

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SEC Mail Processing Section

JUL 15 2008

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FORM D

NOTICE OF SALE OF SECURITIES

PURSUANT TO REGULATION D, SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION

OMB APPROVAL OMB Number: Expires: Estimated average burden hours per form

Table with SEC USE ONLY, Prefix, Serial, and DATE RECEIVED fields.

Name of Offering (check if this is an amendment and name has changed, and indicate change.)

TeraSpan Networks Inc. -- Secured, Subordinate, Convertible Debenture Issuance (July 2008)

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)

TeraSpan Networks Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code) # 506, 815 Hornby Street, Vancouver, British Columbia, V6Z 2E6 (604) 684-8711

Address of Principal Business Operations (if different from Executive Offices) (Number and Street, City, State, Zip Code) Telephone Number (Including Area Code)

Brief Description of Business

Fiber optic network products, design and solutions

Type of Business Organization

corporation limited partnership, already formed LLC, already formed other (please specify) business trust limited partnership, to be formed LLC, to be formed

PROCESSED

Actual or Estimated Date of Incorporation or Organization: Month Year Actual Estimated

AUG 05 2008

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: CN for Canada; FN for other foreign jurisdiction)

THOMSON REUTERS

CN

GENERAL INSTRUCTIONS

Federal:

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

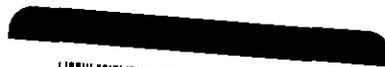
Filing Fee: There is no federal filing fee.

State:

This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix in the notice constitutes a part of this notice and must be completed.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.



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A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

McDonnell, Neil

Business or Residence Address (Number and Street, City, State, Zip Code)

506, 815 Hornby Street, Vancouver, British Columbia, V6Z 2E6

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Payne, Lisa

Business or Residence Address (Number and Street, City, State, Zip Code)

506, 815 Hornby Street, Vancouver, British Columbia, V6Z 2E6

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Kinakin, Elena

Business or Residence Address (Number and Street, City, State, Zip Code)

506, 815 Hornby Street, Vancouver, British Columbia, V6Z 2E6

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Selby, Sunil

Business or Residence Address (Number and Street, City, State, Zip Code)

Suite 1302, 330 Bay Street, Toronto, Ontario, M5H 2S8

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Talalla, Dominic

Business or Residence Address (Number and Street, City, State, Zip Code)

Suite 1302, 330 Bay Street, Toronto, Ontario, M5H 2S8

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Miller, Ken

Business or Residence Address (Number and Street, City, State, Zip Code)

Suite 57, 100 - 1260 Hamilton Street, Vancouver, British Columbia, V6B 2S8

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Sturdy, Morgan

Business or Residence Address (Number and Street, City, State, Zip Code)

7209 St. Georges Crescent, West Vancouver, British Columbia, V7W 1Y9

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Cytrynbaum, Michael

Business or Residence Address (Number and Street, City, State, Zip Code)

701 - 888 Bute Street, Vancouver, British Columbia, V6E 1Y5

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Hamilton-Piercy, Nick

Business or Residence Address (Number and Street, City, State, Zip Code)

3723 Maple Grove Rd, Innisfil, Ontario, L9S 3B1

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Trellis Capital Corporation

Business or Residence Address (Number and Street, City, State, Zip Code)

Suite 1302, 330 Bay Street, Toronto, Ontario, M5H 2S8

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General Partner
Managing Partner

Full Name (Last name first, if individual)

Ignition Point Technologies Ltd.

Business or Residence Address (Number and Street, City, State, Zip Code)

506, 815 Hornby Street, Vancouver, British Columbia, V6Z 2E6

B. INFORMATION ABOUT OFFERING

- | | | |
|--|-------------------------------------|---|
| <p>1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering?
 Answer also in Appendix, Column 2, if filing under ULOE.</p> | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| <p>2. What is the minimum investment that will be accepted from any individual?.....</p> | \$ N/A | |
| <p>3. Does the offering permit joint ownership of a single unit?.....</p> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <p>4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only. N/A</p> | | |

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States).....

