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(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):
FLIR SYSTEMS, INC.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Oregon
 Other _____

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

2. Name and address of receiving party(ies)
Name: BANK OF AMERICA, N.A.
Internal
Address: _____
Street Address: 800 5th Avenue, 37th Floor
City: Seattle State: WA Zip: 98104

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other National banking association

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: 03/22/2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
SEE ATTACHED SCHEDULE

B. Trademark Registration No.(s)
SEE ATTACHED SCHEDULE

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Michael H. Schmeer
Internal Address: Davis Wright Tremaine

Street Address: 1300 SW Fifth Avenue,
Suite 2300
City: Portland State: OR Zip: 97201

6. Total number of applications and registrations involved: **13**

7. Total fee (37 CFR 3.41).....\$ 340.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
040258 (for any additional payment needed)
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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.

Kristine Fyfe [Signature] 3/28/2002
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: **21**

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

04/11/2002 DBYRNE 00000269 2469770
01 FC:481
02 FC:482
40.00 OP
300.00 OP

TRADEMARK
REEL: 002480 FRAME: 0735

<i>TITLE</i>	<i>TRADEMARK/ SERIAL NO.</i>	<i>ISSUE/FILING DATE</i>	<i>FOREIGN COUNTERPARTS</i>
DESIGN ONLY	2469772	July 17, 2001	
FIREFLIR	2411289	December 5, 2000	001838473 (Europe)
FLIR SYSTEMS	76077051	June 26, 2000	
INFRAMATION	75741290	July 1, 1999	
THERMASNAP	2307819	January 11, 2000	
INFRACAM	1949199	January 16, 1996	
DESIGN ONLY	2496079	October 9, 2001	
XCALIPER	1967202	August 31, 1996	
THERMACAM	2007063	October 8, 1996	
AGEMA	1536215	April 25, 1989	
DESIGN ONLY	1276798	May 8, 1984	
THERMOPROFILE	0924215	November 23, 1971	
THERMOVISION	0862354	December 24, 1968	

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement"), dated as of March 22, 2002, is made between FLIR SYSTEMS, INC., an Oregon corporation (the "Grantor"), and BANK OF AMERICA, N.A., a national banking association in its capacity as agent for the Lenders and its successors as agent for the Lenders (in such capacity, and together with its successors as agent for the Lenders, the "Agent").

RECITALS

A. The Grantor is a party to that certain Credit Agreement dated as of March 22, 2002 by and among the Grantor, the several financial institutions from time to time party thereto (the "Lenders"), and Agent, as agent for the Lenders (as amended, restated, modified, renewed, supplemented or extended from time to time, the "Credit Agreement").

B. It is a condition precedent to each Lender's obligation to make its initial Credit Extension under the Credit Agreement that the Grantor enter into this Agreement and grant to the Agent, for itself and for the ratable benefit of the Lenders the security interests hereinafter provided to secure the obligations of the Grantor described below.

Accordingly, the parties hereto agree as follows:

SECTION 1. Definitions; Interpretation

(a) Defined Terms. All capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Credit Agreement. Notwithstanding the foregoing, all terms defined in the UCC (as defined below) and used herein, including the items listed in Section 2(a), shall have the same definitions herein as specified therein.

(b) Certain Defined Terms. As used in this Agreement, the following terms have the following meanings:

"Collateral" has the meaning specified in Section 2.

"Indemnified Liabilities" has the meaning specified in Section 14(b).

"Indemnified Persons" has the meaning specified in Section 14(b).

"Intellectual Property" means all of Grantor's copyrights, patents, proprietary information, trade secrets, trademarks, service marks, trade names, trade dress, whether registered or unregistered, and all goodwill associated therewith, and all registrations and applications for registration thereof, including without limitation: (a) the trademark and service mark registrations described in Exhibit A attached hereto and all renewals thereof and any future trademark and service mark registrations and renewals thereof (the "Trademark Registrations"); (b) the applications for Trademark Registrations described in Exhibit A and any Trademark Registrations that may be issued on any of those applications and any future Trademark

Registration applications, to the full extent allowable by law; (c) all common law rights in the marks described in Exhibit A; (d) all future royalties or other fees paid or payments made or owed to Grantor with respect to the Intellectual Property; and (f) proceeds of any and all of the foregoing.

“Lender Party” means, as the context may require, any Lender (including any Lender in its capacity as L/C Issuer), any Lender or its Affiliate in its capacity as a provider of a Swap Contract, or the Agent and each of their respective successors, transferees and assigns.

“Proceeds Account” has the meaning set forth in Section 10(c).

“Secured Obligations” means all Obligations of the Grantor under or in connection with the Credit Agreement and each other Loan Document to which Grantor is or may become a party, whether for principal, interest, costs, fees, expenses, indemnities or otherwise and whether now existing or hereafter arising, and whether due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and all liability of the Grantor under any Swap Contract with any Lender.

