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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):

Merlot Communications, Inc.

11-14-02

2. Name and address of receiving party(ies)

Name: Wheatley Partners III, L.P.

Wheatley Associates III, L.P.

Internal Address:

Wheatley Foreign Partners III, L.P.

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

3. Nature of conveyance:

Assignment

Merger

Security Agreement

Change of Name

Other _____

Street Address: c/o Wheatley Partners
80 Cutter Mill Road

City: Great Neck State: NY Zip: 11021

Execution Date: November, 8, 2002

Additional name(s) & address(es) attached? Yes No

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)

see attached

B. Patent No.(s)

see attached

Additional numbers attached? Yes No

600 98747

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

Name: Randy M. Friedberg

Olshan Grundman Frome

Internal Address: Rosenzweig & Wolosky LLP

Street Address: 505 Park Avenue, 16th Fl

City: New York State: NY Zip: 10022

6. Total number of applications and patents involved: 9

7. Total fee (37 CFR 3.41).....\$ 360.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

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FINANCE SECTION

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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.

Randy M. Friedberg

Name of Person Signing

Signature

November 14, 2002

Date

Total number of pages including cover sheet, attachments, and documents: 18

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

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

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PATENT
REEL: 013589 FRAME: 0532

RESUBM.

OKAY

SCHEDULE 2 TO GRANT OF SECURITY INTEREST**PATENTS**

Patent	Registration or Application Number	Registration or Application Date	Country
"Method and Apparatus for the Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric" (Application)	Serial No. 60/088,747	June 10, 1998	United States
"Method for the Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric Using Ethernet Packets" (Application)	Serial No. 09/327,929	June 8, 1999	United States
"Method for Initializing and Allocating Bandwidth in a Permanent Virtual Connection For the Transmission and Control of Audio, Video and Computer Data over a Single Network Fabric" (Application)	Serial No. 09/328,090	June 8, 1999	United States
"Method For The Transmission and Control of Audio, Video, and Computer Data Over a Single Network Fabric" (Application)	Serial No. 09/327,930	June 8, 1999	United States
"Communication Switching Module for the Transmission and Control of Audio, Video, and Computer Data over a Single Network Fabric" (Application)	Serial No. 09/327,928	June 8, 1999	United States
"Local Area Network for the Transmission and Control of Audio, Video, and Computer Data"	Patent US 6,215,789	April 10, 2001	United States
"Integrated Voice and Data Communications Over A Local Area Network" (Application)	Serial No. PCT/US 99/12898	June 9, 1999	International
"Apparatus and Method for Remotely Powering Access Equipment Over a	Serial No.	March 10, 1999	United States

Patent	Registration or Application Number	Registration or Application Date	Country
10/100 Switched Ethernet Network” (Application)	60/123,688		
“Apparatus and Method for Remotely Powering Access Equipment over a 10/100 Switched Ethernet Network”	Patent US 6,218,930	April 17, 2001	United States

GRANT OF SECURITY INTEREST

IN PATENTS AND TRADEMARKS

THIS GRANT OF SECURITY INTEREST ("Grant"), effected as of November 8, 2002, is executed by Merlot Communications, Inc., a Delaware corporation ("Debtor"), in favor of the persons identified as Secured Parties on Annex A hereto (the "Secured Parties").

A. Pursuant to a Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") among Debtor and the Secured Parties, the terms and provisions of which are hereby incorporated herein as if fully set forth herein, Debtor has granted a security interest to the Secured Parties in consideration of the Secured Parties' agreement to extend certain credit facilities to Debtor.

B. Debtor (1) has adopted, used and is using the trademarks reflected in the trademark registrations and trademark applications in the United States Patent and Trademark Office more particularly described on Schedule 1 annexed hereto as part hereof (the "Trademarks"), and (2) has registered or applied for registration in the United States Patent and Trademark Office of the patents more particularly described on Schedule 2 annexed hereto as part hereof (the "Patents").

C. Debtor wishes to confirm its grant to the Secured Parties of a security interest in all right, title and interest of Debtor in and to the Trademarks and Patents, and all proceeds thereof, together with the business as well as the goodwill of the business symbolized by, or related or pertaining to, the Trademarks, and the customer lists and records related to the Trademarks and Patents and all causes of action which may exist by reason of infringement of any of the Trademarks and Patents (collectively, the "T&P Collateral"), to secure the payment, performance and observance of the Obligations (as that term is defined in the Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged:

1. Debtor does hereby further grant to the Secured Parties a security interest in the T&P Collateral to secure the full and prompt payment, performance and observance of the Obligations.

2. Debtor agrees to perform, so long as the Security Agreement is in effect, all acts deemed necessary or desirable by the Secured Parties to permit and assist it, at the Debtor's expense, in obtaining and enforcing the Trademarks and Patents in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Debtor hereby appoints the Secured Parties as Debtor's attorney-in-fact to execute and file any and all agreements, instruments, documents and papers as the Secured Parties may determine to be necessary or desirable to evidence the Secured Parties' security interest in the Trademarks and Patents or any other element of the T&P Collateral, all acts of such attorney-in-fact being hereby ratified and confirmed.

3. Debtor acknowledges and affirms that the rights and remedies of the Secured Parties with respect to the security interest in the T&P Collateral granted hereby are more fully set forth in

the Security Agreement and the rights and remedies set forth herein are without prejudice to, and are in addition to, those set forth in the Security Agreement. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

MERLOT COMMUNICATIONS, INC.

By: George Conant
Name: GEORGE CONANT
Title: PRESIDENT & CEO

ANNEX A

Secured Parties

Wheatley Partners III, L.P.

Wheatley Associates III, L.P.

Wheatley Foreign Partners III, L.P.

SCHEDULE 1 TO GRANT OF SECURITY INTEREST

REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS

Trademark	Registration or Application Number	Registration or Application Date	Country
MERLOT	2,373,948	8/1/2000	United States
Merlot Communications	2,373,949	8/1/2000	United States
Common Ground For the New Generation	2,479,568	8/21/2001	United States

367252-1

RECORDED: 11/14/2002

**PATENT
REEL: 013589 FRAME: 0539**