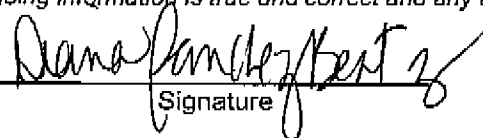


Form PTO-1595 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)		RECORDATION FORM COVER SHEET PATENTS ONLY		U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office	
Tab settings: ⇌ ⇌ ⇌ τ τ τ τ τ τ τ					
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): Salira Optical Network Systems, Inc. 3920 Freedom Circle, #101 Santa Clara, California 95054 Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			2. Name and address of receiving party(ies) Name: <u>Mobius Technology Ventures VI L.P.</u> Internal Address: _____ _____ _____ Street Address: _____ <u>Two Palo Alto Square, Suite 500</u> _____ City: <u>Palo Alto</u> State: <u>CA</u> Zip: <u>94306</u> Additional name(s) & address(es) attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other <u>Intellectual Property Security Agreement</u> Execution Date: <u>December 4, 2003</u>			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) <u>10/192,835</u> B. Patent No.(s) _____ Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Diana Sanchez Bentz</u> Internal Address: _____ <u>Cooley Godward LLP</u> <u>5 Palo Alto Square</u> Street Address: <u>3000 El Camino Real</u> _____ City: <u>Palo Alto</u> State: <u>CA</u> Zip: <u>94306</u>			6. Total number of applications and patents involved: <u>1</u> 7. Total fee (37 CFR 3.41)..... \$ <u>40.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: <u>03-3115</u> (Attach duplicate copy of this page if paying by deposit account)		
DO NOT USE THIS SPACE					
9. Statement and signature. <i>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.</i> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <u>Diana Sanchez Bentz</u> Name of Person Signing </div> <div style="text-align: center;">  Signature </div> <div style="text-align: center;"> <u>December 10, 2003</u> Date </div> </div> <div style="text-align: right; margin-top: 10px;"> Total number of pages including cover sheet, attachments, and documents: <u>12</u> </div>					

437888/196022-1007/fax to 703-306-5995/jdoren

 Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patents & Trademarks, Box Assignments
 Washington, D.C. 20231
PATENT**700056250****REEL: 014193 FRAME: 0010**

CH \$40.00 033115 10192835

Schedule 1

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME SOFTBANK U.S. Ventures VI L.P. (Delaware limited partnership)				
MAILING ADDRESS Two Palo Alto Square, Suite 500, 3000 El Camino Real	CITY Palo Alto	STATE CA	POSTAL CODE 94306	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Mobius Technology Ventures Advisors Fund VI L.P. (Delaware limited partnership)				
MAILING ADDRESS Two Palo Alto Square, Suite 500, 3000 El Camino Real	CITY Palo Alto	STATE CA	POSTAL CODE 94306	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Mobius Technology Ventures Side Fund VI, L.P. (Delaware limited partnership)				
4c. MAILING ADDRESS Two Palo Alto Square, Suite 500, 3000 El Camino Real	CITY Palo Alto	STATE CA	POSTAL CODE 94306	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Sofinnova Venture Partners V, L.P. (Delaware limited partnership)				
MAILING ADDRESS 140 Geary Street, 10th Floor	CITY San Francisco	STATE CA	POSTAL CODE 94108	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Sofinnova Venture Affiliates V, L.P. (Delaware limited partnership)				
MAILING ADDRESS 140 Geary Street, 10th Floor	CITY San Francisco	STATE CA	POSTAL CODE 94108	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Sofinnova Venture Principals V, L.P. (Delaware limited partnership)				
MAILING ADDRESS 140 Geary Street, 10th Floor	CITY San Francisco	STATE CA	POSTAL CODE 94108	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME PacRim Venture Partners I, L.P. (Delaware limited partnership)				
MAILING ADDRESS 605 Cowper Street	CITY Palo Alto	STATE CA	POSTAL CODE 94301	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME PacRim Venture Partners I – Q, L.P. (Delaware limited partnership)				
MAILING ADDRESS 605 Cowper Street	CITY Palo Alto	STATE CA	POSTAL CODE 94301	COUNTRY USA

ADDITIONAL RECEIVING PARTY

ORGANIZATION'S NAME Manitou Ventures I, L.P. (Delaware limited partnership)				
MAILING ADDRESS 460 Bush Street, 2nd Floor	CITY San Francisco	STATE CA	POSTAL CODE 94108	COUNTRY USA

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of December 4, 20003 by and between SALIRA OPTICAL NETWORK SYSTEMS, INC., a California corporation ("GRANTOR") and the secured parties listed on the signature page hereof (the "SECURED PARTIES").