“UCC” means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Oregon.

SECTION 2. Security Interest.

(a) Grant of Security Interest. Grantor hereby grants to the Agent, for the benefit of Lenders, a security interest in all of its now owned or hereafter acquired goods and other personal property described below, including all tangible and intangible items, all of which comprise the “Collateral”:

- (i) All accounts;
- (ii) All general intangibles;
- (iii) All inventory;
- (iv) All equipment;
- (v) All of Grantor’s deposit accounts;
- (vi) All investment property;
- (vii) All chattel paper;
- (viii) All commercial tort claims;
- (ix) All letters of credit and letter of credit rights;
- (x) All documents;

- (xi) All goods;
- (xii) All instruments;
- (xiii) All supporting obligations;
- (xiv) All Intellectual Property; and
- (xv) All proceeds and products of (i) through (xiv).

Terms used above in this paragraph 2 are to be construed in accordance with the most inclusive and broadest interpretation of such terms in the UCC as it exists on the date hereof or as it may be amended from time to time in the future.

(b) Grantor Remains Liable. Anything herein to the contrary notwithstanding, (i) the Grantor shall remain liable under any contracts, agreements and other documents included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Agent of any of the rights hereunder shall not release the Grantor from any of its duties or obligations under such contracts, agreements and other documents included in the Collateral, and (iii) neither the Agent nor any other Lender Party shall have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Agent or any other Lender Party be obligated to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder.

(c) Continuing Security Interest. The Grantor agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with Section 22.

SECTION 3. Financing Statements, Etc. The Grantor authorizes Agent to file, at any time and from time to time thereafter, all financing statements, continuation financing statements, termination statements, security agreements, chattel mortgages, assignments, fixture filings, warehouse receipts, documents of title, affidavits, reports, notices, schedules of account, letters of authority and all other documents and instruments requested by, and in form satisfactory to the Agent, and take all other action, as the Agent may reasonably request, to perfect and continue perfected, maintain the priority of or provide notice of the Agent's security interest in the Collateral and to accomplish the purposes of this Agreement.

SECTION 4. Representations and Warranties. In addition to the representations and warranties of the Grantor set forth in the Credit Agreement, which are incorporated herein by this reference, the Grantor represents and warrants to the Agent that:

(a) State of Organization and Location of Collateral. Grantor represents that (a) it is and will remain a corporation organized under the laws of the State of Oregon and (b) its chief executive office and principal place of business is located at the address set forth in Schedule 1,

and all other locations where any material amount of Collateral is kept are set forth in Schedule 1. Grantor will not change its form or state of organization, enter into any merger or consolidation, or move its records concerning the Collateral unless Grantor shall have given Agent not less than thirty (30) days prior written notice of such change, merger or move.

(b) Locations of Books. All locations where books and records pertaining to any account are kept, including all equipment necessary for accessing such books and records and the names and addresses of all service bureaus, computer or data processing companies and other Persons keeping any books and records or collecting accounts for the Grantor, are set forth in Schedule 1.

(c) Ownership of Collateral. The Grantor is, and, except as permitted by Section 5(i), will continue to be, the sole and complete owner of the Collateral (or, in the case of after-acquired Collateral, at the time the Grantor acquires rights in such Collateral, will be the sole and complete owner thereof), and have rights in or the power to transfer the Collateral, free from any Lien, and those set forth in Schedule 1.

(d) Enforceability; Priority of Security Interest. Subject to liens permitted under the Credit Agreement, (i) This Agreement creates a security interest which is enforceable against the Collateral in which the Grantor now has rights and will create a security interest which is enforceable against the Collateral in which the Grantor hereafter acquires rights at the time the Grantor acquires any such rights; and (ii) the Agent has a perfected and first priority security interest in the Collateral, in which the Grantor now has rights, and will have a perfected and first priority security interest in the Collateral in which the Grantor hereafter acquires rights at the time the Grantor acquires any such rights, in each case for the Agent's own benefit and for the ratable benefit of the other Lender Parties, and in each case securing the payment and performance of the Secured Obligations.

(e) Other Financing Statements. Subject to financing statements for liens or leases permitted under the Credit Agreement, other than (i) financing statements disclosed to the Agent or set forth in Schedule 1 and (ii) financing statements in favor of the Agent in its capacity as Agent for the other Lender Parties under the Credit Agreement and any other Loan Documents, no effective financing statement naming the Grantor as debtor, assignor, grantor, mortgagor, pledgor or the like and covering all or any part of the Collateral is on file in any filing or recording office in any jurisdiction.

(f) Accounts.

