorr
Docket Number

04/03/2000 TTDN11 00000192 080219 09409483

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "IP Agreement") is made as of the 21st day of January, 2000 by and between **NEXTPPOINT NETWORKS, INC.**, a Delaware corporation with its principal place of business at 68 Tadmuck Road, Westford, Massachusetts 01886 ("Grantor"), and **BAKER COMMUNICATIONS FUND, L.P.**, as agent for the lenders under the Loan Agreement (defined below) ("Agent").

RECITALS

A. The Lenders (as defined below) have agreed to make advances of money and to extend certain financial accommodations to Grantor (the "Loans"), pursuant to a certain Demand Convertible Loan and Security Agreement dated as of January 21, 2000 between Grantor and Baker Communications Fund, L.P., Chestnut Partners, Inc., Polaris Venture Partners, L.P. and Polaris Venture Partners Founders' Fund, L.P., as lenders (the "Lenders") and the Agent, as amended from time to time (as amended, the "Loan Agreement"). The Loan is secured pursuant to the terms of the Loan Agreement. The Lenders are willing to enter into certain new financial accommodations with Grantor, but only upon the condition, among others, that Grantor shall grant to Lender a security interest in certain Copyrights, Trademarks, Patents, and Mask Works to secure the obligations of Grantor under the Loan Agreement. Defined terms used but not defined herein shall have the same meanings as in the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to the Agent for the benefit of the Lenders 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 Collateral (as defined herein).

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 Grantor's Indebtedness (as defined below), Grantor hereby represents, warrants, covenants and agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Grantor's present or future indebtedness, obligations and liabilities to the Agent and the Lenders (hereinafter, the "Indebtedness"), including, without limitation, under the Loan Agreement, Grantor hereby grants a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (all of which shall collectively be called the "Intellectual Property Collateral"), including, without limitation, the following:

a. 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, including without limitation those set forth on EXHIBIT A attached hereto (collectively, the "Copyrights");

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. All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on EXHIBIT B attached hereto (collectively, the "Patents");

e. 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, including without limitation those set forth on EXHIBIT C attached hereto (collectively, the "Trademarks");

f. All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on EXHIBIT D attached hereto (collectively, the "Mask Works");

g. Any and all claims for damages by way of past, present and future infringements 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;

h. All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights; and

i. All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

j. 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.

2. Authorization and Request. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this IP Agreement.

3. Covenants and Warranties. Grantor represents, warrants, covenants and agrees as follows:

a. Grantor is now the sole owner of the Intellectual Property Collateral, except for non-exclusive licenses granted by Grantor to its customers in the ordinary course of business.

b. Performance of this IP Agreement does not conflict with or result in a breach of any IP Agreement to which Grantor is bound, except to the extent that certain intellectual property agreements prohibit the assignment of the rights thereunder to a third party without the licensor's or other party's consent and this IP Agreement constitutes a security interest.

c. During the term of this IP Agreement, Grantor will not transfer or otherwise encumber any interest in the Intellectual Property Collateral, except for (1) non-exclusive licenses granted by Grantor in the ordinary course of business, (2) liens or security interests in favor of Silicon Valley Bank in connection with the SVB Credit Agreement or (3) as set forth in this IP Agreement;

d. To its knowledge, each of the Patents is valid and enforceable, and no part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and to Grantor's knowledge, no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party;

e. Grantor shall promptly advise Agent of any material adverse change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent, Copyright, or Mask Work specified in this IP Agreement;

f. Unless Grantor determines that reasonable business practices suggest otherwise, Grantor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents, Copyrights, and Mask Works, (ii) use its reasonable best efforts to detect infringements of the Trademarks, Patents, Copyrights, and Mask Works and promptly advise Agent in writing of material infringements detected and (iii) not allow any Trademarks, Patents, Copyrights, or Mask Works to be abandoned, forfeited or dedicated to the public without the written consent of Agent, which shall not be unreasonably withheld.

g. Grantor shall promptly register the most recent version of any of Grantor's material Copyrights, if not so already registered, and shall, from time to time, execute and file such other instruments, and take such further actions as Agent may reasonably request from time to time to perfect or continue the perfection of Agent's security interest (for the benefit of the Lenders) in the Intellectual Property Collateral;

h. This IP Agreement creates, and in the case of after acquired Intellectual Property Collateral, this IP Agreement will create at the time Grantor first has rights in such after acquired Intellectual Property Collateral, in favor of Agent (for the benefit of the Lenders) a valid and perfected security interest in the Intellectual Property Collateral in the United States securing the payment and performance of the obligations evidenced by the Loan Agreement upon making the filings referred to in clause (i) below;

i. To its knowledge, except for, and upon, the filing with the United States Patent and Trademark office with respect to the Patents and Trademarks and the Register of Copyrights with respect to the Copyrights and Mask Works necessary to perfect the security interests created hereunder and except as has been already made or obtained, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority or U.S. regulatory body is required either (i) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this IP Agreement by Grantor in the U.S. or (ii) for the perfection in the United States or the exercise by Agent or any Lender of its rights and remedies thereunder;

j. All information heretofore, herein or hereafter supplied to Agent by or on behalf of Grantor with respect to the Intellectual Property Collateral is accurate and complete in all material respects.