RECITALS

A. Secured Parties have made and may in the future make certain advances of money to Grantor (the "**Loans**") in the amounts and manner set forth in those certain Secured Convertible Promissory Notes executed by Grantor in favor of Secured Parties (collectively, as the same may be amended, modified or supplemented from time to time, the "**Notes**") and that certain Note and Warrant Purchase Agreement, of even date hereof, by and between Grantor and Secured Parties (as the same may be amended, modified or supplemented from time to time, the "**Purchase Agreement**"). Secured Parties are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Secured Parties a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Notes and Purchase Agreement.

B. Pursuant to the terms of that certain Security Agreement, dated of even date herewith, by and between Grantor and Secured Parties (as the same may be amended, modified or supplemented from time to time, the "**Security Agreement**"), Grantor has granted to Secured Parties a security interest in all of Grantor's right, title and interest in, to or under all of the Grantor's business assets. All capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to them in the Security Agreement.

AGREEMENT

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 Notes, Purchase Agreement and Security Agreement (collectively, the "**Loan Documents**"), Grantor hereby represents, warrants, covenants and agrees as follows:

To secure its obligations under the Loan Documents and under all other agreements now existing or hereafter arising between Grantor and Secured Parties, Grantor grants and pledges to Secured Parties a security interest in all of Grantor's right, title and interest in, to and under those registered copyrights and copyright applications, patents and patent applications and registered trademarks and trademark applications 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. *{note: this document is for filing not for effecting the grant of the security interest as that is done in the Security Agreement so this document should only reference registered IP}*

This security interest is granted in conjunction with the security interest granted to Secured Parties under the Security Agreement. The rights and remedies of Secured Parties with respect to the security interest granted hereby are subject to the terms of the Security Agreement and are in addition to those set forth in the Security Agreement and the other Loan Documents, and those which are now or hereafter available to Secured Parties as a matter of law or equity. Each right, power and remedy of Secured Parties provided for herein or in the Security 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 Secured Parties of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Security 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 Secured Parties, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto together with Exhibit C to the Security Agreement 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 (except certain intent-to-use trademark applications as described in the Security Agreement), as applicable.

[Signature pages follow.]

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.

GRANTOR:

SALIRA OPTICAL NETWORK SYSTEMS, INC.

By: 

Print Name: Ross Lau

Title: C.E.O.

SECURED PARTIES:

MOBIUS TECHNOLOGY VENTURES VI L.P.

SOFTBANK U.S. VENTURES VI L.P.

**MOBIUS TECHNOLOGY VENTURES ADVISORS
FUND VI L.P.**

**MOBIUS TECHNOLOGY VENTURES SIDE FUND
VI L.P.**

By: Mobius VI LLC, General Partner

By: _____

Print Name: _____

Title: _____

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.

GRANTOR:

SALIRA OPTICAL NETWORK SYSTEMS, INC.

By: _____

Print Name: _____

Title: _____

SECURED PARTIES:

**MOBIUS TECHNOLOGY VENTURES VI L.P.
SOFTBANK U.S. VENTURES VI L.P.**

**MOBIUS TECHNOLOGY VENTURES ADVISORS
FUND VI L.P.**

**MOBIUS TECHNOLOGY VENTURES SIDE FUND
VI L.P.**

By: Mobius VI LLC, General Partner

By:  _____

Print Name: **Gary E. Rieschel**
Executive Managing Director

Title: **Mobius Venture Capital**

SECURED PARTIES:

**SOFINNOVA VENTURE PARTNERS V, L.P.
SOFINNOVA VENTURE AFFILIATES V, L.P.
SOFINNOVA VENTURE PRINCIPALS V, L.P.**

By: Sofinnova Management V, LLC

By: 

Print Name: Eric Burrows

Title: General Partner

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DEC-2-03 9:54AM;

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SECURED PARTIES:

PACRIM VENTURE PARTNERS I, L.P.
PACRIM VENTURE PARTNERS I-Q, L.P.

By: PacRim Venture Management I, LLC,
Managing Member

By: *Henry Ming Yeh*

Print Name: *Henry-Ming Yeh*

Title: *Managing Member*

DEC-02-2003 TUE 09:47 AM MANITOU VENTURES LLO

FAX NO. 14156279078

P. 05

SECURED PARTIES:

MANITOU VENTURES I, L.P.

By: 

Signature

Name: Christopher Wadsworth

Title: Partner

Address: 460 Bush Street, 2nd Floor

San Francisco, CA 94108

EXHIBIT A
COPYRIGHTS

None.

EXHIBIT B**PATENTS**

Description	Registration/ Application Number	Registration/ Application Date
Allocation of Upstream Bandwidth in an Ethernet Passive Optical Network	US: 10/192,835	7/9/2002
	Patent Cooperation Treaty: PCT/US02/21681	7/9/2002
	Taiwan: #91115360	7/10/2002
Ethernet Passive Optical Network with Framing Structure for Native Ethernet Traffic and Time Division Multiplexed Traffic Having Original Timing	Patent Cooperation Treaty: PCT/US02/21679	7/9/2002
	Taiwan: 91115359	7/10/2002

EXHIBIT C
TRADEMARKS

None.