

07-25-2002



OFFICE OF PUBLIC RECORDS

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

RECORDATIC TRADE ONLY 102168246

DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings FINANCE SECTION

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

1. Name of conveying party(ies): Precision Vascular Systems, Inc. a Utah corporation

07/19/02

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 02/07/02

2. Name and address of receiving party(ies)

Name: Vichon Nevelle S.A. Internal Address: AV Libertador 2558, 7th Floor Street Address: Buenos Aires, (1425) Argentina City: State: Zip:

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Uruguay Other

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

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) Please see attached

B. Trademark Registration No.(s) Please see attached

Additional number(s) attached Yes No

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

Name: Robert L. Anderson

Internal Address:

Lanahan & Reilly LLP

Street Address:

3558 Round Barn Boulevard, Suite 300

City: Santa Rosa State: CA Zip: 95403

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 3.41) \$ 190.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Michael P. Garcia, Esq.

Signature

July 19, 2002

Name of Person Signing

Signature

Date

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

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

07/24/2002 AMMED1 00000207 75216457

01 FC:481 40.00 OP 02 FC:482 150.00 OP

TRADEMARK REEL: 002549 FRAME: 0324

Trademark Attachment

Item 1. N/A

Item 2. Simon Stertzger
699 Joaquin Lane
Santa Fe, New Mexico 87501
Individual – citizenship United States

Gerald Dorros
25933 North 108th Place
Scottsdale, Arizona 95255
Individual – citizenship United States

Item 3. N/A

Item 4. Trademarks

MARK	SERIAL/REGISTRATION NUMBER
GO WIRELESS	S – 75216457 / R – 2522891
PORTAL	S – 778103676
PRECISION VASCULAR	S - 75934784
PRECISION VASCULAR SYSTEMS	S – 75761446
PVS	S – 75761631 / R – 2547929
SYNCHRO	S - 78052920
WIRELESS	S – 75778332 / R – 2523588

Domestic Representative

The applicant **must** appoint a Domestic Representative if the applicant's address is outside the United States. The following is hereby appointed applicant's representative upon whom notice or process in the proceedings affecting the mark may be served.

Applicant: Vichon Nevelle S.A.
AV Libertador 2558, 7th Floor
Buenos Aires, (1425)
Argentina

Representative's Name	Francisco Verstraeten	
Address	Street Address	701 Brickell Avenue 11th Floor
	City	Miami
	State	California If not listed above, please select 'OTHER' and specify here:
	Zip Code	33131
Firm Name	Merrill Lynch	
Phone Number	305-995-9200	
FAX Number		

Intellectual Property Security Agreement

This Intellectual Property Security Agreement ("Agreement") is entered into as of this 7th day of February, 2002, by and among Precision Vascular Systems, Inc., a Utah corporation (the "Company"); Dr. Stephen Dorros, as Agent ("Agent") for the holders from time to time ("Secured Party") of the Company's Secured Notes ("Notes") issued pursuant to the Note and Warrant Purchase Agreements similar to the Note and Warrant Purchase Agreement (the "Purchase Agreement") dated January 23, 2002, between the Company and Simon Stertz, a Secured Party.

Recitals

One of the conditions precedent to Secured Party making the loans, evidenced by the Notes, is that the Company provide security for all the Company's obligations under the Notes, the Purchase Agreement, and this Agreement, and the Company is willing to do so;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. **Security Interest**. To secure the complete and timely satisfaction of the obligations under the Notes and any other obligations under the Purchase Agreement or this Agreement ("Obligations"), the Company hereby grants and conveys to Secured Party a lien and security interest in all of the Company's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

A. patents, provisional patent applications, patent applications, inventions, and trade secrets, including, without limitation, the inventions, trade secrets and improvements described and claimed therein, and those patents listed on Schedule A, attached hereto and made a part hereof, and (a) the reissues, reexaminations, divisions, continuations, continued prosecution applications, renewals, extensions and continued-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding ;hereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "Patents");

B. rights under or interest in any patent, trademark or copyright license agreements whether the Company is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, owned by the Company and now or hereafter covered by such licenses (all of the foregoing are hereafter referred to collectively as the "Licenses").

C. trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service name applications, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark appellations listed on Schedule C, attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including, without limitation, damages and payment for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, service marks, trademark and service mark registrations, trade names, service names and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter and/or collectively referred to as the "Trademarks");

D. the goodwill of the Company's business including, but not by way of limitation, such goodwill connected with and symbolized by the Trademarks; and

E. (i) copyrights and copyright registrations, including, without limitation, the copyright registrations listed on Schedule D attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of the Company's business symbolized by the foregoing and connected therewith, and (E) all of the Company's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this subparagraph, are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, licensed royalties and proceeds of infringement suits.

The security interest so granted shall be shared in by each Secured Party pro rata according to the respective share of the Obligations hereby secured.

2. **Perfection of Security Interest.** At the request of Secured Party, the Company will join with Secured Party in executing one or more financing statements pursuant to any applicable version of the Uniform Commercial Code in form satisfactory to Secured Party and will pay for the costs of filing and/or recording this Agreement and all financing, continuation and termination statements in all public offices where filing or recording is deemed necessary or desirable by Secured Party. The Company will execute and deliver to Secured Party from time to time such supplemental assignments and other instruments, including, without limitation, additional assignments to be filed with the United States Patent and Trademark Office, as Secured Party may require for the purpose of confirming Secured Party's interest in the Patent, Trademarks and Licenses. This Agreement will continue in effect until the entire Obligations are paid in full.