k. Grantor shall not enter into any agreement that would materially impair or conflict with Grantor's obligations hereunder without Lender's prior written consent, which consent shall not be unreasonably withheld. Grantor shall not permit the inclusion in any material contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in Grantor's rights and interest in any property included within the definition of the Intellectual property Collateral acquired under such contracts, except that certain contracts may contain anti-assignment provisions that could in effect prohibit the creation of a security interest in such contracts.

l. Upon any executive officer of Grantor obtaining actual knowledge thereof, Grantor will promptly notify Agent in writing of any event that materially adversely affects the value of any material Intellectual Property Collateral, the ability of Grantor to dispose of any material Intellectual Property Collateral of the rights and remedies of Lender in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

4. Agent's Rights. Agent shall have the right, but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this IP Agreement to take but which Grantor fails to take, after fifteen (15) days' notice to Grantor. Grantor shall reimburse and indemnify Agent and the Lenders for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this section 4.

5. Inspection Rights. Grantor hereby grants to Agent and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable written notice to Grantor, any of Grantor's plants and facilities

that manufacture, install or store products (or that have done so during the prior six-month period) that are sold utilizing any of the Intellectual Property Collateral, and to inspect the products and quality control records relating thereto upon reasonable written notice to Grantor and as often as may be reasonably requested, but not more than once in every six (6) months; provided, however, nothing herein shall entitle Agent access to Grantor's trade secrets and other proprietary information.

6. Further Assurances; Attorney in Fact.

i. On a continuing basis, Grantor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademarks Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Agent, to perfect Agent's security interest (for the benefit of the Lenders) in all Copyrights, Patents, Trademarks, and Mask Works and otherwise to carry out the intent and purposes of this IP Agreement, or for assuring and confirming to Agent the grant or perfection of a security interest in all Intellectual Property Collateral.

ii. Grantor hereby irrevocably appoints Agent as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Lender or otherwise, from time to time in Agent's discretion, upon Grantor's failure or inability to do so, to take any action and to execute any instrument which Agent may deem necessary or advisable to accomplish the purposes of this IP Agreement, including:

(1) To modify, in its sole discretion, this IP Agreement without first obtaining Grantor's approval of or signature to such modification by amending Exhibit A, Exhibit B, Exhibit C, and Exhibit D hereof, as appropriate, to include reference to any right, title or interest in any material Copyrights, Patents, Trademarks or Mask Works acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any material Copyrights, Patents, Trademarks, or Mask Works in which Grantor no longer has or claims any right, title or interest; and

(2) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Intellectual Property Collateral without the signature of Grantor where permitted by law.

7. Events of Default. The occurrence of any of the following shall constitute an Event of Default under this IP Agreement:

a. Demand shall have been made by the Lenders or the Revolving Credit Maturity Date shall have occurred under the Loan Agreement; or any event of default occurs under any other document from Grantor to Agent or the Lenders; or

b. Grantor breaches any warranty or agreement made by Grantor in this IP Agreement, and any cure period provided in the Loan Agreement, as amended, has expired.

8. Remedies. Upon the occurrence and continuance of an Event of Default (as provided in Section 7 hereof),

(i) Agent shall have the right to exercise all the remedies of a secured party under the Massachusetts Uniform Commercial Code, including without limitation the right to require Grantor to assemble the Intellectual Property Collateral and any tangible property in which Lender has a security interest and to make it available to Agent at a place designated by Agent; (ii) Lender shall have a nonexclusive, royalty free license to use the Copyrights, Patents, Trademarks, and Mask Works to the extent reasonably necessary to permit Agent to exercise its rights and remedies

upon the occurrence of an Event of Default; and (iii) Grantor will pay any expenses (including reasonable attorney's fees) incurred by Agent in connection with the exercise of any of Agent's rights hereunder, including without limitation any expense incurred in disposing of the Intellectual Property Collateral. All of Agent's or Lender's rights and remedies with respect to the Intellectual Property Collateral shall be cumulative.

9. Indemnity. Grantor agrees to defend, indemnify and hold harmless Agent and each Lender and their respective officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this IP Agreement, and (b) all losses or expenses in any way suffered, incurred, or paid by Agent or any Lender as a result of or in any way arising out of, following or consequential to transactions between Agent or any Lender and Grantor, whether under this IP Agreement or otherwise (including without limitation, reasonable attorneys fees and reasonable expenses), except for losses arising from or out of Agent's or any Lender's gross negligence or willful misconduct.

