

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Pursuit Vascular, Inc.	02/16/2012
RECEIVING PARTY DATA	
Name:	Mr. Robert Ziebol
Street Address:	13041 Jefferson St. NE
City:	Blaine
State/Country:	MINNESOTA
Postal Code:	55434
Name:	Killion & Associates, LLC
Street Address:	6262 Dallas Ct. N.
City:	Maple Grove
State/Country:	MINNESOTA
Postal Code:	55311-4242
Name:	Franck L. Gougeon Revocable Trust, Franck L. Gougeon, Trustee
Street Address:	4729 Annaway Drive
City:	Edina
State/Country:	MINNESOTA
Postal Code:	55436
PROPERTY NUMBERS Total: 4	
Property Type	Number
Application Number:	61506979
PCT Number:	US0962190
Application Number:	12605966
Application Number:	12605963

CH \$160.00 61506979

CORRESPONDENCE DATA**Fax Number:** (612)607-7100**Phone:** 612-607-7595**Email:** cclassen@oppenheimer.com

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Correspondent Name: Barbara A. Wrigley**Address Line 1:** Suite 3300; 45 South 7th Street**Address Line 4:** Minneapolis, MINNESOTA 55402**ATTORNEY DOCKET NUMBER:**

24311/11 BAW/CC14

NAME OF SUBMITTER:

Barbara A. Wrigley

Total Attachments: 12

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of February 16, 2012, is made by and among Pursuit Vascular, Inc., a Minnesota corporation (the "Company" or the "Debtor"), for the benefit of the parties listed on Schedule I hereto (each a "Secured Party," collectively the "Secured Parties").

WHEREAS, the Debtor and the Secured Parties are parties to a Bridge Loan Agreement, dated as of February 16, 2012 (the "Bridge Loan Agreement"), under which the Debtor shall issue certain Convertible Promissory Notes in favor of the Secured Parties (collectively, the "Convertible Notes"); and

WHEREAS, as a condition to extending credit to the Debtor under the Convertible Notes, the Secured Parties have required the execution and delivery of this Agreement by the Debtor.

NOW THEREFORE, in consideration of the foregoing, and the representations, warranties, and conditions set forth below, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions. All terms defined in the recitals hereto that are not otherwise defined herein shall have the meanings given them in the recitals. Additional capitalized terms used herein but not defined herein shall have the meaning set forth in the Bridge Loan Agreement. In addition, the following terms have the meanings set forth below or in the referenced Sections of this Agreement:

- (a) "Event of Default" has the meaning given in Section 5.
- (b) "Lien" means any security interest, pledge, lien, charge or encumbrance.
- (c) "Majority in Interest" means the holders of at least a majority of the then outstanding principal amount of all of the Notes (other than the Insider Notes) then outstanding.
- (d) "Obligations" means each and every debt, liability and obligation of every type and description which the Debtor may now or at any time hereafter owe to the Secured Parties under the Bridge Loan Agreement and the Convertible Notes.
- (e) "Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, including any provisional and non-provisional patent applications, issued patents, reissued patents, re-examinations, divisionals, continuations, continuation-in-parts thereof and any co-pending foreign patents or patent applications, fees or royalties with respect to each, and including, without limitation, the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, any patent application listed on Exhibit A, this list being non-exclusive

(f) “Permitted Liens” means (i) the Security Interest, and (ii) covenants, restrictions, rights, easements and minor irregularities in title which do not materially interfere with the Debtor’s business or operations as presently conducted.

(g) “Security Interest” has the meaning given in Section 2.

(h) “Trademarks” means all of the Debtor’s present and future right, title and interest in and to marks, including, but not limited to, all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world, and the entire goodwill of the business associated with and symbolized by the marks, including, without limitation, the marks listed on Exhibit B, this list being non-exclusive.

2. Security Interest; Termination.

(a) Security Interest. The Debtor hereby grants the Secured Parties a security interest (the “Security Interest”) in the Patents and the Trademarks to secure payment of the Obligations.

(b) Termination. This Agreement shall terminate immediately upon the full and complete payment or discharge of all obligations under the Convertible Notes. Promptly following such termination, and at Debtor’s expense, the Secured Parties agree to file all financing statements and other documents required to terminate the Security Interest in all applicable jurisdictions.

3. Representations, Warranties and Agreements. The Debtor hereby represents, warrants and agrees as follows:

(a) Patents. Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of registrations pertaining to such Patents as of the date hereof.

(b) Trademarks. Exhibit B accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of registrations pertaining to such Trademarks as of the date hereof. The Debtor further represents and warrants that:

(i) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(ii) The Trademarks that are registered are valid and enforceable;

(iii) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

(iv) The Debtor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks; and

(v) The Debtor has used, and will continue to use for the duration of this Agreement, consistent standards of quality of goods and services marked by the Trademarks.