3. **Restrictions on Future Assignments.** The Company agrees that until the Obligations shall have been satisfied in full and this Agreement shall have been terminated, the Company will not, without Secured Party's prior written consent, enter into any agreement relating to the Patents, Trademarks or Licenses (other than a license to a customer in the ordinary course of business) and the Company further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Secured Party under this Agreement.

4. **New Trademarks, Copyrights, Patents and Licenses.** the Company represents and warrants that, from and after the date hereof, (a) the Patents listed on Schedule A include all of the patents and patent applications now owned or held by The Company, (b) the Licenses listed on Schedule B include all of the material patent, trademark or copyright license agreements under which the Company is the licensee or licensor, (c) the Trademarks listed on Schedule C include all of the trade names, registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by the Company, (d) the Copyrights listed on Schedule D include all of the copyright registrations now owned or held by the Company, and (e) no liens, claims or security interests in such Trademarks, Patents, Licenses or Copyrights have been granted by the Company to any person other than Secured Party and except as disclosed in the Purchase Agreement. If, prior to the termination of this Agreement, the Company shall (i) obtain rights to or become entitled to the benefit of any patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any patent or any improvement on any patent, (ii), enter into any new license agreement (iii) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (iv) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (v) obtain rights to or become entitled to the benefit of any new material trademark, patent or copyright license agreements, whether as licensee or licensor, or license renewals, the provisions of Paragraph 1 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). The Company shall give to Secured Party prompt written notice of events described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence. The Company hereby authorizes Secured Party to modify this Agreement unilaterally (i) by amending Schedule A to include any future patents and patent applications, which are Patents under Paragraph 1 above or under this Paragraph 4 (ii) by amending Schedule B to include any future trademark, patent or copyright license agreements that are Licenses under Paragraph 1 above or under this Paragraph 4, (iii) by amending Schedule C to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under Paragraph 1 above or under this Paragraph 4, (iv) by amending Schedule D to include any future copyrights and copyright registrations, which are Copyrights under Paragraph 1 above or under this Paragraph 4, and (v) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A thereto, as the case may be, such future patents and patent applications and containing on Schedule B thereto, as the case may be, such future license agreements and containing on Schedule C, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and

containing on Schedule D thereto, as the case as the case may be, such future copyrights and copyright registrations.

5. **Contingent Assignment.** The Company has executed in blank and delivered to the Secured Party an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Trademarks") and an assignment of federally registered patents in substantially the form of Exhibit 2 hereto (the "Assignment of Patents"). The Company hereby authorizes Secured Party to complete as assignee and record with the United States Patent and Trademark Office the Assignment of Trademarks and the Assignment of Patents upon the occurrence and during the continuance of an Event of Default and the proper exercise of Secured Party's remedies under this Agreements. In addition, upon the occurrence and during the continuance of an Event of Default, the Company agrees to assign, convey and otherwise transfer title in and to the Patents, Trademarks, Licenses and Copyrights to Secured Party or any transferee of Secured Party and to execute and deliver to Secured Party or any such transferee all such agreements, documents and instruments as may be necessary, in Secured Party's sole discretion, to effect such assignment conveyance and transfer.

6. **Duties of the Company.** The Company shall have the duty (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of the Company's rights in the Trademarks, Patents, Copyrights and Licenses. The Company further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of Company's business without the prior written consent of Secured Party, and (ii) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of the Company's business. Any expenses incurred in connection with the foregoing shall be borne by the Company. Secured Party shall not have any duty with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, Secured Party shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other person, but Secured Party may do so at its option from and after the occurrence and during the continuance of a default or an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of the Company and shall be added to the secured Obligations secured hereby

7. **Rights and Remedies on Default.**

A. An "Event of Default" under this Agreement shall be deemed to exist if there shall exist and be continuing any event, condition or thing which constitutes an Event of Default under this Agreement, the Notes or the Purchase Agreement, including, without limitation, the Company's default in the timely performance of all of its obligations and covenants hereunder or thereunder.

B. Upon and during the continuance of an Event of Default, Secured Party may (to the extent permitted by law) exercise any and all rights and remedies provided in

this Agreement, at law or in equity. In connection therewith, Secured Party shall have the rights, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights, and/or Licenses secured hereby. The Company shall, upon demand, promptly reimburse Secured Party for all costs and other expenses including, without limitation, attorneys' fees and expenses, incurred by Secured Party in the exercise of its rights under this paragraph

C. Without limiting the generality of B, above, if an Event of Default shall occur and be continuing, Secured Party may by written notice to the Company take any and all of the following actions: (i) declare the entire right, title and interest of the Company in each of the Patents, Trademarks, Copyrights and Licenses vested, in which event such right title and interest shall immediately vest in Secured Party; (ii) take and practice, use and/or sell the Trademarks, Patents, Copyrights and Licenses; (iii) direct the Company to refrain, in which event the Company shall refrain, from using or practicing the Trademarks, Patents, Copyrights and Licenses, directly or indirectly, and the Company shall execute such other and further documents that Secured Party may request to further confirm this and to transfer ownership of the Trademarks, Patents, Copyrights and Licenses to Secured Party.

8. **Cumulative Remedies; Effect on Security Agreement.** All of Secured Party's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Purchase Agreement or Notes or any other agreement or by law shall be cumulative and may be exercised singularly or concurrently. Upon and during the continuance of an Event of Default, the Company hereby constitutes and appoints Secured Party or its nominee as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (a) to endorse the Company's name on all applications, documents, papers and instruments necessary or desirable for the Secured Party in the use of the Copyrights, Trademarks, Patents and Licenses, (b) take any other actions in respect of the Copyrights, Trademarks, Patents and Licenses as Secured Party deems in the best interest of Secured Party, (c) grant or issue any exclusive or non-exclusive license under the Copyrights, Trademarks, Patents and Licenses to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Copyrights, Trademarks, Patents and Licenses to anyone. This power is given as security for the Obligations, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by the Secured Party.

9. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

10. **Waiver.** The Secured Party shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Secured Party of a provision of this Agreement shall not prejudice or constitute a waiver of the Secured Party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by the

Secured Party, nor any course of dealing between the Secured Party and the Company, shall constitute a waiver of any of the Secured Party's rights or of any of the Company's obligations as to any future transactions. Whenever the consent of the Secured Party is required under this Agreement, the granting of such consent by the Secured Party in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of the Secured Party. This Agreement may be signed in counterparts.

11. **Indemnification.**

A. The Company hereby agrees to indemnify and hold harmless Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against Secured Party in connection with or in any way arising out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them).

B. The Agent shall be indemnified and held harmless by the Company and the Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against the Agent in connection with or in any way arising out of any actions taken by the Agent under this Agreement or out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, or any inventions disclosed and claimed in the Patents or any of them).


12. **Secured Party's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Secured Party shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if Secured Party shall commence any such suit, the Company shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement. The Company shall, upon demand, promptly

reimburse Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Paragraph 12 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Secured Party).

13. **Agent.** The Company agrees that the Agent has been appointed to act in all matters hereunder on behalf of the Secured Party and that the Company shall treat the Agent as Secured Party for all purposes hereunder. Secured Party agrees that Agent has been appointed its Agent in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties hereto have signed this Security Agreement as of the day and date first set forth above.

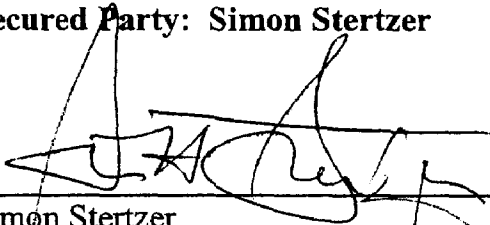
Company: PRECISION VASCULAR SYSTEMS, INC.

By: 

Ken Osborn, President and COO


2405 West Orton Circle
West Valley City, Utah 84119
Telephone Number: (801) 974-1701
Fax Number: (801) 974-1740

Secured Party: Simon Stertz



Simon Stertz

Agent for Secured Party:

By: 

Dr. Stephen Dorros

C/o Lawrence A. Trebon
Trebon & Mayhew
733 North Van Buren Street
Milwaukee, WI 59202
Telephone Number: (414) 224-1000
Fax Number: (414) 224-1023

- Schedule A: Patents
- Schedule B: Licenses
- Schedule C: Trademarks
- Schedule D: Copyrights
- Exhibit 1: Assignment of Trademarks and Service Marks
- Exhibit 2: Assignment of Patents (U.S.)

Schedule A
To the IP Security Agreement

Patents

[See attached Patent schedule.]

Schedule B
To the IP Security Agreement

Licenses

PVS has a license agreement with Sarcos under the Amended and Restated License Agreement of 1998.

PVS has granted a License to Sarcos under both the aforementioned Technology Assignment and Amended and Restated License Agreements. As above stated, PVS believes it owns the Technology Assignment Agreement and Sarcos is not entitled to any license thereunder.

PVS has a License agreement with Surmodics, a hydrophilic coating manufacturer.

PVS has an assignment agreement with Sarcos under the aforementioned Technology Assignment Agreement.

Schedules C and D
To the IP Security Agreement

Copyrights and Trademarks

1. "GO WIRELESS"
2. "PORTAL"
3. "PVS"
4. "PRECISION VASCULAR SYSTEMS"
5. "PRECISION VASCULAR"
6. "SYNCHRO"
7. "WIRELESS"
8. "PVS WIRELESS" - abandoned
9. "GUIDEWIRELESS" - abandoned

Exhibit 1
To IP Security Agreement
ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

This Assignment of Trademarks and Service Marks (U.S.) ("Assignment") is by and among _____ corporation organized and existing under the laws of the _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the trademarks (the "Trademarks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Trademarks identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Trademarks and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Trademarks, together with (a) the registration of and registration applications for the Trademarks, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Trademarks or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor _____

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Trademarks and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of ___, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2002, before me,

a notary public, personally appeared _____,

personally known to me, **-OR-**

proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Trademarks and Service Marks (U.S.)

Trademark or Service Mark	Registration No.	Registration Date
---------------------------	------------------	-------------------

Exhibit 2
To IP Security Agreement
ASSIGNMENT OF PATENTS (U.S.)

This Assignment of Patents ("Assignment") is by and among _____ corporation organized and existing under the laws of the State of _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the Patents (the "Trademarks") identified on the Annex hereto, and is the owner of the Patents and pending Patents identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Patents and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Patents, together with (a) the registration of and registration applications for the Patents, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Patents or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]
[Signatures on next page]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Patents and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of _____, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 200__, before me,

a notary public, personally appeared _____,

- personally known to me, **-OR-**
- proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Patents (U.S.)

Intellectual Property Security Agreement

This Intellectual Property Security Agreement ("Agreement") is entered into as of this 7th day of February, 2002, by and among Precision Vascular Systems, Inc., a Utah corporation (the "Company"); Dr. Stephen Dorros, as Agent ("Agent") for the holders from time to time ("Secured Party") of the Company's Secured Notes ("Notes") issued pursuant to the Note and Warrant Purchase Agreements similar to the Note and Warrant Purchase Agreement (the "Purchase Agreement") dated January 23, 2002, between the Company and Gerald Dorros, a Secured Party.