10. Reassignment. At such time as this Agent is terminated, Agent shall execute and deliver to Grantor all deeds, assignments, and other instruments as may be necessary or proper to reinvest in Grantor full title to the property assigned hereunder, subject to any disposition thereof which may have been made by Agent pursuant hereto.

11. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. Amendments. This IP Agreement may be amended only by a written instrument signed by both parties hereto.

13. Counterparts. This IP Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

14. Law and Jurisdiction. This IP Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts. GRANTOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF MASSACHUSETTS IN ANY ACTION, SUIT, OR PROCEEDING OF ANY KIND, AGAINST IT WHICH ARISES OUT OF OR BY REASON OF THIS AGREEMENT; PROVIDED, HOWEVER, THAT IF FOR ANY REASON AGENT CANNOT AVAIL ITSELF OF THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS, GRANTOR ACCEPTS JURISDICTION OF THE COURTS AND VENUE IN SANTA CLARA COUNTY, CALIFORNIA.

GRANTOR AND AGENT EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

15. Confidentiality. In handling any confidential information, Agent and each Lender shall exercise the same degree of care that it exercises with respect to its own proprietary information of the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this IP Agreement except that the disclosure of this information may be made (i) to the affiliates of the Agent and each Lender, (ii) to prospective transferee or purchasers of an interest in the obligations secured hereby, provided that they have entered into comparable confidentiality agreement in favor of Grantor and have deliver a copy to Grantor, (iii) as required by law, regulation, rule or order, subpoena judicial order or similar order and (iv) as may be required in connection with the examination, audit or similar investigation of Agent and each Lender.

EXECUTED as a sealed instrument under the laws of the Commonwealth of Massachusetts on the day and year first above written.

Address of Grantor:

68 Tadmuck Road
Westford, MA

GRANTOR:

NEXTPPOINT NETWORKS, INC.

By: X William L. Maro

Name: William L. Maro

Title: President and CEO

56120/100
537623.1

"A" attached to that certain Intellectual Property Security Agreement dated January 21, 2000.

EXHIBIT "A"

COPYRIGHTS

Not applicable.

B-7

EXHIBIT "B"

PATENTS

<u>Patent Description</u>	<u>Docket Number</u>	<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Status</u>
Managing Computer Network Resources	106825.122	USA	09/409,483	09/30/98	Pending
Evaluating Computer Resources	106825.126	USA	09/409,558	09/30/99	Pending
Managing Computer Network Resources	106825.122	USA	60/102,579	09/30/98	Pending
Managing Computer Network Resources	106825.122	PCT	PCT/US99/2253 4	09/30/99	Pending
Evaluating Computer Resources	106825.126	PCT	PCT/US99/2278 7	09/30/99	Pending

EXHIBIT "C"

TRADEMARKS

<u>MARK</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>FILING DATE</u>	<u>STATUS</u>
BUSINESS-CENTRIC NETWORK MANAGEMENT	Europe	838581	06/01/98	Pending (Published)
BUSINESS-CENTRIC NETWORK MANAGEMENT	Japan	10-47340	06/03/98	Pending
BUSINESS-CENTRIC NETWORK MANAGEMENT	United States	75/415286	01/08/98	Pending
NEXTPPOINT	Australia	763600	05/29/98	Pending
NEXTPPOINT	Europe	838532	06/01/98	Pending (Published)
NEXTPPOINT	Hong Kong	98/07368	06/05/98	Pending
NEXTPPOINT	Japan	10-47339	06/03/98	Pending
NEXTPPOINT	United States	75/415285	01/08/98	Pending
NEXTPPOINT S;	United States	75/415489	01/08/98	Pending
SYNTHETIC TRANSACTIONS	Europe	838623	06/01/98	Pending (Published)
SYNTHETIC TRANSACTIONS	United	75/415399	01/08/98	Pending

<u>MARK</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>FILING DATE</u>	<u>STATUS</u>
	States		8	
TRAFFIC SIGNATURES	Europe	838508	06/01/98	Pending (Published)
TRAFFIC SIGNATURES	Japan	10-52573	06/18/98	Pending
TRAFFIC SIGNATURES	United States	75/415296	01/08/98	Pending

<u>MARK</u>	<u>COUNTRY</u>	<u>REGIS. NO.</u>	<u>REGIS. DATE</u>	<u>STATUS</u>
NEXTPPOINT	Switzerland	455483	05/29/98	Registered

B-10

Exhibit "D" attached to that certain Intellectual Property Security Agreement dated January 21, 2000.

EXHIBIT "D"

MASK WORKS

Not applicable.

B-11