(i) The accounts represent valid, binding and enforceable obligations of the account debtors or other Persons obligated thereon, representing undisputed, bona fide transactions completed in accordance with the terms and provisions contained in any documents related thereto, and are and will be genuine, free from Liens, and not subject to any adverse claims, counterclaims, setoffs, defaults, disputes, defenses, discounts, retainages, holdbacks or conditions precedent of any kind of character, except to the extent reflected by the Grantor's reserves for uncollectible accounts or to the extent, if any, that such account debtors or other

Persons may be entitled to normal and ordinary course trade discounts, returns, adjustments and allowances in accordance with Section 5(k), or as otherwise disclosed to the Agent in writing;

(ii) to the Grantor's knowledge, all account debtors and other obligors on the accounts are solvent and generally paying their debts as they come due except to the extent that the Grantor has established adequate reserves therefor in accordance with GAAP;

(iii) to the Grantor's knowledge, all accounts materially comply with all applicable laws concerning form, content and manner of preparation and execution, including where applicable any federal or state consumer credit laws;

(iv) the Grantor has not assigned any of its rights under the accounts except as provided in this Agreement or as set forth in the other Loan Documents;

(v) all statements made, all unpaid balances and all other information in the books and records and other documentation relating to the accounts are true and correct and in all material respects what they purport to be; and

(vi) the Grantor has no knowledge of any fact or circumstance which would materially impair the validity or collectibility of any of the accounts.

(g) Inventory. Except for demonstration inventory, no inventory is stored with any bailee, warehouseman or similar Person, nor has any inventory been consigned to the Grantor or consigned by the Grantor to any Person or is held by the Grantor for any Person under any arrangement, except as set forth in Schedule 1.

(h) Equipment.

(i) None of the equipment or other Collateral is affixed to real property to the extent necessary to make it a fixture, except Collateral with respect to which the Grantor has supplied the Agent with all information and documentation necessary to make all fixture filings required to perfect and protect the priority of the Agent's security interest in all such Collateral which may be fixtures as against all Persons having an interest in the premises to which such property may be affixed; and

(ii) none of the equipment is leased from or to any Person, except as set forth at Schedule 1 or as otherwise disclosed to the Agent.

(i) Compliance with Federal Fair Labor Standards Act. All Collateral manufactured by Grantor has been and will be produced in compliance with the Federal Fair Labor Standards Act.

(j) Deposit Accounts. The names and addresses of all financial institutions at which the Grantor maintains its deposit accounts, and the account numbers and account names of such deposit accounts, are set forth in Schedule 1.

SECTION 5. Covenants. In addition to the covenants of the Grantor set forth in the Credit Agreement, which are incorporated herein by this reference, so long as any of the Secured Obligations remain unsatisfied or any Lender shall have any commitment to make any Credit Extension, or any Letter of Credit shall be outstanding or any Swap Contract shall be in effect, the Grantor agrees that:

(a) Defense of Collateral. The Grantor will appear in and defend any action, suit or proceeding which may affect to a material extent its title to, or right or interest in, or the Agent's right to or interest in, the Collateral.

(b) Preservation of Collateral. The Grantor will do and perform all reasonable acts that may be necessary and appropriate to maintain, preserve and protect the Collateral.

(c) Compliance with Laws, Etc. The Grantor will comply in all material respects with all laws, regulations and ordinances, and all policies of insurance, relating in a material way to the possession, operation, maintenance and control of the Collateral.

(d) Maintenance of Records. The Grantor will keep separate, accurate and complete books and records with respect to the Collateral, disclosing the Agent's security interest hereunder.

(e) Invoicing of Sales. The Grantor will invoice all of its sales upon forms customary in the industry and to maintain proof of delivery and customer acceptance of goods.

(f) Disposition of Collateral. The Grantor will not surrender or lose possession of (other than to the Agent), sell, lease, rent, or otherwise dispose of or transfer any of the Collateral or any right or interest therein, except to the extent permitted by the Credit Agreement.

(g) Liens. Other than liens in favor of the Agent in its capacity as Agent under the Credit Agreement and except as set forth in Schedule 1, the Grantor will keep the Collateral free of all liens and security interests of any kind.

(h) Expenses. The Grantor will pay all expenses of protecting, storing, warehousing, insuring, handling and shipping the Collateral.

(i) Leased Premises. At the Agent's request, the Grantor will obtain from each Person from whom the Grantor leases any premises at which any Collateral is at any time present such subordination, waiver, consent and estoppel agreements as the Agent may require, in form and substance reasonably satisfactory to the Agent.