Recitals

One of the conditions precedent to Secured Party making the loans, evidenced by the Notes, is that the Company provide security for all the Company's obligations under the Notes, the Purchase Agreement, and this Agreement, and the Company is willing to do so;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. **Security Interest**. To secure the complete and timely satisfaction of the obligations under the Notes and any other obligations under the Purchase Agreement or this Agreement ("Obligations"), the Company hereby grants and conveys to Secured Party a lien and security interest in all of the Company's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

A. patents, provisional patent applications, patent applications, inventions, and trade secrets, including, without limitation, the inventions, trade secrets and improvements described and claimed therein, and those patents listed on Schedule A, attached hereto and made a part hereof, and (a) the reissues, reexaminations, divisions, continuations, continued prosecution applications, renewals, extensions and continued-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding hereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "Patents");

B. rights under or interest in any patent, trademark or copyright license agreements whether the Company is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, owned by the Company and now or hereafter covered by such licenses (all of the foregoing are hereafter referred to collectively as the "Licenses").

C. trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service name applications, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark appellations listed on Schedule C, attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including, without limitation, damages and payment for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, service marks, trademark and service mark registrations, trade names, service names and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter and/or collectively referred to as the "Trademarks");

D. the goodwill of the Company's business including, but not by way of limitation, such goodwill connected with and symbolized by the Trademarks; and

E. (i) copyrights and copyright registrations, including, without limitation, the copyright registrations listed on Schedule D attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of the Company's business symbolized by the foregoing and connected therewith, and (E) all of the Company's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this subparagraph, are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, licensed royalties and proceeds of infringement suits.

The security interest so granted shall be shared in by each Secured Party pro rata according to the respective share of the Obligations hereby secured.

2. **Perfection of Security Interest.** At the request of Secured Party, the Company will join with Secured Party in executing one or more financing statements pursuant to any applicable version of the Uniform Commercial Code in form satisfactory to Secured Party and will pay for the costs of filing and/or recording this Agreement and all financing, continuation and termination statements in all public offices where filing or recording is deemed necessary or desirable by Secured Party. The Company will execute and deliver to Secured Party from time to time such supplemental assignments and other instruments, including, without limitation, additional assignments to be filed with the United States Patent and Trademark Office, as Secured Party may require for the purpose of confirming Secured Party's interest in the Patent, Trademarks and Licenses. This Agreement will continue in effect until the entire Obligations are paid in full.

3. **Restrictions on Future Assignments.** The Company agrees that until the Obligations shall have been satisfied in full and this Agreement shall have been terminated, the Company will not, without Secured Party's prior written consent, enter into any agreement relating to the Patents, Trademarks or Licenses (other than a license to a customer in the ordinary course of business) and the Company further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Secured Party under this Agreement.

4. **New Trademarks, Copyrights, Patents and Licenses.** the Company represents and warrants that, from and after the date hereof, (a) the Patents listed on Schedule A include all of the patents and patent applications now owned or held by The Company, (b) the Licenses listed on Schedule B include all of the material patent, trademark or copyright license agreements under which the Company is the licensee or licensor, (c) the Trademarks listed on Schedule C include all of the trade names, registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by the Company, (d) the Copyrights listed on Schedule D include all of the copyright registrations now owned or held by the Company, and (e) no liens, claims or security interests in such Trademarks, Patents, Licenses or Copyrights have been granted by the Company to any person other than Secured Party and except as disclosed in the Purchase Agreement. If, prior to the termination of this Agreement, the Company shall (i) obtain rights to or become entitled to the benefit of any patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any patent or any improvement on any patent, (ii), enter into any new license agreement (iii) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (iv) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (v) obtain rights to or become entitled to the benefit of any new material trademark, patent or copyright license agreements, whether as licensee or licensor, or license renewals, the provisions of Paragraph 1 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). The Company shall give to Secured Party prompt written notice of events described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence. The Company hereby authorizes Secured Party to modify this Agreement unilaterally (i) by amending Schedule A to include any future patents and patent applications, which are Patents under Paragraph 1 above or under this Paragraph 4 (ii) by amending Schedule B to include any future trademark, patent or copyright license agreements that are Licenses under Paragraph 1 above or under this Paragraph 4, (iii) by amending Schedule C to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under Paragraph 1 above or under this Paragraph 4, (iv) by amending Schedule D to include any future copyrights and copyright registrations, which are Copyrights under Paragraph 1 above or under this Paragraph 4, and (v) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A thereto, as the case may be, such future patents and patent applications and containing on Schedule B thereto, as the case may, such future license agreements and containing on Schedule C, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and

containing on Schedule D thereto, as the case as the case may be, such future copyrights and copyright registrations.

5. **Contingent Assignment.** The Company has executed in blank and delivered to the Secured Party an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Trademarks") and an assignment of federally registered patents in substantially the form of Exhibit 2 hereto (the "Assignment of Patents"). The Company hereby authorizes Secured Party to complete as assignee and record with the United States Patent and Trademark Office the Assignment of Trademarks and the Assignment of Patents upon the occurrence and during the continuance of an Event of Default and the proper exercise of Secured Party's remedies under this Agreements. In addition, upon the occurrence and during the continuance of an Event of Default, the Company agrees to assign, convey and otherwise transfer title in and to the Patents, Trademarks, Licenses and Copyrights to Secured Party or any transferee of Secured Party and to execute and deliver to Secured Party or any such transferee all such agreements, documents and instruments as may be necessary, in Secured Party's sole discretion, to effect such assignment conveyance and transfer.

