

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
N8 Systems, Inc.	08/26/2004
RECEIVING PARTY DATA	
Name:	The Roda Group Venture Development Company, LLC
Street Address:	918 Barker Street
Internal Address:	Suite A14
City:	Berkeley
State/Country:	CALIFORNIA
Postal Code:	94710
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	60325165
Application Number:	09883693
PCT Number:	GB0202742
CORRESPONDENCE DATA	
Fax Number:	(412)288-3063
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NAME OF SUBMITTER:	Jody L. Burtner, Senior Paralegal
<p>Total Attachments: 2 source=N8notice#page1.tif</p>	

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**NOTICE OF GRANT OF SECURITY INTEREST
IN INTELLECTUAL PROPERTY**

Please be advised that pursuant to the SECURITY AGREEMENT dated as of August 26, 2004 (the "Security Agreement"), executed by and between N8 Systems, Inc., a Delaware corporation (together with its successors and assigns, the "Company"), in favor of The Roda Group Venture Development Company, LLC, (the "Collateral Agent", as defined in the Security Agreement), on behalf of the Investors (as listed on the signature pages of the Security Agreement) whereby Company and the Investors have entered into a Note and Warrant Purchase Agreement dated August 26, 2004 (the "Purchase Agreement"), pursuant to which Company issued convertible promissory notes, each dated August 26, 2004, (as amended, modified or otherwise supplemented from time to time (each a "Note" and collectively, the "Notes")) in favor of the Investors.

The Company's obligations to repay the Notes have been secured by the Collateral (as that term is defined in the Security Agreement) including, without limitation, the properties described in Attachment 1 hereto, whether now existing or hereafter acquired from time to time (collectively, the "Collateral").

As security for the Obligations (as set forth in the Security Agreement and the Notes), Company granted to the Collateral Agent, *inter alia*, a security interest of the first priority in all right, title and interests of Company (the "Security Interest") in and to the Collateral recited in the Security Agreement, including but not limited to the properties described on Attachment 1 to this Notice.

The security interest in the Collateral, can be terminated only in accordance with the terms of the Security Agreement.

ATTACHMENT 1

1. U.S. Provisional Patent Application No. 60/325,165, filed September 23, 2000, expired;
2. U.S. Patent Application No. 09/883,693, filed June 18, 2001, pending;
3. European Patent Application No. 20022732949, filed June 12, 2002, Publication No. 1397753, published March 17, 2004, pending;
4. International Patent Application No. PCT/GB02/2742, filed June 12, 2002, Publication No. WO 02/106555, published December 27, 2002, national phase;
5. U.S. Document Disclosure filing made on July 21, 2002, for "MSX/UML"; and
6. U.S. Trademark "METASCRIP", U.S. Registration No. 2684704, registered February 4, 2003, registered.