(j) Accounts. The Grantor will:

(i) with such frequency as the Agent may reasonably require, furnish to the Agent (A) master customer listings, including all names and addresses, together with copies or originals (as requested by the Agent) of documents, customer statements, repayment histories and present status reports relating to the accounts; (B) accurate records and summaries

of accounts, including detailed agings specifying the name, face value and date of each invoice, and listings of accounts that are disputed or have been cancelled; and (C) such other matters and information relating to the accounts as the Agent shall from time to time reasonably request;

(ii) give only normal discounts, allowances and credits as to accounts, in the ordinary course of business, according to normal trade practices utilized by the Grantor in the past, and enforce all accounts strictly in accordance with their terms, and take all such action to such end as may from time to time be reasonably requested by the Agent, except that the Grantor may grant any extension of the time for payment;

(iii) if any discount, allowance, credit, extension of time for payment, agreement to make a rebate or otherwise to reduce the amount owing on, or compromise or settle, an account exists or occurs, or if, to the knowledge of the Grantor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to an account, disclose such fact fully to the Agent in the books and records relating to such account and in connection with any invoice or report furnished by the Grantor to the Agent relating to such account;

(iv) if any accounts arise from contracts with the United States or any department, agency or instrumentality thereof, immediately notify the Agent thereof and, upon the request of Required Lenders, execute any documents and instruments and take any other steps requested by the Agent in order that all monies due and to become due thereunder shall be assigned to the Agent and notice thereof given to the Federal authorities under the Federal Assignment of Claims Act;

(v) in accordance with its sound business judgment perform and comply in all material respects with its obligations in respect of the accounts;

(vi) upon the request of the Agent (A) at any time, notify all or any designated portion of the account debtors and other obligors on the accounts of the security interest hereunder, and (B) upon the occurrence of an Event of Default, notify the account debtors and other obligors on the accounts or any designated portion thereof that payment shall be made directly to the Agent or to such other Person or location as the Agent shall specify; and

(vii) upon the occurrence of any Event of Default, establish such lockbox or similar arrangements for the payment of the accounts as the Agent shall require.

(k) Documents, Etc. Upon the request of the Agent, the Grantor will (i) immediately deliver to the Agent, or an agent designated by it, appropriately endorsed or accompanied by appropriate instruments of transfer or assignment, all documents of title or receipts, instruments and chattel paper, and all other accounts at any time evidenced by promissory notes, trade acceptances or other instruments, and (ii) mark all documents of title or receipts and chattel paper with such legends as the Agent shall reasonably specify.

(l) Inventory. The Grantor will:

(i) at such times as the Agent shall request, prepare and deliver to the Agent a report of all inventory, in form and substance satisfactory to the Agent;

(ii) upon the request of Required Lenders, take a physical listing of the inventory and promptly deliver a copy of such physical listing to the Agent; and

(iii) not store any inventory with a bailee, warehouseman or similar Person, nor dispose of any inventory on a guaranteed sale, sale and return, sale on approval, consignment or similar basis, nor acquire any inventory from any Person on any such basis, without in each case giving the Agent prior written notice thereof.

(m) Equipment. The Grantor will, upon the Agent's request, deliver to the Agent a report of each item of equipment, in form and substance satisfactory to the Agent.

(n) Notices, Reports and Information. The Grantor will (i) notify the Agent of any material claim made or asserted against the Collateral by any Person and of any change in the composition of the Collateral or other event which could materially adversely affect the value of the Collateral or the Agent's Lien thereon; (ii) furnish to the Agent such statements and schedules further identifying and describing the Collateral and such other reports and other information in connection with the Collateral as the Agent may reasonably request, all in reasonable detail; and (iii) upon request of the Agent make such demands and requests for information and reports as the Grantor is entitled to make in respect of the Collateral.

SECTION 6. Collection of Accounts. Until the Agent exercises its rights hereunder to collect accounts, the Grantor shall endeavor in the first instance diligently to collect all amounts due or to become due on or with respect to the accounts. At the request of the Agent, upon and after the occurrence of any Event of Default, all remittances received by the Grantor shall be held in trust for the Agent and, in accordance with the Agent's instructions, remitted to the Agent or deposited to an account with the Agent in the form received (with any necessary endorsements or instruments of assignment or transfer).