6. **Duties of the Company.** The Company shall have the duty (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of the Company's rights in the Trademarks, Patents, Copyrights and Licenses. The Company further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of Company's business without the prior written consent of Secured Party, and (ii) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of the Company's business. Any expenses incurred in connection with the foregoing shall be borne by the Company. Secured Party shall not have any duty with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, Secured Party shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other person, but Secured Party may do so at its option from and after the occurrence and during the continuance of a default or an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of the Company and shall be added to the secured Obligations secured hereby

7. **Rights and Remedies on Default.**

A. An "Event of Default" under this Agreement shall be deemed to exist if there shall exist and be continuing any event, condition or thing which constitutes an Event of Default under this Agreement, the Notes or the Purchase Agreement, including, without limitation, the Company's default in the timely performance of all of its obligations and covenants hereunder or thereunder.

B. Upon and during the continuance of an Event of Default, Secured Party may (to the extent permitted by law) exercise any and all rights and remedies provided in

this Agreement, at law or in equity. In connection therewith, Secured Party shall have the rights, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights, and/or Licenses secured hereby. The Company shall, upon demand, promptly reimburse Secured Party for all costs and other expenses including, without limitation, attorneys' fees and expenses, incurred by Secured Party in the exercise of its rights under this paragraph

C. Without limiting the generality of B, above, if an Event of Default shall occur and be continuing, Secured Party may by written notice to the Company take any and all of the following actions: (i) declare the entire right, title and interest of the Company in each of the Patents, Trademarks, Copyrights and Licenses vested, in which event such right title and interest shall immediately vest in Secured Party; (ii) take and practice, use and/or sell the Trademarks, Patents, Copyrights and Licenses; (iii) direct the Company to refrain, in which event the Company shall refrain, from using or practicing the Trademarks, Patents, Copyrights and Licenses, directly or indirectly, and the Company shall execute such other and further documents that Secured Party may request to further confirm this and to transfer ownership of the Trademarks, Patents, Copyrights and Licenses to Secured Party.

8. **Cumulative Remedies; Effect on Security Agreement.** All of Secured Party's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Purchase Agreement or Notes or any other agreement or by law shall be cumulative and may be exercised singularly or concurrently. Upon and during the continuance of an Event of Default, the Company hereby constitutes and appoints Secured Party or its nominee as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (a) to endorse the Company's name on all applications, documents, papers and instruments necessary or desirable for the Secured Party in the use of the Copyrights, Trademarks, Patents and Licenses, (b) take any other actions in respect of the Copyrights, Trademarks, Patents and Licenses as Secured Party deems in the best interest of Secured Party, (c) grant or issue any exclusive or non-exclusive license under the Copyrights, Trademarks, Patents and Licenses to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Copyrights, Trademarks, Patents and Licenses to anyone. This power is given as security for the Obligations, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by the Secured Party.

9. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

10. **Waiver.** The Secured Party shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Secured Party of a provision of this Agreement shall not prejudice or constitute a waiver of the Secured Party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by the

Secured Party, nor any course of dealing between the Secured Party and the Company, shall constitute a waiver of any of the Secured Party's rights or of any of the Company's obligations as to any future transactions. Whenever the consent of the Secured Party is required under this Agreement, the granting of such consent by the Secured Party in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of the Secured Party. This Agreement may be signed in counterparts.

11. **Indemnification.**

A. The Company hereby agrees to indemnify and hold harmless Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against Secured Party in connection with or in any way arising out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them).

B. The Agent shall be indemnified and held harmless by the Company and the Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against the Agent in connection with or in any way arising out of any actions taken by the Agent under this Agreement or out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, or any inventions disclosed and claimed in the Patents or any of them).

12. **Secured Party's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Secured Party shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if Secured Party shall commence any such suit, the Company shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement. The Company shall, upon demand, promptly

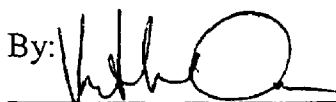
reimburse Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Paragraph 12 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Secured Party).

13. **Agent.** The Company agrees that the Agent has been appointed to act in all matters hereunder on behalf of the Secured Party and that the Company shall treat the Agent as Secured Party for all purposes hereunder. Secured Party agrees that Agent has been appointed its Agent in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties hereto have signed this Security Agreement as of the day and date first set forth above.

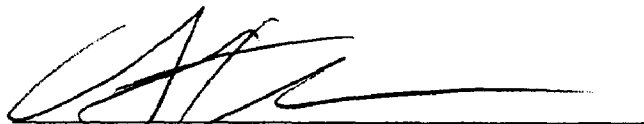
Company: PRECISION VASCULAR SYSTEMS, INC.

Secured Party: Gerald Dorros

By: 

Ken Osborn, President and COO

2405 West Orton Circle
West Valley City, Utah 84119
Telephone Number: (801) 974-1701
Fax Number: (801) 974-1740


Gerald Dorros

*By Lawrence A. Trebon,
Attx-in-fact*

Agent for Secured Party:

By:


Dr. Stephen Dorros

C/o Lawrence A. Trebon
Trebon & Mayhew
733 North Van Buren Street
Milwaukee, WI 59202
Telephone Number: (414) 224-1000
Fax Number: (414) 224-1023

- Schedule A: Patents
- Schedule B: Licenses
- Schedule C: Trademarks
- Schedule D: Copyrights
- Exhibit 1: Assignment of Trademarks and Service Marks
- Exhibit 2: Assignment of Patents (U.S.)

Schedule A
To the IP Security Agreement

Patents

[See attached Patent schedule.]

