Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Evi Corp.	03/13/2003

RECEIVING PARTY DATA

Name:	Synectic Ventures I LLC	
Street Address:	888 SW 5th Ave., Ste. 300	
City:	Portland	
State/Country:	OREGON	
Postal Code:	97204	

Name:	Synectic Ventures II LLC	
Street Address:	888 SW 5th Ave., Ste. 300	
City:	Portland	
State/Country:	OREGON	
Postal Code:	97204	

Name:	Synectic Ventures III LLC	
Street Address:	888 SW 5th Ave., Ste. 300	
City:	Portland	
State/Country:	OREGON	
Postal Code:	97204	

PROPERTY NUMBERS Total: 1

Property Type	Number
Patent Number:	5160342

CORRESPONDENCE DATA

Fax Number: (503)295-0915

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

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Phone: 503-499-4676

Email: tina.dippert@bullivant.com

Correspondent Name: Robert B. Miller

Address Line 1: 888 SW 5th Ave., Ste. 300 Address Line 4: Portland, OREGON 97204

ATTORNEY DOCKET NUMBER: 25742-2

NAME OF SUBMITTER: GH Goldstick, Pres., GH Goldstick & Co.

Total Attachments: 4

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EXHIBIT "D"

(To the Note and Warrant Purchase Agreement dated March 13, 2003)

SECURITY AGREEMENT

This SECURITY AGREEMENT (this "Agreement") is made and shall be effective as of the 13th day of March, 2003, by EVI CORPORATION, an Oregon corporation doing business as Endo Vascular Instruments, Inc. ("Grantor"), for the benefit of the persons and entities whose names are set forth on the attached Exhibit "A" (collectively, the "Secured Parties"), as such Exhibit may be amended, from time-to-time.

RECITALS:

- A. The Secured Parties have agreed to loan to Grantor up to Four Million Five Hundred Thousand Dollars (\$4,500,000) in aggregate principal amount (the "Loan"), as evidenced by Promissory Notes issued pursuant to that certain Note and Warrant Purchase Agreement (the "Purchase Agreement"), of even date herewith (collectively, the "Notes").
- B. In order to induce the Secured Parties to make the Loan, Grantor has agreed to grant to the Secured Parties a security interest in and to all of its personal property, whether presently existing or hereafter created or acquired, including, without limitation, all accounts, chattel paper, documents, instruments, money, deposit accounts, general intangibles (including all returns, repossessions, books and records relating thereto, and equipment containing such books and records, as well as Grantor's patent and other intellectual property rights), investment property (including all securities and securities entitlements), goods (including all equipment and inventory), and all proceeds of the foregoing (including insurance proceeds) (collectively, the "Collateral").

AGREEMENTS:

1. Security Interest

- 1.1 Grant of Security Interest. To secure timely and full payment of the Loan, as required by the terms and conditions of the Notes and the Purchase Agreement, Grantor hereby grants to the Secured Parties, on a pari passu basis and in the same proportion as the "Note Balance" (as such term is defined in the Purchase Agreement) of their respective Notes bears to the total amount of principal and interest outstanding under all of the Notes, a security interest in and to the Collateral.
- 1.2 <u>Rights of Grantor</u>. So long as there shall exist no Event of Default (as defined in the Notes), Grantor shall have the right to possess and use the Collateral.
- 2. <u>Administration.</u> CB (Berkman) Capital II LLC, aka Synectic Ventures II, LLC, as "Agent" under the terms and conditions of the Purchase Agreement shall have the exclusive authority to act for the Secured Parties under this Agreement and in regard to every aspect of the

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security interest granted hereby and in regard to the Collateral. Notwithstanding any provision of this Agreement or the "UCC" (as such term is hereinafter defined) to the contrary, none of the Secured Parties individually shall have the right to take any action to enforce the security interest granted hereby, except by and through the Agent. The Agent shall have the rights and authority granted by paragraph 5 of the Purchase Agreement, and the Grantor shall have the irrevocable right to rely upon the actions, agreements and instructions of the Agent in regard to this Agreement and its enforcement and in regard to all matter related to or involving the Collateral.

- Parties, act through the Agent, shall be entitled to any one or more of the remedies provided for under the Uniform Commercial Code in effect in Oregon ("UCC") with respect to the Collateral, in addition to any rights and remedies available under the Notes or applicable law or in equity. The Secured Parties shall be entitled to recover costs and expenses reasonably incurred in connection with such Event of Default, including, without limitation, reasonable attorneys' fees. To the extent permitted by applicable law, every right and remedy under this Agreement is distinct and cumulative to other rights and remedies under this Agreement, and may be exercised by the Agent concurrently, independently, successively, or in any order whatsoever.
- 4. <u>Term.</u> This Agreement shall remain in full force and effect until the date as of which the Notes are paid in full, or otherwise satisfied pursuant to the conversion options described therein and in the Purchase Agreement.
- 5. Further Actions. Grantor agrees that it shall take all actions reasonably requested by the Agent to establish, perfect, continue perfected, terminate, and/or enforce the rights of the Secured Parties under this Agreement and otherwise to effectuate the purposes and provisions of this Agreement, including, without limitation the execution and delivery of appropriate assignments of patents, patent applications, or other intellectual property rights, if any, and UCC financing statements. Upon repayment or satisfaction of the Notes, each of the Secured Parties agrees to take all actions reasonably requested by the Grantor to evidence the termination and complete release of the security interest granted herein.
- 6. Notices. All notices required by or permitted under this Agreement shall be in writing and shall be effective when actually delivered or three business days after being deposited in the United States Mails, certified, return receipt requested, directed to the other party at the address set forth below, or to such other address as the person specified below may indicate by such written notice:

If to Grantor:

EVI Corporation

2501 S.E. Columbia Way

Suite 150

Vancouver, Washington 98661-8038

Attn: President

If to the Secured Parties:

c/o CB (Berkman) Capital II LLC, aka

Synectic Ventures II, LLC

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806 S.W. Broadway, Suite 900 Portland, Oregon 97205 Attn: Craig L. Berkman

7. Other Representations, Warranties and Covenants.

- From and after the date hereof, Grantor shall not encumber any of the Collateral, or grant to any person or entity a security interest in or to the Collateral which is superior to, or pari passu with, the security interest granted herein, without the prior written consent of the "Agent" which consent shall not be unreasonably withheld.
- Upon request, Grantor shall deliver to the Agent a detailed list of Collateral by description and location. The Agent may examine and inspect the Collateral upon notice given to Grantor.

IN WITNESS WHEREOF, Grantor has executed this Security Agreement as of the date first above written.

GRANTOR:

EVI CORPORATION, an Oregon corporation

Thomas A. Wiita, President

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EXHIBIT 'A'

(To the Security Agreement dated March 13, 2003)

The Secured Parties:

- 1. CB (Berkman) Capital LLC, aka Synectic Ventures I, LLC
- 2. CB (Berkman) Capital II LLC, aka Synectic Ventures II, LLC
- 3. CB (Berkman) Capital IIA LLC, aka Synectic Ventures III, LLC
- 4. CB (Berkman) Capital IV LLC, aka Synectic Ventures IV, LLC
- 5. Synectic Ventures, LLC, aka Synectic Ventures V, LLC

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RECORDED: 01/19/2006