

10-07-2002

10-7-02

To the Honorable Commissioner **102242424** attached original documents or copy thereof.

1. Name of conveying party(ies):
Zonu Inc.
6005 Yolanda Avenue
Tarzana, CA 91356

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Intellectual Property Security Agreement

Execution Date: September 10, 2002

2. Name and address of receiving party(ies):
Name: Windward Ventures, Inc., as Collateral Agent

Internal Address: _____

Street Address: 550 West "C" Street, Suite 2030

City: San Diego State: CA ZIP 92101

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State California
 Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designation must be a separate document from Assignment).
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
75/931,135

B. Trademark Registration No.(s)
None

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Cooley Godward LLP
Internal Address: Attn: Ankey To
Street Address: One Maritime Plaza, 20th Floor
City: San Francisco State: CA ZIP 94111

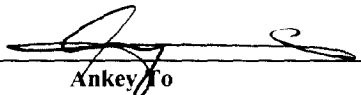
6. Total number of applications and registration involved: 1

7. Total fee (37 CFR 3.41):..... \$40.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: 03-3115
(Attach duplicate copy of this page if paying by deposit account)

10/07/2002 6TOM11 00000114 75931135 DO NOT USE THIS SPACE
01 FC:481 40.00 DP

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.


Ankey To

October 4, 2002
Date

Total number of pages including cover sheet, attachments, and document: 8

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of September 10, 2002 by and between ZONU INC., a Delaware corporation ("**Grantor**") and WINDWARD VENTURES INC., a California Corporation (the "**Collateral Agent**"), on behalf of the Secured Parties, as defined in that certain Security Agreement, dated as of September 10, 2002, by and among Grantor, the Collateral Agent and the Secured Parties (as the same may be amended, modified or supplemented from time to time, the "**Security Agreement**").

RECITALS

A. The 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 Promissory Notes executed by Grantor in favor of Secured Party (collectively, as the same may be amended, modified or supplemented from time to time, the "**Notes**") and pursuant to that certain Note Purchase Agreement, dated as of September 10, 2002, by and among Grantor and the Secured Parties (as the same may be amended, modified or supplemented from time to time, the "**Purchase Agreement**"). The Secured Parties are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to the Collateral Agent, on behalf of the Secured Parties, a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Notes, the Security Agreement and the Purchase Agreement.

B. Pursuant to the terms of the Security Agreement, Grantor has granted to Secured Party a security interest in all of Grantor's right, title and interest in, to or under all of the Grantor's 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, Grantor hereby represents, warrants, covenants and agrees as follows:

To secure its obligations under the Notes, the Purchase Agreement and the Security Agreement (collectively, the "**Loan Documents**") and under all other agreements now existing or hereafter arising between Grantor and Secured Parties, Grantor hereby grants and pledges to the Collateral Agent, on behalf of the Secured Parties, a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property (including without limitation those Copyrights, Patents and Trademarks listed on **Exhibits 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.

This security interest is granted in conjunction with the security interest granted to the Collateral Agent, on behalf of the Secured Parties, under the Security Agreement. The rights and remedies of the Collateral Agent and the 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 the Collateral Agent or the Secured Parties as a matter of law or equity. Each right, power and remedy of the Collateral Agent or 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 the Collateral Agent or any Secured Party 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 the Collateral Agent or any Secured Party, 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.

[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:

COLLATERAL AGENT:

ZONU INC.

WINDWARD VENTURES, INC.

By: 

By: _____

Print Name: Elio Balas

Print Name: David Tinas

Title: Sr. VP.

Title: Chairman

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:

ZONU INC.

By: _____

Print Name: _____

Title: _____

COLLATERAL AGENT:

WINDWARD VENTURES, INC.

By:  _____

Print Name: David Titus

Title: Chairman

EXHIBIT A
COPYRIGHTS

| <u>Description</u> | <u>Registration/ Application Number</u> | <u>Registration/ Application Date</u> |
|--------------------|---|---|
| None | | |

EXHIBIT B

PATENTS

1. ZON1.PAU.01 Application # 09/907,232
Continuous or Burst-Mode Digital Fiber Optic Transceiver with Dual or Single Fiber and Analog Dual Loop Compensation
2. ZON1.PAU.02 Application # 09/907,056
Continuous or Burst-Mode Digital Fiber Optic Transceiver with Dual or Single Fiber and Digital Compensation
3. ZON1.PAU.03 Application # 09/907,137
Continuous or Burst-Mode Digital Fiber Optic Transceiver with Dual or Single Fiber and Front End Control
4. ZON1.PAU.04 Application # 09/907,057
Continuous or Burst-Mode Digital Fiber Optic Transceiver with Dual or Signal and Clock/data Phase Aligner
5. ZON1.PAU.05 Application # 09/946,740
Passive Optical Network with Analog Distribution Employing Cascaded Optics
6. ZON1.PAU.06 Application # 60/230,132; 09/836,500
Optical Packaging
7. ZON1.PAU.06.TW Application #
Optical Networking Unit Employing Optimized Optical Packaging
7. ZON1.PAU.07 Integrated Dual Band, Dual Output Front End Receiver
8. ZON1.PAU.08 Integrated Push-Pull Front End Receiver with Dual Band Output (not filed)
9. ZON1.PAU.09 Automated Gain Control for Fiber Optic Receivers

EXHIBIT C
TRADEMARKS

| <u>Description</u> | <u>Registration/ Application Number</u> | <u>Registration/ Application Date</u> |
|--------------------|---|---|
| Zonu | 75/931,135 | 9/22/00 |