Schedule B
To the IP Security Agreement

Licenses

PVS has a license agreement with Sarcos under the Amended and Restated License Agreement of 1998.

PVS has granted a License to Sarcos under both the aforementioned Technology Assignment and Amended and Restated License Agreements. As above stated, PVS believes it owns the Technology Assignment Agreement and Sarcos is not entitled to any license thereunder.

PVS has a License agreement with Surmodics, a hydrophilic coating manufacturer.

PVS has an assignment agreement with Sarcos under the aforementioned Technology Assignment Agreement.

Schedules C and D
To the IP Security Agreement

Copyrights and Trademarks

1. "GO WIRELESS"
2. "PORTAL"
3. "PVS"
4. "PRECISION VASCULAR SYSTEMS"
5. "PRECISION VASCULAR"
6. "SYNCHRO"
7. "WIRELESS"
8. "PVS WIRELESS" - abandoned
9. "GUIDEWIRELESS" - abandoned

Exhibit 1
To IP Security Agreement
ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

This Assignment of Trademarks and Service Marks (U.S.) ("Assignment") is by and among _____ corporation organized and existing under the laws of the _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the trademarks (the "Trademarks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Trademarks identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Trademarks and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Trademarks, together with (a) the registration of and registration applications for the Trademarks, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Trademarks or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor _____

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Trademarks and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of _____, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2002, before me,

a notary public, personally appeared _____,

personally known to me, -OR-

proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Trademarks and Service Marks (U.S.)

Trademark or Service Mark	Registration No.	Registration Date
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Exhibit 2
To IP Security Agreement
ASSIGNMENT OF PATENTS (U.S.)

This Assignment of Patents ("Assignment") is by and among _____ corporation organized and existing under the laws of the State of _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the Patents (the "Trademarks") identified on the Annex hereto, and is the owner of the Patents and pending Patents identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Patents and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Patents, together with (a) the registration of and registration applications for the Patents, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Patents or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]
[Signatures on next page]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Patents and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of ____, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 200__, before me,
a notary public, personally appeared _____,

- personally known to me, **-OR-**
- proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Patents (U.S.)

Intellectual Property Security Agreement

This Intellectual Property Security Agreement ("Agreement") is entered into as of this 7th day of February, 2002, by and among Precision Vascular Systems, Inc., a Utah corporation (the "Company"); Dr. Stephen Dorros, as Agent ("Agent") for the holders from time to time ("Secured Party") of the Company's Secured Notes ("Notes") issued pursuant to the Note and Warrant Purchase Agreements similar to the Note and Warrant Purchase Agreement (the "Purchase Agreement") dated January 23, 2002, between the Company and Vichon Nevelle, S.A., a Secured Party.

Recitals

One of the conditions precedent to Secured Party making the loans, evidenced by the Notes, is that the Company provide security for all the Company's obligations under the Notes, the Purchase Agreement, and this Agreement, and the Company is willing to do so;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. **Security Interest**. To secure the complete and timely satisfaction of the obligations under the Notes and any other obligations under the Purchase Agreement or this Agreement ("Obligations"), the Company hereby grants and conveys to Secured Party a lien and security interest in all of the Company's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

A. patents, provisional patent applications, patent applications, inventions, and trade secrets, including, without limitation, the inventions, trade secrets and improvements described and claimed therein, and those patents listed on Schedule A, attached hereto and made a part hereof, and (a) the reissues, reexaminations, divisions, continuations, continued prosecution applications, renewals, extensions and continued-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding ;hereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "Patents");

B. rights under or interest in any patent, trademark or copyright license agreements whether the Company is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, owned by the Company and now or hereafter covered by such licenses (all of the foregoing are hereafter referred to collectively as the "Licenses").

C. trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service name applications, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark appellations listed on Schedule C, attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including, without limitation, damages and payment for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, service marks, trademark and service mark registrations, trade names, service names and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter and/or collectively referred to as the "Trademarks");

D. the goodwill of the Company's business including, but not by way of limitation, such goodwill connected with and symbolized by the Trademarks; and

E. (i) copyrights and copyright registrations, including, without limitation, the copyright registrations listed on Schedule D attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of the Company's business symbolized by the foregoing and connected therewith, and (E) all of the Company's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this subparagraph, are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, licensed royalties and proceeds of infringement suits.

The security interest so granted shall be shared in by each Secured Party pro rata according to the respective share of the Obligations hereby secured.

2. **Perfection of Security Interest.** At the request of Secured Party, the Company will join with Secured Party in executing one or more financing statements pursuant to any applicable version of the Uniform Commercial Code in form satisfactory to Secured Party and will pay for the costs of filing and/or recording this Agreement and all financing, continuation and termination statements in all public offices where filing or recording is deemed necessary or desirable by Secured Party. The Company will execute and deliver to Secured Party from time to time such supplemental assignments and other instruments, including, without limitation, additional assignments to be filed with the United States Patent and Trademark Office, as Secured Party may require for the purpose of confirming Secured Party's interest in the Patent, Trademarks and Licenses. This Agreement will continue in effect until the entire Obligations are paid in full.

3. **Restrictions on Future Assignments.** The Company agrees that until the Obligations shall have been satisfied in full and this Agreement shall have been terminated, the Company will not, without Secured Party's prior written consent, enter into any agreement relating to the Patents, Trademarks or Licenses (other than a license to a customer in the ordinary course of business) and the Company further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Secured Party under this Agreement.