All States

- | | | | | | | | | | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> AK | <input type="checkbox"/> AZ | <input type="checkbox"/> AR | <input type="checkbox"/> CA | <input type="checkbox"/> CO | <input type="checkbox"/> CT | <input type="checkbox"/> DE | <input type="checkbox"/> DC | <input type="checkbox"/> FL | <input type="checkbox"/> GA | <input type="checkbox"/> HI | <input type="checkbox"/> ID |
| <input type="checkbox"/> IL | <input type="checkbox"/> IN | <input type="checkbox"/> IA | <input type="checkbox"/> KS | <input type="checkbox"/> KY | <input type="checkbox"/> LA | <input type="checkbox"/> ME | <input type="checkbox"/> MD | <input type="checkbox"/> MA | <input type="checkbox"/> MI | <input type="checkbox"/> MN | <input type="checkbox"/> MS | <input type="checkbox"/> MO |
| <input type="checkbox"/> MT | <input type="checkbox"/> NE | <input type="checkbox"/> NV | <input type="checkbox"/> NH | <input type="checkbox"/> NJ | <input type="checkbox"/> NM | <input type="checkbox"/> NY | <input type="checkbox"/> NC | <input type="checkbox"/> ND | <input type="checkbox"/> OH | <input type="checkbox"/> OK | <input type="checkbox"/> OR | <input type="checkbox"/> PA |
| <input type="checkbox"/> RI | <input type="checkbox"/> SC | <input type="checkbox"/> SD | <input type="checkbox"/> TN | <input type="checkbox"/> TX | <input type="checkbox"/> UT | <input type="checkbox"/> VT | <input type="checkbox"/> VA | <input type="checkbox"/> WA | <input type="checkbox"/> WV | <input type="checkbox"/> WI | <input type="checkbox"/> WY | <input type="checkbox"/> PR |

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States).....

All States

- | | | | | | | | | | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> AK | <input type="checkbox"/> AZ | <input type="checkbox"/> AR | <input type="checkbox"/> CA | <input type="checkbox"/> CO | <input type="checkbox"/> CT | <input type="checkbox"/> DE | <input type="checkbox"/> DC | <input type="checkbox"/> FL | <input type="checkbox"/> GA | <input type="checkbox"/> HI | <input type="checkbox"/> ID |
| <input type="checkbox"/> IL | <input type="checkbox"/> IN | <input type="checkbox"/> IA | <input type="checkbox"/> KS | <input type="checkbox"/> KY | <input type="checkbox"/> LA | <input type="checkbox"/> ME | <input type="checkbox"/> MD | <input type="checkbox"/> MA | <input type="checkbox"/> MI | <input type="checkbox"/> MN | <input type="checkbox"/> MS | <input type="checkbox"/> MO |
| <input type="checkbox"/> MT | <input type="checkbox"/> NE | <input type="checkbox"/> NV | <input type="checkbox"/> NH | <input type="checkbox"/> NJ | <input type="checkbox"/> NM | <input type="checkbox"/> NY | <input type="checkbox"/> NC | <input type="checkbox"/> ND | <input type="checkbox"/> OH | <input type="checkbox"/> OK | <input type="checkbox"/> OR | <input type="checkbox"/> PA |
| <input type="checkbox"/> RI | <input type="checkbox"/> SC | <input type="checkbox"/> SD | <input type="checkbox"/> TN | <input type="checkbox"/> TX | <input type="checkbox"/> UT | <input type="checkbox"/> VT | <input type="checkbox"/> VA | <input type="checkbox"/> WA | <input type="checkbox"/> WV | <input type="checkbox"/> WI | <input type="checkbox"/> WY | <input type="checkbox"/> PR |

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States).....

All States

- | | | | | | | | | | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <input type="checkbox"/> AL | <input type="checkbox"/> AK | <input type="checkbox"/> AZ | <input type="checkbox"/> AR | <input type="checkbox"/> CA | <input type="checkbox"/> CO | <input type="checkbox"/> CT | <input type="checkbox"/> DE | <input type="checkbox"/> DC | <input type="checkbox"/> FL | <input type="checkbox"/> GA | <input type="checkbox"/> HI | <input type="checkbox"/> ID |
| <input type="checkbox"/> IL | <input type="checkbox"/> IN | <input type="checkbox"/> IA | <input type="checkbox"/> KS | <input type="checkbox"/> KY | <input type="checkbox"/> LA | <input type="checkbox"/> ME | <input type="checkbox"/> MD | <input type="checkbox"/> MA | <input type="checkbox"/> MI | <input type="checkbox"/> MN | <input type="checkbox"/> MS | <input type="checkbox"/> MO |
| <input type="checkbox"/> MT | <input type="checkbox"/> NE | <input type="checkbox"/> NV | <input type="checkbox"/> NH | <input type="checkbox"/> NJ | <input type="checkbox"/> NM | <input type="checkbox"/> NY | <input type="checkbox"/> NC | <input type="checkbox"/> ND | <input type="checkbox"/> OH | <input type="checkbox"/> OK | <input type="checkbox"/> OR | <input type="checkbox"/> PA |
| <input type="checkbox"/> RI | <input type="checkbox"/> SC | <input type="checkbox"/> SD | <input type="checkbox"/> TN | <input type="checkbox"/> TX | <input type="checkbox"/> UT | <input type="checkbox"/> VT | <input type="checkbox"/> VA | <input type="checkbox"/> WA | <input type="checkbox"/> WV | <input type="checkbox"/> WI | <input type="checkbox"/> WY | <input type="checkbox"/> PR |

