

08-02-2001

Form PTO-1595 (Rev. 03/01) RE
OMB No. 0651-0027 (exp. 5/31/2002)
Tab settings



U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

101797152

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Vascular Innovations, Inc.

7-2301

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: 7/5/01

2. Name and address of receiving party(ies)

Name: Venture Lending & Leasing II, Inc.

Internal Address:

JUL 23 2001

Street Address: 2010 North First Street

City: San Jose State: CA Zip: 95131

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s): 3

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

09/705,819 00/41979 09/764,218 09/778,003

B. Patent No.(s)

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Russell D. Pollock, Esq.

Internal Address:

Street Address: Greene Radovsky et al

Four Embarcadero Center, Suite 4000

City: San Francisco State: CA Zip: 94111

6. Total number of applications and patents involved: 26

7. Total fee (37 CFR 3.41).....\$ 665.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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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.

Russell D. Pollock

Name of Person Signing

Russell Pollock
Signature

7/17/01

Date

Total number of pages including cover sheet, attachments, and documents: 11

Mail documents to be recorded with required cover sheet information to:
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Washington, D.C. 20231

08/01/2001 JJALLAH2 00000002 09705819

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RECORDATION FORM COVER SHEET
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Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s): 10

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s) 09/687,216 09/664,589
00/13957 00/14034 00/13707 00/13958
00/13959 09/725,232 09/712,044 60,247,029

B. Patent No.(s)

Additional numbers attached? Yes No

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Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____
Execution Date: 7/5/01

4. Application number(s) or patent number(s): 12
If this document is being filed together with a new application, the execution date of the application is: _____
A. Patent Application No.(s) 09/314,278 09/437,428
09/440,263 09/132,711 09/363,255 99/16710
09/440,116 09/542,976 09/664,588 09/709,373
Additional numbers attached? Yes No

6. Total number of applications and patents involved:
7. Total fee (37 CFR 3.41).....\$ 665.00
 Enclosed
 Authorized to be charged to deposit account

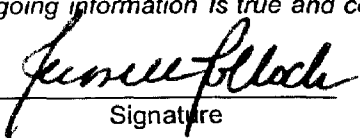
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Russell D. Pollock  7/17/01
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and documents:

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Washington, D.C. 20231

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 5, 2001 by and between Venture Lending & Leasing II, Inc. ("Lender") as Lender and VASCULAR INNOVATIONS, INC., Inc. ("Grantor").

RECITALS

A. Lender has 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 Loan and Security Agreement by and between Lender and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement).

B. Lender is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Lender a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Lender a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

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 Loan Documents now existing or hereafter arising, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Documents now existing or hereafter arising, Grantor grants and pledges to Lender, a security interest in all of Grantor's right, title and interest in, to and under its intellectual property collateral (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 and all goodwill associated therewith.

This security interest is granted in conjunction with the security interest granted to Lender under the Loan Agreement and shall terminate upon (i) payment in full of all Obligations under the Loan Agreement and (ii) the termination of Lender's Commitment. The rights and remedies of Lender with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Lender as a matter of law or equity. Each right, power and remedy of Lender provided for herein or in the Loan 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 Lender of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan 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 a Lender, of any or all other rights, powers or remedies. Upon termination of the security interests granted in this Intellectual Property Security Agreement, Lender shall, at Borrower's expense, execute any filings, instruments, agreements, or other documents reasonably requested by Grantor to effectuate and give notice to third parties of such termination. This Intellectual Property Security Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all federally registered intellectual property or applications therefor in which Grantor has an interest. Grantor shall register or cause to be registered on an expedited basis with the United States Patent and Trademark Office or the United States

Copyright Office, as applicable, the intellectual property rights listed on such exhibits. From time to time hereafter, Grantor shall register on an expedited basis such additional material intellectual property developed or acquired by Grantor in connection with any product prior to the sale or licensing of such product to any third party or inclusion of such product in any other product sold or licensed to any third party.

Grantor shall deliver to Lender within thirty (30) days of the last day of each fiscal quarter, a report signed by Grantor, in form reasonably acceptable to Lender, listing any applications or registrations that Grantor has made or filed in respect of any patents, copyrights or trademarks and the status of any outstanding applications or registrations. Grantor shall promptly advise Lender of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent or Copyright not specified in this Intellectual Property Security Agreement.

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.

Address of Grantor:

171 Jefferson Drive
Menlo Park, CA 94025
Attn: Chief Financial Officer

VASCULAR INNOVATIONS, INC.

By: B. Ham
Title: President + CEO

Address of Lender:

2010 North First Street, Suite 310
San Jose, CA 95131
Attn: Chief Financial Officer

VENTURE LENDING & LEASING II, INC.

By: _____
Title: _____

Copyright Office, as applicable, the intellectual property rights listed on such exhibits. From time to time hereafter, Grantor shall register on an expedited basis such additional material intellectual property developed or acquired by Grantor in connection with any product prior to the sale or licensing of such product to any third party or inclusion of such product in any other product sold or licensed to any third party.