4. **New Trademarks, Copyrights, Patents and Licenses.** the Company represents and warrants that, from and after the date hereof, (a) the Patents listed on Schedule A include all of the patents and patent applications now owned or held by The Company, (b) the Licenses listed on Schedule B include all of the material patent, trademark or copyright license agreements under which the Company is the licensee or licensor, (c) the Trademarks listed on Schedule C include all of the trade names, registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by the Company, (d) the Copyrights listed on Schedule D include all of the copyright registrations now owned or held by the Company, and (e) no liens, claims or security interests in such Trademarks, Patents, Licenses or Copyrights have been granted by the Company to any person other than Secured Party and except as disclosed in the Purchase Agreement. If, prior to the termination of this Agreement, the Company shall (i) obtain rights to or become entitled to the benefit of any patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any patent or any improvement on any patent, (ii), enter into any new license agreement (iii) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (iv) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (v) obtain rights to or become entitled to the benefit of any new material trademark, patent or copyright license agreements, whether as licensee or licensor, or license renewals, the provisions of Paragraph 1 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). The Company shall give to Secured Party prompt written notice of events described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence. The Company hereby authorizes Secured Party to modify this Agreement unilaterally (i) by amending Schedule A to include any future patents and patent applications, which are Patents under Paragraph 1 above or under this Paragraph 4 (ii) by amending Schedule B to include any future trademark, patent or copyright license agreements that are Licenses under Paragraph 1 above or under this Paragraph 4, (iii) by amending Schedule C to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under Paragraph 1 above or under this Paragraph 4, (iv) by amending Schedule D to include any future copyrights and copyright registrations, which are Copyrights under Paragraph 1 above or under this Paragraph 4, and (v) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A thereto, as the case may be, such future patents and patent applications and containing on Schedule B thereto, as the case may be, such future license agreements and containing on Schedule C, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and

containing on Schedule D thereto, as the case as the case may be, such future copyrights and copyright registrations.

5. **Contingent Assignment.** The Company has executed in blank and delivered to the Secured Party an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Trademarks") and an assignment of federally registered patents in substantially the form of Exhibit 2 hereto (the "Assignment of Patents"). The Company hereby authorizes Secured Party to complete as assignee and record with the United States Patent and Trademark Office the Assignment of Trademarks and the Assignment of Patents upon the occurrence and during the continuance of an Event of Default and the proper exercise of Secured Party's remedies under this Agreements. In addition, upon the occurrence and during the continuance of an Event of Default, the Company agrees to assign, convey and otherwise transfer title in and to the Patents, Trademarks, Licenses and Copyrights to Secured Party or any transferee of Secured Party and to execute and deliver to Secured Party or any such transferee all such agreements, documents and instruments as may be necessary, in Secured Party's sole discretion, to effect such assignment conveyance and transfer.

6. **Duties of the Company.** The Company shall have the duty (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of the Company's rights in the Trademarks, Patents, Copyrights and Licenses. The Company further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of Company's business without the prior written consent of Secured Party, and (ii) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of the Company's business. Any expenses incurred in connection with the foregoing shall be borne by the Company. Secured Party shall not have any duty with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, Secured Party shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other person, but Secured Party may do so at its option from and after the occurrence and during the continuance of a default or an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of the Company and shall be added to the secured Obligations secured hereby

7. **Rights and Remedies on Default.**

A. An "Event of Default" under this Agreement shall be deemed to exist if there shall exist and be continuing any event, condition or thing which constitutes an Event of Default under this Agreement, the Notes or the Purchase Agreement, including, without limitation, the Company's default in the timely performance of all of its obligations and covenants hereunder or thereunder.

B. Upon and during the continuance of an Event of Default, Secured Party may (to the extent permitted by law) exercise any and all rights and remedies provided in

this Agreement, at law or in equity. In connection therewith, Secured Party shall have the rights, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights, and/or Licenses secured hereby. The Company shall, upon demand, promptly reimburse Secured Party for all costs and other expenses including, without limitation, attorneys' fees and expenses, incurred by Secured Party in the exercise of its rights under this paragraph

C. Without limiting the generality of B, above, if an Event of Default shall occur and be continuing, Secured Party may by written notice to the Company take any and all of the following actions: (i) declare the entire right, title and interest of the Company in each of the Patents, Trademarks, Copyrights and Licenses vested, in which event such right title and interest shall immediately vest in Secured Party; (ii) take and practice, use and/or sell the Trademarks, Patents, Copyrights and Licenses; (iii) direct the Company to refrain, in which event the Company shall refrain, from using or practicing the Trademarks, Patents, Copyrights and Licenses, directly or indirectly, and the Company shall execute such other and further documents that Secured Party may request to further confirm this and to transfer ownership of the Trademarks, Patents, Copyrights and Licenses to Secured Party.

8. **Cumulative Remedies; Effect on Security Agreement.** All of Secured Party's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Purchase Agreement or Notes or any other agreement or by law shall be cumulative and may be exercised singularly or concurrently. Upon and during the continuance of an Event of Default, the Company hereby constitutes and appoints Secured Party or its nominee as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (a) to endorse the Company's name on all applications, documents, papers and instruments necessary or desirable for the Secured Party in the use of the Copyrights, Trademarks, Patents and Licenses, (b) take any other actions in respect of the Copyrights, Trademarks, Patents and Licenses as Secured Party deems in the best interest of Secured Party, (c) grant or issue any exclusive or non-exclusive license under the Copyrights, Trademarks, Patents and Licenses to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Copyrights, Trademarks, Patents and Licenses to anyone. This power is given as security for the Obligations, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by the Secured Party.

