

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
MATISSE NETWORKS, INC.		01/13/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	LIGHTHOUSE CAPITAL PARTNERS V, L.P.		
Street Address:	500 DRAKES LANDING ROAD		
Internal Address:	ATTN: CONTRACT ADMINISTRATION		
City:	GREENBRAE		
State/Country:	CALIFORNIA		
Postal Code:	94904-3011		
Entity Type:	LIMITED PARTNERSHIP: CALIFORNIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	76412957	MATISSE NETWORKS	
CORRESPONDENCE DATA			
Fax Number:	(650)233-4545		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	650.233.4500		
Email:	judy.keeley@pillsburylaw.com		
Correspondent Name:	DAVID H. JAFFER		
Address Line 1:	2475 HANOVER STREET		
Address Line 2:	PILLSBURY WINTHROP SHAW PITTMAN LLP		
Address Line 4:	PALO ALTO, CALIFORNIA 94304-1114		
ATTORNEY DOCKET NUMBER:	044150-000-0001		
NAME OF SUBMITTER:	DAVID H. JAFFER		
Signature:	/David H. Jaffer/		

CH \$40.00 76412957

Date:

01/13/2006

Total Attachments: 13

source=Matisse Assignment#page1.tif
source=Matisse Assignment#page2.tif
source=Matisse Assignment#page3.tif
source=Matisse Assignment#page4.tif
source=Matisse Assignment#page5.tif
source=Matisse Assignment#page6.tif
source=Matisse Assignment#page7.tif
source=Matisse Assignment#page8.tif
source=Matisse Assignment#page9.tif
source=Matisse Assignment#page10.tif
source=Matisse Assignment#page11.tif
source=Matisse Assignment#page12.tif
source=Matisse Assignment#page13.tif

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is made as of this 13th day of January, 2006 by and among MATISSE NETWORKS, INC., a Delaware corporation ("Assignor"), and Lighthouse Capital Partners V, L.P. ("LCP-V") on behalf of itself and as agent for Lighthouse Capital Partners IV, L.P. ("LCP-IV"), (collectively LCP-V and LCP-IV, "Assignee").

RECITALS:

A. Assignee and Assignor are parties to the Loan and Security Agreement No. 3751, dated February 13, 2004 (the "Purchase Agreement"), and certain other loan and security documents entered into in connection therewith (the "Loan Documents").

B. In accordance with Section 7.10 of the Purchase Agreement, Assignor has agreed to grant to the Assignee a priority security interest in certain intangible property for purposes of securing the obligations of Assignor to Assignee.

C. Assignee and Investors (as defined in the Intercreditor Agreement), have entered into that certain Intercreditor Agreement of even date herewith (the "Intercreditor Agreement") with regard to the loans evidenced by the Loan Documents and the financing of Investors to Assignor under the terms of the Secured Convertible Promissory Note and Warrant Purchase Agreement and related documents thereto.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Assignment, Patent Mortgage and Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Assignor's present or future indebtedness, obligations and liabilities of every kind and character owed to Assignee arising out of the Purchase Agreement and the Loan Documents (the "Obligations"), Assignor hereby grants to Assignee a security interest and mortgage in and to Assignor's entire right, title and interest in, to and under the following, whether now or hereafter existing, created, acquired or held (all of which shall collectively be called the "Collateral"):

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, including without limitation those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

(b) Any and all trade secrets, proprietary information, customer lists, manufacturing techniques, formulas, know-how, product formulations, (inventions, whether or not patentable) and any and all intellectual property rights in computer software and computer software products, (collectively with the rights described in clause (c) of this Section, the "Industrial Property");

(c) Any and all design rights which may be available to Assignor;

(d) Any and all patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations in part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents");

(e) Any and all trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, all trade names, trade styles, designs, and the like, and all elements of package or trade dress of goods, and the entire goodwill of the business of Assignor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks");

(f) Any and all licenses or other rights to use any of the Copyrights, Industrial Property, Patents or Trademarks, and all license fees and royalties arising from such use (collectively, the "Licenses");

(g) Any and all amendments, extensions, renewals and extensions of any of the Copyrights, Licenses, Industrial Property, Trademarks or Patents;

(h) Any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above; and

(i) Any and all proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Authorization and Request. Assignor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this Agreement.