Grantor shall deliver to Lender within thirty (30) days of the last day of each fiscal quarter, a report signed by Grantor, in form reasonably acceptable to Lender, listing any applications or registrations that Grantor has made or filed in respect of any patents, copyrights or trademarks and the status of any outstanding applications or registrations. Grantor shall promptly advise Lender of any material change in the composition of the Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent or Copyright not specified in this Intellectual Property Security Agreement.

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VASCULAR INNOVATIONS, INC.

Address of Grantor:

171 Jefferson Drive
Menlo Park, CA 94025
Attn: Chief Financial Officer

By: _____

Title: _____

VENTURE LENDING & LEASING II, INC.

Address of Lender:

2010 North First Street, Suite 310
San Jose, CA 95131
Attn: Chief Financial Officer

By:  _____

Title: **SALVADOR O. GUTIERREZ**
PRESIDENT

EXHIBIT A

Copyrights

A. COPYRIGHTS AND COPYRIGHT APPLICATIONS:

<u>Application or Copyright No.</u>	<u>Issue or Filing Date</u>	<u>Expiration Date or Status</u>	<u>App. No./ Filed</u>	<u>Reg. No./ Reg. Date</u>
NONE				

B. COPYRIGHT LICENSES:

<u>Corresponding Copyright No.</u>	<u>Date License Granted</u>	<u>Licensee</u>	<u>Termination Date</u>
NONE			

EXHIBIT B

Patents

A. PATENTS AND PATENT APPLICATIONS:

<u>Application or Patent No.</u>	<u>Issue or Filing Date</u>	<u>Expiration Date</u>	<u>Title</u>
US 6,179,849	1/30/01 Issued		Sutureless Closure for Connecting a Bypass Graft to a Target Vessel
09/314,278	5/18/99		Sutureless Closure and Deployment System for Connecting Blood Vessels
09/437,428	11/15/99		Implantable Medical Device Such as an Anastomosis Device
09/440,263	11/15/99		Trocar for Use in Deploying an Anastomosis Device and Method of Performing Anastomosis
09/132,711	8/12/98		Method and System for Attaching a Graft to a Blood Vessel
US 6,206,913	3/27/01 Issued		Method and System for Attaching a Graft to a Blood Vessel
09/363,255	7/28/99		Anastomosis System and Method for Controlling a Tissue Site
US 99/16710	8/11/99		Anastomosis System and Method for Controlling a Tissue Site
09/440,116	11/15/99		Everter and Threadthrough System for Attaching Graft Vessel to Anastomosis Device
09/542,976	4/4/00		Tissue Punch
09/664,588	9/18/00		Sutureless Closure and Deployment System for Connecting Blood Vessels

09/709,373	11/13/00	Device for Use in Deploying an Anastomosis Device and Method of Performing Anastomosis
09/687,216	10/12/00	Implantable Superelastic Anastomosis Device
09/664,589	9/18/00	Sutureless Closure and Deployment System for Connecting Blood Vessels
US00/13957	5/18/00	Sutureless Closure and Deployment System for Connecting Blood Vessels
US00/14034	5/19/00	Sutureless Closure for Connecting a Bypass Graft to a Target Vessel
US00/13707	5/18/00	Implantable Medical Device such as an Anastomosis Device
US00/13958	5/18/00	Trocar for use in Deploying an Anastomosis Device and Method of Performing an Anastomosis
US00/13959	5/18/00	Tissue Punch
WO01/08601	7/26/00	Anastomosis System and Method for Controlling a Tissue Site
09/725,232	11/29/00	Tissue Welding System and Method for Controlling a Tissue Site During Anastomosis
09/712,044	11/13/00	Graft Vessel Preparation Device and Method for Using the Same
60/247,029	11/13/00	A Method and System for Performing Bypass Graft Surgery
09/705,819	6/10/99	Sutureless Closure for Connecting a Bypass graft to a Target Vessel

US00/41979	11/15/99	Everter and Threadthrough System for Attaching Graft Vessel to Anastomosis Device
09/764,218	1/16/01	Incision Tensioning System and Method for Using the Same
09/778,003	2/7/01	Method and System for Attaching a Graft to a Blood Vessel
99941967.4	3/9/01	Method and System for Attaching a Graft to a Blood Vessel

B. PATENT LICENSES:

<u>Corresponding Patent No.</u>	<u>Date License Granted</u>	<u>Licensee</u>	<u>Termination Date</u>
NONE			

EXHIBIT C

Trademarks

□

A. REGISTERED TRADEMARK AND TRADEMARK APPLICATIONS:

<u>Mark</u>	<u>Country</u>	<u>Status</u>	<u>App. No./ Filed</u>	<u>Reg. No./ Reg. Date</u>
NONE				

B. TRADEMARK LICENSES:

<u>Corresponding Trademark No.</u>	<u>Date License Granted</u>	<u>Licensee</u>	<u>Termination Date</u>
NONE			

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JTK/208944.1