SECTION 7. Authorization; Agent Appointed Attorney-in-Fact. The Agent shall have the right to, in the name of the Grantor, or in the name of the Agent or otherwise, without notice to or assent by the Grantor, and the Grantor hereby constitutes and appoints the Agent (and any of the Agent's officers, employees or agents designated by the Agent) as the Grantor's true and lawful attorney-in-fact, with full power and authority to:

(i) file any of the financing statements consistent with the terms and conditions of this Agreement together with such additions and supplements thereto as Agent reasonably deems necessary and which must be executed or filed to perfect or continue perfected, maintain the priority of or provide notice of the Agent's security interest in the Collateral and file any such financing statements by electronic means as authorized or required by applicable law or filing procedures;

(ii) take possession of and endorse any notes, acceptances, checks, drafts, money orders or other forms of payment or security and collect any proceeds of any Collateral;

(iii) cooperate with Agent in obtaining control with respect to Collateral consisting of deposit accounts, investment property, letter-of-credit rights and electronic chattel paper;

(iv) sign and endorse any invoice or bill of lading relating to any of the Collateral, warehouse or storage receipts, drafts against customers or other obligors, assignments, notices of assignment, verifications and notices to customers or other obligors;

(v) notify the Postal Service authorities to change the address for delivery of mail addressed to the Grantor to such address as the Agent may designate and, without limiting the generality of the foregoing, establish with any Person lockbox or similar arrangements for the payment of the accounts;

(vi) receive, open and dispose of all mail addressed to the Grantor;

(vii) send requests for verification of accounts to the customers or other obligors of the Grantor;

(viii) contact, or direct the Grantor to contact, all account debtors and other obligors on the accounts and instruct such account debtors and other obligors to make all payments directly to the Agent;

(ix) assert, adjust, sue for, compromise or release any claims under any policies of insurance;

(x) exercise dominion and control over, and refuse to permit further withdrawals from, deposit accounts maintained with the Agent;

(xi) notify each Person maintaining lockbox or similar arrangements for the payment of the accounts to remit all amounts representing collections on the accounts directly to the Agent;

(xii) ask, demand, collect, receive and give acquittances and receipts for any and all accounts, enforce payment or any other rights in respect of the accounts and other Collateral, grant consents, agree to any amendments, modifications or waivers of the agreements and documents governing the accounts and other Collateral, and otherwise file any claims, take any action or institute, defend, settle or adjust any actions, suits or proceedings with respect to the Collateral, as the Agent may deem necessary or desirable to maintain, preserve and protect the Collateral, to collect the Collateral or to enforce the rights of the Agent with respect to the Collateral;

(xiii) execute any and all applications, documents, papers and instruments necessary for the Agent to use trade marks, trade names or other Intellectual Property and grant or issue any exclusive or nonexclusive license or sublicense with respect thereto;

(xiv) execute any and all endorsements, assignments or other documents and instruments necessary to sell, lease, assign, convey or otherwise transfer title in or dispose of the Collateral; and

(xv) execute any and all such other documents and instruments, and do any and all acts and things for and on behalf of the Grantor, which the Agent may deem necessary or advisable to maintain, protect, realize upon and preserve the Collateral and the Agent's security interest therein and to accomplish the purposes of this Agreement.

The Agent agrees that, except upon and after the occurrence of an Event of Default, it shall not exercise the power of attorney, or any rights granted to the Agent, pursuant to clauses (ii) through (xiii). The foregoing power of attorney is coupled with an interest and irrevocable so long as any Lender has any commitment to make any Credit Extension or any Letter of Credit remains outstanding or any Swap Contract shall be in effect or the Secured Obligations have not been paid and performed in full. The Grantor hereby ratifies, to the extent permitted by law, all that the Agent shall lawfully and in good faith do or cause to be done by virtue of and in compliance with this Section 7.

SECTION 8. Agent Performance of Grantor Obligations. The Agent may perform or pay any obligation which the Grantor has agreed to perform or pay under or in connection with this Agreement, and the Grantor shall reimburse the Agent on demand for any amounts paid by the Agent pursuant to this Section 8. Except in cases where prompt action is required to minimize risk of loss, Agent will give Grantor two (2) Business Days notice before performing or paying a Grantor obligation.

SECTION 9. Agent's Duties. Notwithstanding any provision contained in this Agreement, the Agent shall have no duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to the Grantor or any other Person for any failure to do so or delay in doing so. Beyond the exercise of reasonable care to assure the safe custody of Collateral in the Agent's possession and the accounting for moneys actually received by the Agent hereunder, the Agent shall have no duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Collateral.

SECTION 10. Remedies.

(a) **Remedies.** Upon the occurrence of any Event of Default, the Agent shall have, in addition to all other rights and remedies granted to it in this Agreement, the Credit Agreement or any other Loan Document, all rights and remedies of a secured party under the UCC and other applicable laws. Without limiting the generality of the foregoing, the Grantor agrees that the Agent may:

(i) peaceably and without notice enter any premises of the Grantor, take possession of any the Collateral, remove or dispose of all or part of the Collateral on any premises or elsewhere, or, in the case of equipment, render it nonfunctional, and otherwise collect, receive, appropriate and realize upon all or any part of the Collateral, and demand, give receipt for, settle, renew, extend, exchange, compromise, adjust, or sue for all or any part of the Collateral, as the Agent may determine;