9. **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

10. **Waiver.** The Secured Party shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver by the Secured Party of a provision of this Agreement shall not prejudice or constitute a waiver of the Secured Party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by the

Secured Party, nor any course of dealing between the Secured Party and the Company, shall constitute a waiver of any of the Secured Party's rights or of any of the Company's obligations as to any future transactions. Whenever the consent of the Secured Party is required under this Agreement, the granting of such consent by the Secured Party in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of the Secured Party. This Agreement may be signed in counterparts.

11. **Indemnification.**

A. The Company hereby agrees to indemnify and hold harmless Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against Secured Party in connection with or in any way arising out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them).

B. The Agent shall be indemnified and held harmless by the Company and the Secured Party for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, reasonable attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against the Agent in connection with or in any way arising out of any actions taken by the Agent under this Agreement or out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Company, or any other person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, or any inventions disclosed and claimed in the Patents or any of them).

12. **Secured Party's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Secured Party shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if Secured Party shall commence any such suit, the Company shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement. The Company shall, upon demand, promptly

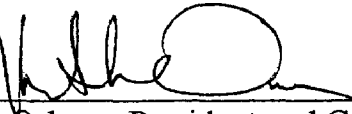
reimburse Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Paragraph 12 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Secured Party).

13. **Agent.** The Company agrees that the Agent has been appointed to act in all matters hereunder on behalf of the Secured Party and that the Company shall treat the Agent as Secured Party for all purposes hereunder. Secured Party agrees that Agent has been appointed its Agent in accordance with the terms hereof.

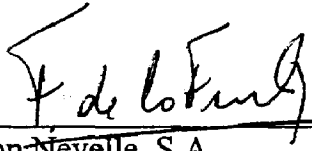
IN WITNESS WHEREOF, the parties hereto have signed this Security Agreement as of the day and date first set forth above.

Company: PRECISION VASCULAR SYSTEMS, INC.

Secured Party: Vichon Nevelle, S.A.

By: 

Ken Osborn, President and COO

By: 

Vichon Nevelle, S.A.

2405 West Orton Circle
West Valley City, Utah 84119
Telephone Number: (801) 974-1701
Fax Number: (801) 974-1740

FACUNDO de la FUENTE
ATTORNEY IN FACT

Agent for Secured Party:

By: _____
Dr. Stephen Dorros

C/o Lawrence A. Trebon
Trebon & Mayhew
733 North Van Buren Street
Milwaukee, WI 59202
Telephone Number: (414) 224-1000
Fax Number: (414) 224-1023

- Schedule A: Patents
- Schedule B: Licenses
- Schedule C: Trademarks
- Schedule D: Copyrights
- Exhibit 1: Assignment of Trademarks and Service Marks
- Exhibit 2: Assignment of Patents (U.S.)

Schedule A
To the IP Security Agreement

Patents

[See attached Patent schedule.]

Schedule B
To the IP Security Agreement

Licenses

PVS has a license agreement with Sarcos under the Amended and Restated License Agreement of 1998.

PVS has granted a License to Sarcos under both the aforementioned Technology Assignment and Amended and Restated License Agreements. As above stated, PVS believes it owns the Technology Assignment Agreement and Sarcos is not entitled to any license thereunder.

PVS has a License agreement with Surmodics, a hydrophilic coating manufacturer.

PVS has an assignment agreement with Sarcos under the aforementioned Technology Assignment Agreement.

Schedules C and D
To the IP Security Agreement

Copyrights and Trademarks

1. "GO WIRELESS"
2. "PORTAL"
3. "PVS"
4. "PRECISION VASCULAR SYSTEMS"
5. "PRECISION VASCULAR"
6. "SYNCHRO"
7. "WIRELESS"
8. "PVS WIRELESS" - abandoned
9. "GUIDEWIRELESS" - abandoned

Exhibit 1
To IP Security Agreement
ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

This Assignment of Trademarks and Service Marks (U.S.) ("Assignment") is by and among _____ corporation organized and existing under the laws of the _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the trademarks (the "Trademarks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Trademarks identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Trademarks and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Trademarks, together with (a) the registration of and registration applications for the Trademarks, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Trademarks or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor _____

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Trademarks and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of ___, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 2002, before me,

a notary public, personally appeared _____

personally known to me, -OR-

proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Trademarks and Service Marks (U.S.)

Trademark or Service Mark	Registration No.	Registration Date
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Exhibit 2
To IP Security Agreement
ASSIGNMENT OF PATENTS (U.S.)

This Assignment of Patents ("Assignment") is by and among _____ corporation organized and existing under the laws of the State of _____ having a place of business at _____ (the "Assignor") and _____ ("Assignee").

RECITALS

Assignor has adopted and used and is using the Patents (the "Trademarks") identified on the Annex hereto, and is the owner of the Patents and pending Patents identified on such Annex in the United States Patent and Trademark Office; and

Assignee is desirous of acquiring the Patents and the registration thereof and registration applications therefor;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Patents, together with (a) the registration of and registration applications for the Patents, (b) the goodwill of the business symbolized by and associated with the Trademarks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued, arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Patents or the registrations thereof or such associated goodwill.

This Assignment is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment below.

[remainder of page intentionally left blank]
[Signatures on next page]

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this Assignment, as an instrument under seal, on this ___ day of _____ 200_.

Assignor

By:

(Address)

(City, State, Zip)

The foregoing Assignment of the Patents and the registration hereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ___ day of _____, 200_.

Assignee:

(Address)

(City, State, Zip)

STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of _____, 200__, before me,

a notary public, personally appeared _____,

personally known to me, **-OR-**

proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

ANNEX
To Assignment of Patents (U.S.)