(c) Title. The Debtor (i) has absolute title to each Patent listed on Exhibit A, and each Trademark listed on Exhibit B, free and clear of all Liens except the Permitted Liens, (ii) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to, or valid licenses to, each such Patent or Trademark, free and clear of all Liens except the Permitted Liens, (iii) will keep all Patents and Trademarks free and clear of all Liens except the Permitted Liens, and (iv) will defend the Patents and Trademarks against all claims or demands of all persons other than the Secured Parties. The Debtor will not sell or otherwise dispose of the Patents or the Trademarks or any interest therein, outside the ordinary course of business, without the prior written consent of the Secured Parties.

(d) Maintenance. The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business, including, but not limited to, filing all affidavits and renewals possible with respect to issued registrations. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit in support thereof, without first providing the Secured Parties with (i) sufficient written notice to allow the Secured Parties to timely pay any such maintenance fees or annuity which may become due on any of said Patents or Trademarks, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, should such be necessary or desirable.

(e) Miscellaneous Covenants. The Debtor will:

(i) from time to time execute such financing statements as the Secured Parties may reasonably require in order to perfect the Security Interest in order to create, preserve, upgrade in rank (to the extent required hereby), perfect, confirm or validate the Security Interest or to enable the Secured Parties to obtain the full benefits of this Agreement, or to enable the Secured Parties to exercise and enforce any of their rights, powers and remedies hereunder with respect to any of the Patents or Trademarks;

(ii) pay when due or reimburse the Secured Parties on demand for all costs of collection of any of the Obligations and all other out-of-pocket expenses (including, in each case, all reasonable attorney fees) incurred by the Secured Parties in connection with the creation, perfection, satisfaction, protection, defense or enforcement of the Security Interest or the creation, continuance, protection, defense or enforcement of this Agreement or any or all of the Obligations, including expenses incurred in any litigation or bankruptcy or insolvency proceedings; and

(iii) execute, deliver or endorse any and all instruments, documents, assignments, security agreements and other agreements and writings which the Secured Parties may at any time reasonably request in order to secure, protect, perfect or enforce the Security Interest and the Secured Parties' rights under this Agreement.

(f) The Secured Parties' Right to Take Action. If the Debtor at any time fails to perform or observe any agreement contained in Section 3(d) or 3(e), and if such failure continues for a period of ten (10) days after the Secured Parties give the Debtor written notice thereof, the Secured Parties may (but need not) perform or observe such agreement on behalf and in the name, place and stead of the Debtor (or, at the Secured Parties' option, in the Secured Parties' own name) and may (but need not) take any and all other actions which the Secured Parties may reasonably deem necessary to cure or correct such failure (including, without limitation, the payment of taxes, the satisfaction of security interests, liens, or encumbrances, the execution of financing statements and the endorsement of instruments); and, except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall thereupon pay the Secured Parties on demand the amount of all moneys expended and all costs and expenses (including reasonable attorney fees) incurred by the Secured Parties in connection with or as a result of the Secured Parties' performance or observation of such agreements or any actions taken thereunder, together with interest thereon from the date expended or incurred by the Secured Parties at the highest rate then applicable to any of the Obligations. To facilitate the performance or observance by the Secured Parties of such agreements of the Debtor, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Parties, or their delegates, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3. The Debtor shall pay the costs of, or incidental to, any recording or filing of any financing statements, financing statement amendments or continuation statements concerning the Patents or Trademarks.

4. Debtor's Use of the Patents and the Trademarks. The Debtor shall be permitted to control and manage the Patents and the Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called an "Event of Default"): (i) an event of default shall occur under any of the Convertible Notes; or (ii) the Debtor shall fail to pay any or all of the Obligations when due, or (if payable on demand) on demand; or (iii) the Debtor shall fail to observe or perform any covenant or agreement contained in this Agreement and such default shall have continued uncured for a period of 30 days after written notice thereof to the Company from a Majority in Interest.

6. Remedies upon an Event of Default. Upon the occurrence of an Event of Default and at any time thereafter during the continuance of an Event of Default, the Secured Parties may exercise and enforce any or all rights and remedies available upon default to a secured party under the UCC and may also take any or all of the following actions:

(a) The Secured Parties may exercise any or all remedies available under the Secured Notes;

(b) The Secured Parties may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and the Trademarks; and

(c) The Secured Parties may enforce the Patents and the Trademarks and any licenses thereunder, and if the Secured Parties shall commence any suit for such enforcement, the Debtor shall, at the request of the Secured Parties, do any and all lawful acts and execute any and all proper documents required by the Secured Parties in aid of such enforcement.

7. Notices. All notices and other communications hereunder shall be in writing and shall be (a) personally delivered, (b) sent by first class United States mail, (c) sent by overnight courier of national reputation, or (d) transmitted by facsimile or e-mail with confirmation of delivery, in each case addressed or transmitted to the party to whom notice is being given at its address, facsimile number or e-mail address as set forth below its signature or on Schedule I, as the case may be, or, as to each party, at such other address or facsimile number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been given on (i) the date received if personally delivered, (ii) when deposited in the mail if delivered by mail, (iii) the date sent if sent by overnight courier, or (iv) the date of transmission if delivered by facsimile or e-mail.