3. Covenants and Warranties. Except as set forth in the Intercreditor Agreement, Assignor represents, warrants, covenants and agrees as follows:

(a) Assignor is a corporation, duly incorporated and in good standing under the laws of the State of Delaware. Assignor has the corporate power and authority necessary to conduct its business as presently conducted and to own the Collateral.

(b) Assignor is the sole and lawful owner of the Collateral, except for non-exclusive licenses granted by Assignor to its customers in the ordinary course of business and except for Permitted Liens (as defined below), and has the right and power to grant the security interest in the Collateral granted under this Agreement;

(c) Performance of this Agreement does not conflict with or result in a material breach of any agreement to which Assignor is a party or by which Assignor is bound;

(d) During the term of this Agreement, Assignor will not transfer or otherwise encumber any interest in the Collateral, except for licenses granted by Assignor in the ordinary course of business and for Permitted Liens;

(e) Each of the Patents is valid and enforceable, and no part of the Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Collateral violates the rights of any third party;

(f) Assignor shall promptly advise the Collateral Agent of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of Assignor in or to any Trademark, Patent or Copyright not specified in this Agreement;

(g) Assignor shall at its expense (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use its diligent efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Assignees in writing of material infringements detected and (iii) not allow any Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of the Assignee, which shall not be unreasonably withheld;

(h) During the term of this Agreement, in the event that Assignor determines to register any of Assignor's Copyrights, Assignor shall provide notice thereof to Assignee and shall, from time to time, execute and file such other instruments, and take such further actions as Assignee may request from time to time to perfect or continue the perfection of Assignee's interest in the Collateral, at Assignor's sole expense in accordance with Section 7(a) hereof.

(i) Subject to the provisions of the Intercreditor Agreement, this Agreement creates, and in the case of after acquired Collateral, this Agreement will create at the time Assignor first has rights in such after acquired Collateral, in favor of the Assignee a valid and perfected first priority security interest in the Collateral in the United States securing the payment and performance of the Obligations owed to Assignee upon making the filings referred to in clause (j) below;

(j) Except (i) as has been already obtained, no authorization or approval is required for the grant by Assignor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Assignor and (ii) for, and upon, the filing with the Delaware Secretary of State of appropriate UCC-1 financing statements, and the filing with the United States Patent and Trademark office with respect to the Patents and the registered Trademarks and the Register of Copyrights with respect to registered Copyrights, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the perfection of the security interest in the United States granted under this Agreement or the exercise by the Assignee of its rights and remedies hereunder;

(k) All information heretofore, herein or hereafter supplied to Assignee by or on behalf of Assignor with respect to the Collateral is accurate and complete in all material respects.

(l) Assignor shall not enter into any agreement that would materially impair or conflict with Assignor's obligations hereunder without the prior written consent of Assignee.

MATISSE NETWORKS, INC.
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Assignor shall not permit the inclusion in any contract to which it becomes a party of any provisions that could or might in any way impair or prevent the creation of a security interest in Assignor's rights and interests in any property included within the definition of the Collateral acquired under such contracts.

(m) Upon any officer of Assignor obtaining knowledge thereof, Assignor will promptly notify Assignee in writing of any event that materially adversely affects the value of any of the Collateral, the ability of Assignor or Assignees to dispose of any of the Collateral or the rights and remedies of Assignees in relation thereto, including the levy of any legal process against any of the Collateral.

