

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
CORNICE, INC.	11/30/2005

RECEIVING PARTY DATA

Name:	HERCULES TECHNOLOGY II, L.P., as Agent
Street Address:	525 University Avenue
Internal Address:	Suite 700
City:	Palo Alto
State/Country:	CALIFORNIA
Postal Code:	94301

PROPERTY NUMBERS Total: 15

Property Type	Number
Patent Number:	6791799
Patent Number:	6831830
Patent Number:	6956738
Application Number:	09952998
Application Number:	11100743
Application Number:	11100744
Application Number:	11100658
Application Number:	11100657
Application Number:	10447544
Application Number:	11073969
Application Number:	11074154
Application Number:	11074365
Application Number:	11074104
Application Number:	11074105

PATENT

500063624

REEL: 016851 FRAME: 0177

CH \$600.00 6791799

Application Number:

11118164

CORRESPONDENCE DATA

Fax Number: (858)550-6420

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

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Address Line 4: San Diego, CALIFORNIA 92121

ATTORNEY DOCKET NUMBER:

305866-109 LP FILING

NAME OF SUBMITTER:

Erin O'Brien

Total Attachments: 6

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of November 30 2005 by and between HERCULES TECHNOLOGY II, L.P., A DELAWARE LIMITED PARTNERSHIP, AS AGENT ("Agent") and CORNICE, INC., a Delaware corporation ("Grantor").

RECITALS

Hercules Technology II, L.P. and Hercules Technology Growth Capital, Inc. (collectively, "Lenders") have 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 Senior Revolving Loan and Security Agreement by and between Lender and Grantor (as amended from time to time, the "Loan Agreement") dated of even date herewith. Capitalized terms used herein have the meaning assigned in the Loan Agreement. Lenders are willing to make the credit extensions to Grantor, but only upon the condition, among others, that Grantor shall grant to Agent, for the benefit of Lenders, a security interest in all of Grantor's right title, and interest in, to and under all of the Collateral whether presently existing or hereafter acquired

NOW, THEREFORE, Grantor agrees as follows:

AGREEMENT

To secure performance of Grantor's obligations under the Loan Agreement, Grantor grants to Agent a security interest in all of Grantor's right, title and interest in Grantor's intellectual property (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), 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). This security interest is granted in conjunction with the security interest granted to Agent under the Loan Agreement. Each right, power and remedy of Agent and Lenders provided for herein shall not preclude the simultaneous or later exercise by Agent or Lenders of any or all other rights, powers or remedies.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed as of the first date written above.

Address of Borrower:

1951 S. Fordham Street, Suite 105
Longmont, CO 80503
Attn: Camillo Martino/Craig Lamborn

CORNICE, INC.

By: _____

Title: _____

Address of Lender:

525 University Avenue, Suite 700
Palo Alto, CA 94301

HERCULES TECHNOLOGY II, L.P.

By: 

Title: Managing Member, Hercules Technology SBIC
Management, LLC on behalf of Hercules
Technology II, L.P.

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Address of Borrower:

1951 S. Fordham Street, Suite 105
Longmont, CO 80503
Attn: Camillo Martino/Craig Lamborn

CORNICE, INC.

By: 
Title: CEO

Address of Lender:

525 University Avenue, Suite 700
Palo Alto, CA 94301

HERCULES TECHNOLOGY II, L.P.

By: _____
Title: _____

EXHIBIT A
COPYRIGHTS

TITLE	REGISTRATION NUMBER	REGISTRATION DATE
None.		