8. Secured Parties. The Secured Parties agree that none of the Secured Parties shall take any action under this Agreement without the written consent of the holders of a Majority in Interest.

9. Miscellaneous. This Agreement has been duly and validly authorized by all necessary corporate action. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by a Majority in Interest, and, in the case of amendment or modification, in a writing signed by the Debtor; provided that Schedule I may be amended from time to time without consent to add additional Secured Parties who have purchased Convertible Notes at subsequent closings. A waiver signed by the Majority in Interest shall be effective only in the specific instance and for the specific purpose given. The mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Parties' rights or remedies. All rights and remedies of the Secured Parties shall be cumulative and may be exercised singularly or concurrently, at the Secured Parties' option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. The Secured Parties shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents or the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of the Patents or the Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Parties and their respective successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Parties, and the Debtor waives notice of the Secured Parties' acceptance hereof. The Secured Parties may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Parties to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be

governed by and construed in accordance with the substantive laws (other than conflict laws) of the State of Minnesota. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

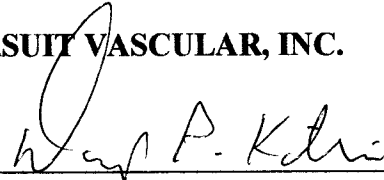
10. THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DEBTOR:

PURSUIT VASCULAR, INC.

By: 
Doug Killion
President and Chief Executive Officer

Address for Notice:

Pursuit Vascular, Inc.
10900 73rd Avenue North, Suite 150
Maple Grove, Minnesota 55369
Attention: President
dkillion@pursuitvascular.com

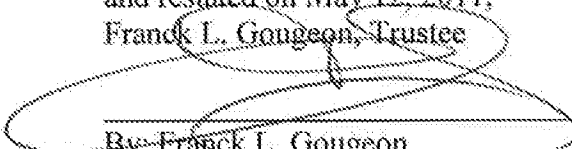
With a copy to:

Pursuit Vascular, Inc.
10900 73rd Avenue North, Suite 150
Maple Grove, Minnesota 55369
Attention: Chief Technology Officer
Email: rziebol@pursuitvascular.com

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SECURED PARTIES :

Franck L. Gougeon Revocable Trust under
agreement dated June 28, 2006, as amended
and restated on May 12, 2011,
Franck L. Gougeon, Trustee

By:  Franck L. Gougeon
Its: Trustee

Robert Ziebol

Killion & Associates, LLC

By: _____
Its: _____

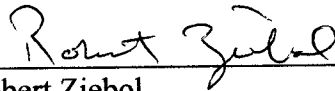
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SECURED PARTIES :

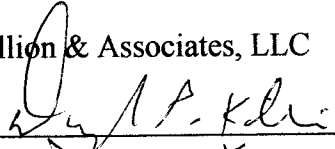
Franck L. Gougeon Revocable Trust under
agreement dated June 28, 2006, as amended
and restated on May 12, 2011,
Franck L. Gougeon, Trustee

By: Franck L. Gougeon

Its: Trustee


Robert Ziebol

Killion & Associates, LLC


By: DOUGLAS KILLION
Its: MANAGING PARTNER

**SCHEDULE I
SECURED PARTIES**

Franck L. Gougeon Revocable Trust under
agreement dated June 28, 2006, as
amended and restated on May 12, 2011,
Franck L. Gougeon, Trustee
4729 Annaway Drive
Edina, MN 55436

Robert Ziebol
13041 Jefferson St NE
Blaine, MN 55434

Killion & Associates, LLC
6262 Dallas Ct. N.
Maple Grove, MN 55311-4242

EXHIBIT A

PATENTS

Filing Date	Type	Application #	Title
26-Oct-2009	US Utility Application	20100106103	DEVICE FOR DELIVERY OF ANTIMICROBIAL AGENT INTO TRANS-DERMAL CATHETER
26-Oct-2009	US Utility Application	20100106102	APPARATUS FOR DELIVERY OF DEVICE AND ANTIMICROBIAL AGENT INTO TRANS-DERMAL CATHETER
12-Jul-2011	US Provisional Application	61506979	DEVICE FOR DELIVERY OF ANTIMICROBIAL AGENT INTO TRANS-DERMAL CATHETER
27-Oct-2009	PCT Application	PCT/US2009/062190	DEVICE FOR DELIVERY OF ANTIMICROBIAL AGENT INTO TRANS-DERMAL CATHETER

EXHIBIT B
TRADEMARKS

Type	Registration/Serial No.	Trademark
Unregistered Mark	N/A	ClearGuard

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