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

C: OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt.....	\$ <u>0</u>	\$ <u>0</u>
Equity.....	\$ <u>0</u>	\$ <u>0</u>
<input type="checkbox"/> Common Shares <input type="checkbox"/> Preferred		
Convertible Securities (including warrants) Convertible Debentures – see Exhibit A on back	\$ <u>557,804</u>	\$ <u>557,804</u>
Partnership Interests	\$ <u>0</u>	\$ <u>0</u>
Other (Specify)	\$ <u>0</u>	\$ <u>0</u>
Total... Both Rule 506 and Rule 903(b)(1) sales – see Exhibit A on back	\$ <u>557,804</u>	\$ <u>557,804</u>

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number of Investors	Aggregate Dollar Amount of Purchases
Accredited Investors.....	\$ <u>1</u>	\$ <u>74,045</u>
Non-accredited Investors.....	\$ <u>0</u>	\$ <u>0</u>
Total (for filings under Rule 504 only).....	\$	\$

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505	_____	\$ _____
Regulation A.....	_____	\$ _____
Rule 504	_____	\$ _____
Total	_____	\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/> \$ _____
Printing and Engraving Costs	<input type="checkbox"/> \$ _____
Legal Fees	<input checked="" type="checkbox"/> \$ <u>64,172</u>
Accounting Fees	<input type="checkbox"/> \$ _____
Engineering Fees.....	<input type="checkbox"/> \$ _____
Sales Commissions (specify finders' fees separately)	<input type="checkbox"/> \$ _____
Other Expenses (identify).....Parent company expenses related to review of financing transaction.....	<input checked="" type="checkbox"/> \$ <u>18,542</u>
Total	<input checked="" type="checkbox"/> \$ <u>82,714</u>

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

b. Enter the difference between the aggregate offering price given in response to Part C – Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer."

\$ 475,090

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C – Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees.....	<input checked="" type="checkbox"/> \$ <u>32,382</u>	<input checked="" type="checkbox"/> \$ <u>39,491</u>
Purchase of real estate	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase, rental or leasing and installation of machinery and equipment.....	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Construction or leasing of plant buildings and facilities.....	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>9,873</u>
Working capital.....	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>393,344</u>
Other (specify) _____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
_____	_____	_____
_____	_____	_____
Column Totals	<input checked="" type="checkbox"/> \$ <u>32,382</u>	<input checked="" type="checkbox"/> \$ <u>442,708</u>
Total Payments Listed (column totals added).....	<input checked="" type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$ <u>475,090</u>

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) TeraSpan Networks Inc.	Signature 	Date July 14, 2008
Name of Signer (Print or Type) Elena Kinakin	Title of Signer (Print or Type) Chief Financial Officer	

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

TeraSpan Networks Inc. (the "Issuer")
Exhibit A to Form D

"Parts C.1 and C.2" of Form D

The Issuer offered and sold CDN \$565,000 principal amount secured, subordinate, convertible debentures (the "Debentures") for gross proceeds of \$557,804 in U.S. dollars. Each of the Debentures bear interest at 15% and mature on July 2, 2010. The Debentures are secured by a general security interest over all of the present and after-acquired property of the Issuer, and are convertible into common shares of the Issuer at the option of the holders at any time, and in certain circumstances at the option of the Issuer. This issuance of Debentures closed on July 2, 2008.

The Debentures were offered and sold outside the United States in accordance with Rule 903(b)(1) of Regulation S and within the United States in accordance with Rule 506 of Regulation D under the Securities Act of 1933, as amended.

Of the total Debentures offered and sold, seventy-five (75) Debentures were offered and sold in the United States by the Issuer for gross proceeds of \$74,045 in U.S. dollars [CDN\$75,000]. This offer and sale was made in accordance with Rule 506 of Regulation D by certain officers and directors of the Issuer to a limited liability corporation residing in Washington, such person being an "Accredited Investor," as defined in Rule 501(a) of Regulation D.

No sales commissions, finder's fees, broker's warrants or other selling-related remuneration were paid or given directly or indirectly to any person, including any officer or director of the Issuer, for the offer and sale of the Debentures to the above-mentioned Accredited Investor.

All dollar amounts on this Form D were converted to U.S. dollars from Canadian dollars using the daily noon rate of 1 U.S. dollar = \$1.0129 CDN dollar as of the closing date of July 2, 2008.

END