(ii) require the Grantor to assemble all or any part of the Collateral and make it available to the Agent at any place and time designated by the Agent;

(iii) use or transfer any of the Grantor's rights and interests in any Collateral, by license, by sublicense (to the extent permitted by an applicable license) or otherwise, on such conditions and in such manner as the Agent may determine;

(iv) secure the appointment of a receiver of the Collateral or any part thereof to the extent and in the manner provided by applicable law;

(v) withdraw (or cause to be withdrawn) any and all funds from deposit accounts; and

(vi) sell, resell, lease, use, assign, transfer or otherwise dispose of any or all of the Collateral in its then condition or following any commercially reasonable preparation or processing (utilizing in connection therewith any of the Grantor's assets, without charge or liability to the Agent therefor) at public or private sale in compliance with all laws and regulations, including required export licenses, by one or more contracts, in one or more parcels, at the same or different times, for cash or credit, or for future delivery without assumption of any credit risk, all as the Agent deems advisable; provided, however, that the Grantor shall be credited with the net proceeds of sale only when such proceeds are finally collected by the Agent. The Agent shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption, which right or equity of redemption the Grantor hereby releases, to the extent permitted by law. The Grantor hereby agrees that the sending of notice by ordinary mail, postage prepaid, to the address of the Grantor set forth in the Credit Agreement, of the place and time of any public sale or of the time after which any private sale or other intended disposition is to be made, shall be deemed reasonable notice thereof if such notice is sent ten days prior to the date of such sale or other disposition or the date on or after which such sale or other disposition may occur, provided that the Agent may provide the Grantor shorter notice or no notice, to the extent permitted by the UCC or other applicable law.

(b) License. For the purpose of enabling the Agent to exercise its rights and remedies under this Section 10 or otherwise in connection with this Agreement, the Grantor hereby grants to the Agent an irrevocable, nonexclusive and assignable license (exercisable without payment or royalty or other compensation to the Grantor) to use, license or sublicense any trade marks, trade names or other intellectual property.

(c) Proceeds Account. To the extent that any of the Secured Obligations may be contingent, unmatured or unliquidated (including with respect to undrawn amounts under any Letter of Credit or contingent amounts due under any Swap Contract) at such time as there may exist an Event of Default, the Agent may, at its election, (i) retain the proceeds of any sale, collection, disposition or other realization upon the Collateral (or any portion thereof) in a special purpose non-interest-bearing restricted deposit account (the "Proceeds Account") created and maintained by the Agent for such purpose (which shall constitute a deposit account included within the Collateral hereunder) until such time as the Agent may elect to apply such proceeds to the Secured Obligations, and the Grantor agrees that such retention of such proceeds by the Agent shall not be deemed strict foreclosure with respect thereto; (ii) in any manner elected by the Agent, estimate the liquidated amount of any such contingent, unmatured or unliquidated claims and apply the proceeds of the Collateral against such amount; or (iii) otherwise proceed in any manner permitted by applicable law. The Grantor agrees that the Proceeds Account shall be a blocked account and that upon the irrevocable deposit of funds into the Proceeds Account, the Grantor shall not have any right of withdrawal with respect to such funds. Accordingly, the Grantor irrevocably waives until the termination of the security interests granted under this Agreement in accordance with Section 22, the right to make any withdrawal from the Proceeds Account and the right to instruct the Agent to honor drafts against the Proceeds Account.

(d) Application of Proceeds. Subject to subsection (c) immediately above, the cash proceeds actually received from the sale or other disposition or collection of Collateral, and any other amounts received in respect of the Collateral the application of which is not otherwise provided for herein, shall be applied (after payment of any amounts payable to the Agent pursuant to Section 8 or Section 14) in whole or in part by the Agent for the benefit of the Lender Parties as provided in the Credit Agreement. The Grantor shall remain liable to the Agent for any deficiency which exists after any sale or other disposition or collection of Collateral.

SECTION 11. Certain Waivers. The Grantor waives, to the fullest extent permitted by law, (i) any right of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling of the Collateral or other collateral or security for the Secured Obligations; (ii) any right to require the Agent (A) to proceed against any Person, (B) to exhaust any other collateral or security for any of the Secured Obligations, (C) to pursue any remedy in the Agent's power, or (D) to make or give any presentments, demands for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the Collateral; and (iii) all claims, damages, and demands against the Agent arising out of the repossession, retention, sale or application of the proceeds of any sale of the Collateral.

SECTION 12. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses specified in the Credit Agreement. All such notices and other communications shall be effective (i) if delivered by hand or prepaid courier service, when delivered; (ii) if sent by mail, upon the earlier of the date of receipt or five Business Days after deposit in the mail, first class, postage prepaid; (iii) if sent by telex, upon receipt by the sender of an appropriate answer-back; and (iv) if sent by facsimile transmission, when sent.