"Permitted Liens" means (a) Liens (as defined below) for taxes or other governmental charges not at the time delinquent or thereafter payable without penalty or being contested in good faith, provided that adequate reserves for the payment thereof have been established in accordance with generally accepted accounting principals, (b) Liens of carriers, warehousemen, mechanics, materialmen, vendors, and landlords and other similar Liens imposed by law incurred in the ordinary course of business for sums not overdue more than 45 days or being contested in good faith, provided that adequate reserves for the payment thereof have been established in accordance with generally accepted accounting principals, (c) deposits under workers' compensation, unemployment insurance and social security laws or to secure the performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, or to secure statutory obligations of surety or appeal bonds or to secure indemnity, performance or other similar bonds in the ordinary course of business, (d) zoning restrictions, easements, rights-of-way, title irregularities and other similar encumbrances, which alone or in the aggregate are not substantial in amount and do not materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of Assignor, (e) banker's Liens and similar Liens (including set-off rights) in respect of bank deposits, (f) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties and in connection with the importation of goods in the ordinary course of Assignor's business, (g) Liens on the property or assets of any subsidiary of Assignor in favor of Assignor, (h) purchase money Liens that will be discharged upon Assignor's payment of the purchase price for the applicable property, to the extent such Liens relate solely to the property so purchased and (i) Liens associated with the terms of the Intercreditor Agreement.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, any lease in the nature of a security interest, and the filing of any financing statement (other than a precautionary financing statement with respect to a lease that is not in the nature of a security interest) under the Uniform Commercial Code or comparable law of any jurisdiction.

4. Assignees' Rights. Assignee shall have the right, but not the obligation, to cause to be taken, at Assignor's sole expense, any actions that Assignor is required under this Agreement to take but which Assignor fails to take. Assignor shall reimburse and indemnify

Assignee for all reasonable costs and expenses incurred in the reasonable exercise of its rights under this Section 4.

5. Inspection Rights. Assignor hereby grants to Assignee and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable notice to Assignor, and any of Assignor's and its subcontractors' facilities, and to inspect the products and quality control records relating thereto upon reasonable notice to Assignor and as often as may be reasonably requested; provided, however, nothing herein shall entitle Assignee access to Assignor's trade secrets and other proprietary information.

6. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Assignor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office and (if there are registered Copyrights) the United States Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Assignee, to perfect Assignee's security interest in all Copyrights, Patents and Trademarks and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to Assignee the grant or perfection of a security interest in all Collateral.

(b) Assignor hereby irrevocably appoints Assignee as Assignor's attorney in fact, with full authority in the place and stead of Assignor and in the name of Assignor, Assignees or otherwise, from time to time in Assignee's discretion, to take any action and to execute any instrument which Assignee may deem necessary or advisable to perfect or to give public notice of the security interest in the Collateral granted hereunder or, during the continuance of an Event of Default (as defined in Section 8 hereof), to exercise rights and remedies with respect to the Collateral, including:

(i) To modify, in its sole discretion, this Agreement without first obtaining Assignor's approval of or signature to such modification by amending Exhibit A, Exhibit B and Exhibit C, hereto, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Assignor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Assignor no longer has or claims any right, title or interest; and

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Assignor where permitted by law; and

(iii) Upon an Event of Default, to execute and file any documents and to take any actions deemed necessary or appropriate by Assignees to cause the Collateral to be assigned or transferred to Assignee (or its designated agent) or any purchaser of the Collateral at a

foreclosure sale, and to cause title to any of the Collateral to be registered in the name of Assignee (or its designated agent) or any purchaser of the Collateral at a foreclosure sale.

7. Events of Default. The occurrence of any of the following shall constitute an Event of Default under this Agreement:

- (a) An Event of Default occurs under the Purchase Agreement; or
- (b) Assignor breaches any warranty or agreement made by Assignor in this Agreement in any material respect and in the case of a breach of a covenant, such breach remains uncured for a period of thirty (30) days.

8. Remedies. Upon the occurrence of an Event of Default, Assignee, in accordance with the terms of the Intercreditor Agreement, shall have the right (a) to declare all Obligations owed to Assignee immediately due and payable, (b) to exercise any rights and remedies Assignee may have under this Agreement, any of the Loan Documents, other documents regarding any of the Obligations, or applicable law, and (c) to exercise all the remedies of a secured party under the Uniform Commercial Code, including without limitation the right to require Assignor to assemble the Collateral and any tangible property in which Assignees have a security interest and to make it available to Assignee at a place designated by Assignee. Assignee shall have a nonexclusive, royalty free license to use the Copyrights, Patents and Trademarks to the extent reasonably necessary to permit Assignee to exercise its rights and remedies upon the occurrence of an Event of Default. Assignor will pay any expenses (including attorneys' fees) incurred by Assignee in connection with the exercise of any of the Assignee's rights hereunder, including without limitation any expense incurred in disposing of the Collateral. All of Assignee's rights and remedies with respect to the Collateral shall be cumulative. Notwithstanding any other provision of this Agreement, Assignee agrees with Investors it will not seek to exercise remedies alone arising from or as a result of an Event of Default under this Section with regard to the Collateral but will seek to exercise remedies, subject to the Intercreditor Agreement.