EXHIBIT B
PATENTS/PATENT APPLICATIONS

1. Patent No. 6,791,799 regarding Digital Device Configuration filed December 6, 2002, issued September 14, 2004; Serial No. 10/313,550.
2. Patent No. 6,831,830 regarding Digital Storage Element in a Host Device and Method filed March 20, 2002, issued December 14, 2004; Serial No. 10/103,057.
3. Patent No. 6,956,738 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed February 11, 2004, issued 05/18/2005; Serial No. 10/777,605.
4. Utility Patent Application No. 09/952,998 regarding Digital Device Configuration and Method filed September 14, 2001.
5. Utility Patent Application No. 11/100,743 regarding Digital Device Configuration and Method filed April 7, 2005.
6. Utility Patent Application No. 11/100,744 regarding Digital Device Configuration and Method filed April 7, 2005.
7. Utility Patent Application No. 11/100,658 regarding Digital Device Configuration and Method filed April 7, 2005.
8. Utility Patent Application No. 11/100,657 regarding Digital Device Configuration and Method filed April 7, 2005.
9. International (EPO) Patent Application No. 02798950.8 regarding Digital Device Configuration and Method filed September 12, 2002.
10. International (Hong Kong) Patent Application filing regarding Digital Device Configuration and Method filed May 27, 2004.
11. International (Japan) Patent Application No. 2003-529465 regarding Digital Device Configuration and Method filed September 12, 2002.
12. International (Singapore) Patent Application No. 200401369-4 regarding Digital Device Configuration and Method filed September 12, 2002.
13. International (Korea) Patent Application No. 10-2004-7003841 regarding Digital Device Configuration and Method filed September 12, 2002.
14. Provisional Patent Application No. 60/466,221 regarding Digital Device Configuration and Method filed April 28, 2003. (Priority claimed to this Provisional in USSN 10/447,544).
15. Utility Patent Application No. 10/447,544 regarding Digital Device Configuration and Method filed May 28, 2003.
16. Utility Patent Application No. 11/073,969 regarding Digital Device Configuration and Method filed March 7, 2005.
17. Utility Patent Application No. 11/074,154 regarding Digital Device Configuration and Method filed March 7, 2005.
18. Utility Patent Application No. 11/074,365 regarding Digital Device Configuration and Method filed March 7, 2005.
19. Utility Patent Application No. 11/074,104 regarding Digital Device Configuration and Method filed March 7, 2005.
20. Utility Patent Application No. 11/074,105 regarding Digital Device Configuration and Method filed March 7, 2005.
21. International Patent Application No. PCT/US2004/012554 regarding Digital Device Configuration and Method filed April 23, 2004. (This PCT case is being abandoned)
22. International (Taiwan) Patent Application No. 93111691 regarding Digital Device Configuration and Method filed April 27, 2004.
23. Utility Patent Application No. 11/118,164 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed April 28, 2005.
24. International (EPO) Patent Application No. 03716508.1 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed March 12, 2004.
25. International (Hong Kong) Patent Application No. 04110183.2 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed December 23, 2004.
26. International (Korea) Patent Application No. 10-2004-7014815 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed March 12, 2003.

27. International (Japan) Patent Application No. 2003-579461 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed March 12, 2003.
28. International (Singapore) Patent Application No. 200405112-4 regarding Digital Storage Element Mechanical Shock Isolation Arrangement in a Host Device and Method filed March 12, 2003.

EXHIBIT C

TRADEMARKS/TRADEMARK APPLICATIONS

1. Canada Trademark Registration Application No. 1,211,472 for the word mark CORNICE, filed on March 30, 2004.
2. China Trademark Registration Application No. 4054327 for the word mark CORNICE, filed on May 9, 2004.
3. CTM Registered Trademark No. EC003721362 for the word mark CORNICE, dated July 18, 2005.
4. Hong Kong Registered Trademark No. 300181179 for the word mark CORNICE, dated March 19, 2004.
5. India Trademark Registration Application No. 1274881 for the word mark CORNICE, dated March 25, 2004.
6. Japan Registered Trademark No. 4812790 for the word mark CORNICE, dated October 22, 2004.
7. Singapore Registered Trademark No. T04/04395G for the word mark CORNICE, dated March 22, 2004.
8. South Korea Trademark Registration Application No. 40-2004-12795 for the word mark CORNICE, filed on March 22, 2004.
9. Taiwan Trademark Registration Application No. 093013467 for the word mark CORNICE, filed on March 26, 2004.
10. United States Registered Trademark No. 2,863,743 for the word mark CORNICE, dated July 13, 2004.
11. United States Registered Trademark No. 2,973,205 for the word mark CORNICE along with a stylized design feature, dated July 19, 2005.