SECTION 13. No Waiver; Cumulative Remedies. No failure on the part of the Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies under this Agreement are cumulative and not exclusive of any rights, remedies, powers and privileges that may otherwise be available to the Agent.

SECTION 14. Costs and Expenses; Indemnification; Other Charges.

(a) Costs and Expenses. The Grantor agrees to pay on demand:

(i) the reasonable out-of-pocket costs and expenses of the Agent and any of its Affiliates, and the Agent's reasonable Attorney Costs, in connection with the negotiation, preparation, execution, delivery and administration of this Agreement, and any amendments, modifications or waivers of the terms thereof, and the custody of the Collateral;

(ii) all title, appraisal (including the allocated costs of internal appraisal services), survey, audit, consulting, search, recording, filing and similar costs, fees and expenses incurred or sustained by the Agent or any of its Affiliates in connection with this Agreement or the Collateral; and

(iii) all costs and expenses of the Agent and its Affiliates, including Attorney Costs, in connection with the enforcement or attempted enforcement of, and preservation of any rights or interests under, this Agreement, including in any out-of-court workout or other refinancing or restructuring or in any bankruptcy case, and the protection, sale or collection of, or other realization upon, any of the Collateral, including all expenses of taking, collecting, holding, sorting, handling, preparing for sale, selling, or the like, and other such expenses of sales and collections of Collateral, and any and all losses, costs and expenses sustained by the Agent as a result of any failure by the Grantor to perform or observe its obligations contained herein.

(b) Indemnification. The Grantor hereby agrees to indemnify the Agent, the other Lender Parties, any Affiliate of any of them, and their respective directors, officers, employees, agents, counsel and other advisors (each an "Indemnified Person") against, and hold each of them harmless from, any and all liabilities, obligations, losses, claims, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever, including the reasonable fees and disbursements of counsel to an Indemnified Person (including allocated costs of internal counsel), which may be imposed on, incurred by, or asserted against any Indemnified Person, in any way relating to or arising out of this Agreement or the transactions contemplated hereby or any action taken or omitted to be taken by it hereunder (the "Indemnified Liabilities"); provided that the Grantor shall not be liable to any Indemnified Person for any portion of such Indemnified Liabilities to the extent they are found by a final decision of a court of competent jurisdiction to have resulted from such Indemnified Person's gross negligence or willful misconduct. If and to the extent that the foregoing indemnification is for any reason held unenforceable, the Grantor agrees to make the maximum contribution to the

payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law.

(c) Other Charges. The Grantor agrees to indemnify the Agent against and hold it harmless from any and all present and future stamp, transfer, documentary and other such taxes, levies, fees, assessments and other charges made by any jurisdiction by reason of the execution, delivery, performance and enforcement of this Agreement.

(d) Interest. Any amounts payable to the Agent under this Section 14 or otherwise under this Agreement if not paid upon demand shall bear interest from the date of such demand until paid in full, at the rate of interest set forth in subsection 2.09(b) of the Credit Agreement.

SECTION 15. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Grantor, the Agent and their respective successors and assigns.

SECTION 16. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF OREGON, EXCEPT TO THE EXTENT THAT THE UCC REQUIRES THAT THE PERFECTION, PRIORITY OR ENFORCEMENT OF THE SECURITY INTERESTS PROVIDED FOR HEREIN MAY BE GOVERNED BY THE LAW OF THE JURISDICTION WHERE GRANTOR IS ORGANIZED OR COLLATERAL IS LOCATED, AND PROVIDED THAT THE AGENT SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

SECTION 17. Entire Agreement; Amendment. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall not be amended except by the written agreement of the parties as provided in the Credit Agreement.

SECTION 18. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of this Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

SECTION 19. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

SECTION 20. Incorporation of Provisions of the Credit Agreement. To the extent the Credit Agreement contains provisions of general applicability to the Loan Documents, including any such provisions contained in Section 10 thereof, such provisions are incorporated herein by this reference.

If, however, any provision of this Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

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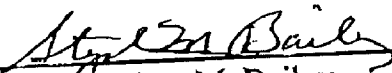
SECTION 21. No Inconsistent Requirements. The Grantor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

SECTION 22. Termination. Upon termination of the obligations of the Lenders under the Loan Documents, the surrender of any Letters of Credit issued by the L/C Issuer for the account of the Grantor, termination of all Swap Contracts, and payment and performance in full of all Secured Obligations, the security interests granted under this Agreement shall terminate and the Agent shall promptly execute and deliver to the Grantor such documents and instruments reasonably requested by the Grantor as shall be necessary to evidence termination of all security interests given by the Grantor to the Agent hereunder; provided, however, that the obligations of the Grantor under Section 14 shall survive such termination.