9. Indemnity. Assignor agrees to defend, indemnify and hold harmless Assignee and any of its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement, and (b) all losses or expenses in any way suffered, incurred, or paid by Assignee as a result of or in any way arising out of, following or consequential to transactions between Assignee, on the one hand, and Assignor, on the other, whether under this Agreement or otherwise (including without limitation attorneys fees and expenses), except for losses arising from or out of the Assignee's gross negligence or willful misconduct.

10. Termination. At such time as Assignor shall completely satisfy all of the Obligations in full, Assignee, shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to terminate Assignee's security interest in the Collateral hereunder, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

11. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. Attorneys Fees. If any action relating to this Agreement is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable attorneys fees, costs and disbursements.

13. Amendments. This Agreement may be amended only by a written instrument signed by all parties hereto.

14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

15. California Law and Jurisdiction. This Agreement shall be governed by the laws of the State of California, without regard for choice of law provisions. Assignor and Assignee consent to the nonexclusive jurisdiction of any state or federal court located in Santa Clara County, California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

MATISSE NETWORKS, INC., a Delaware corporation

By 

Its SAMUEL MATHAN, CEO.

MATISSE NETWORKS, INC.
INTELLECTUAL PROPERTY SECURITY AGREEMENT

- 7 -

700350808v1

EXHIBIT A
SCHEDULE OF COPYRIGHTS

None.

EXHIBIT B

SCHEDULE OF PATENTS

Docket Number	Country	File Date	Application Number	Status	Date	Patent Number	Title
58300-00001	US	United States	5/31/2002	10/157,871	Issue Fee Paid	1/28/2005	RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
58300-00002	US	United States	5/31/2002	10/200,141	Granted	5/18/2004	6,738,582 SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS
58300-00006	US	United States	8/4/2003	10/632,835	Published	2/26/2004	ENHANCED RESERVATION BASED MEDIA ACCESS CONTROL FOR DYNAMIC NETWORKS AND SWITCH-FABRICS
58300-00007	US	United States	2/9/2005	11/052,783	Published	7/7/2005	OPTICAL RESERVATION-BASED NETWORK SWITCH FABRICS
58300-00011	US	United States	6/17/2004	10/868,894	Pending	6/17/2004	BURST MODE RECEIVER BASED ON CHARGE PUMP PLL WITH IDLE-TIME LOOP STABILIZER
5830000012	JP	Japan	3/26/2002	2003-581391	Pending		SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS
5830000013	KR	South Korea	3/26/2003	2004-7015281	Pending		SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS

Docket Number	Country	File Date	Application Number	Status	Date	Patent Number	Title
5830000014	IL	Israel	3/26/2003	164037	Pending		SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS
5830000015	EP	European Union	3/26/2003	3745598.7	Published		SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS
5830000016	JP	Japan	3/28/2002	2003-581389	Pending		RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
5830000017	KR	Korea	3/26/2003	2004-7015282	Pending		RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
5830000018	IL	Israel	3/26/2003	164164	Pending		RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
5830000019	EP	European Union	3/28/2003	3745597.9	Published		RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
5830000020	IN	India	3/26/2003	2418/CHENP/04	Pending		RESERVATION-BASED MEDIA ACCESS CONTROLLER AND RESERVATION-BASED OPTICAL NETWORK
5830000021	IN	India	3/26/2003	2417/CHENP/04	Pending		SYNCHRONIZATION SYSTEM FOR ALL OPTICAL SLOTTED RING DYNAMIC NETWORKS

Docket			File	Application			Patent	
Number		Country	Date	Number	Status	Date	Number	Title
583000023	WO	PCT	6/14/2005	PCTUS05/21029	Pending			BURST MODE RECEIVER BASED ON CHARGE PUMP PLL WITH IDLE-TIME LOOP STABILIZER

EXHIBIT C

SCHEDULE OF TRADEMARKS

Country	Number	File Date	Status	Title
US	76/412957	21-May-02	Allowed	Matisse Networks