02-03-2000

FORM PTO-1595 1-31-92 RECEIVED!

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PARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Contraisanner of Patents and Tradeinarks	s. Please record the attached original documents or copy thereof.
1. Name of conveying party(ies):	2. Name and address of receiving party(ies):
TEMPLEX TECHNOLOGY, INC. formerly known and TEMPLEX TECHNOLOGY CORPORATION	Name: IMPERIAL BANK Address: 5330 CARILLON POINT City: KIRKLAND State: WA Zip: 98033
Additional name(s) of conveying party(ies) attached? [] Yes [X] No. 1. 1. 19	Additional name(s) & address(es) attached? [] Yes [x] No
3. Nature of Conveyance: [] Assignment [X] Security Agreement [] Other: [] Change of Name	Additional name(s) & address(es) attached: [] Tes [x] No
Execution Date: December 17, 1999	
4. Application number(s) or patent number(s):	
If this Document is being filed together with a new application, the execu	ation date of the application is:
A. Patent Application No.(s)	B. Patent No.(s)
09/100,592 09/115,331 09/120,959 09/132,006 09/354,851 09/412,841	
Additional numbers at	tached? [] Yes [X] No
Name and address of party to whom correspondence concerning document should be mailed.	6. Total number of applications and patents involved: 6
Name: Erin O'Brien Internal Address: GRAY CARY WARE & FREIDENRICH 401 B Street, Suite 1700 San Diego, CA 92101-4297	
	7. Total fee (37 CFR 3.41) \$ 240.00 [] Enclosed
	8. Deposit account number: 07-1895 Please debit any underpayment or credit any overpayment to the above deposit account.
	Our Order No. 1090371-927300
DO NOT U	SE THIS SPACE
9. Statement and signature.	
To the best of my knowledge and belief, the foregoing information is tru	e and correct and any attached copy is a true copy of the original docum
	December 30 December 30 Date
Name of Person Signing S	ignature Date Total number of pages comprising cover shee
OMPN: 0751 0011 7 404	Total number of pages comprising cover snee
OMB No. 0651-0011 (exp. 4/94) Do not de	tach this portion
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Mail documents to be recorded with required cover sheet information to:	

Gray Cary\SD\1330914.1 1090371-927300

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of December 17, 1999 by and between IMPERIAL BANK ("Bank") and TEMPLEX TECHNOLOGY, INC., a Delaware corporation, formerly known as Templex Technology Corporation, an Oregon corporation ("Grantor").

RECITALS

- A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement).
- B. Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.
- C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank 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. After the occurrence of the Equity Event, Bank will release its security interest in the Intellectual Property Collateral.

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 Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Bank and Grantor, Grantor grants and pledges to Bank 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 Schedules 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. Notwithstanding the foregoing, the term "Collateral" does not include any license or contract rights to the extent that such rights are nonassignable by their terms.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan 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 Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

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.

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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.

Address of Grantor:

1850 Millrace Drive Eugene, OR 97403

Attn: Jason Cunningham

Address of Bank:

5330 Carillon Point Kirkland, WA 98033

Attn: Chris Fenner

GRANTOR:

TEMPLEX TECHNOLOGY, INC.

By:

ritle: President

BANK:

IMPERIAL BANK

By:

Title:

EXHIBIT A

Copyrights

Registration Number Registration <u>Date</u>

Description

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EXHIBIT B

Patents

Description	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
Segmented Complex Diffraction Gratings	09/100,592	June 19, 1998
Segmented Complex Diffraction Gratings	09/115,331	July 14, 1998
Segmented Complex Fiber Gratings	09/120,959	July 22, 1998
Method and Apparatus for Optical Correlation Recognition by Time Integrated Nonlinear Detection	09/132,006	August 10, 1998
Time-wavelength Multiple Access Optical Communication System	09/354,851	July 16, 1999
Spatially-Spectrally Swept Optical Memory & Addressing Method	09/412,841	October 5, 1999

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EXHIBIT C

Trademarks

Description	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
Templex	75/606,384	12/16/98
TASM	, 75/606,344	12/16/98

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PATENT
RECORDED: 12/30/1999 REEL: 010516 FRAME: 0688