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

THE GRANTOR:

FLIR SYSTEMS, INC.,
an Oregon corporation


By: Stephen M. Bailey
Its: Chief Financial Officer

Address:
16505 SW 72nd Avenue
Portland, OR 97224

THE AGENT:

BANK OF AMERICA, N.A.

By: Dora A. Brown
Its: Vice President

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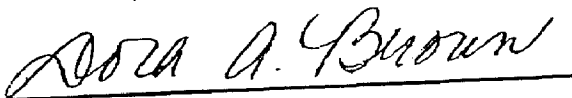
FLIR SYSTEMS, INC.,
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By: Stephen M. Bailey
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Address:
16505 SW 72nd Avenue
Portland, OR 97224

THE AGENT:

BANK OF AMERICA, N.A.


By: Dora A. Brown
Its: Vice President

FLIR Systems, Inc. Security Agreement Disclosure Schedule 1

Grantor Disclosure Schedule to that certain Security Agreement dated effective as of March 22, 2002 by and among FLIR Systems, Inc. and Bank of America, N.A., a national banking association in its capacity as agent for the Lenders and its successors as agent for the Lenders.

Section 4(a) Locations of Chief Executive Office and Collateral

Chief Executive Office and Principal Place of Business:

FLIR Systems, Inc.
16505 SW 72nd Avenue
Portland, Oregon 97224

Other locations where Grantor conducts business or Collateral is kept:

None

Section 4(b) Locations of Books

FLIR Systems, Inc.
16505 SW 72nd Avenue
Portland, Oregon 97224

Section 4(c) Ownership of Collateral

=====
The following are capital leases wherein the owner of the item leased is the lessor, not FLIR Systems, Inc.:

GE Capital Business Asset Funding Corporation (formerly MetLife) (FLIR Lease #20) – Lease #2019296-002 totaling \$37,419.29 at December 31, 2001. Original lease dated June 9, 1997 in the amount of \$195,356.00.

GE Capital Business Asset Funding Corporation (formerly MetLife) (FLIR Lease #19) – Lease #2019296-003 totaling \$153,527.46 at December 31, 2001. Original lease dated June 18, 1997 in the amount of \$800,000.00.

Bank of the West – Lease #80-0050369-001 totaling \$151,527.47 at December 31, 2001. Original lease dated August 19, 1999 in the amount of \$439,878.52.

Section 4(e) Other Liens and Financing Statements Which are Currently Valid Liens

Tax Lien No. 0031161888 filed with the California Secretary of State.

Financing Statement No. 200000123741 filed with the Florida Secretary of State.

Financing Statement No. 00710183 filed with the Massachusetts Secretary of State.

Financing Statement No. 377185 filed with the Oregon Secretary of State.

Financing Statement No. 378690 filed with the Oregon Secretary of State.

Financing Statement No. 457250 filed with the Oregon Secretary of State.

Financing Statement No. 480204 filed with the Oregon Secretary of State.

Financing Statement No. 481227 filed with the Oregon Secretary of State.

Financing Statement No. 508644 filed with the Oregon Secretary of State.

Financing Statement No. 509352 filed with the Oregon Secretary of State.

Financing Statement No. 519727 filed with the Oregon Secretary of State.

Section 4(g) Inventory Stored with Warehousemen, Etc.

None

Section 4(h) Leased Equipment

See Section 4(c) above.

Section 4(j) Deposit Accounts

FLIR Systems, Inc.
Bank of America
P.O. Box 6400
Portland, OR 97228-6400
Account No. 28018-00865

FLIR Systems, Inc.
General Account
US Bank
P.O. Box 64799
Saint Paul, MN 55164
Account No. 1 536 0001 5819

EXHIBIT A**TRADEMARKS**

<i>TITLE</i>	<i>TRADEMARK/ SERIAL NO.</i>	<i>ISSUE/FILING DATE</i>	<i>FOREIGN COUNTERPARTS</i>
DESIGN ONLY	2469772	July 17, 2001	
FIREFLIR	2411289	December 5, 2000	001838473 (Europe)
FLIR SYSTEMS	76077051	June 26, 2000	
INFRAMATION	75741290	July 1, 1999	
THERMASNAP	2307819	January 11, 2000	
INFRACAM	1949199	January 16, 1996	
DESIGN ONLY	2496079	October 9, 2001	
XCALIPER	1967202	August 31, 1996	
THERMACAM	2007063	October 8, 1996	
AGEMA	1536215	April 25, 1989	
DESIGN ONLY	1276798	May 8, 1984	
STAR SAFIRE		June 14, 2000	200066005 (Japan)
THERMOPROFILE	924215	November 23, 1971	
THERMOVISION	862354	December 24, 1968	