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IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MULTNOMAH

SYNECTIC VENTURES I, LLC, *et al.*,  
Plaintiffs,  
vs.  
CRAIG L. BERKMAN, *et al.*,  
Defendants.

Case No. 0512-13245  
**DECLARATION OF CRAIG L. BERKMAN IN RESPONSE TO PLAINTIFFS' THIRD REQUEST FOR PRODUCTION TO DEFENDANT CRAIG L. BERKMAN (INDIVIDUALLY AND AS AGENT FOR SYNECTIC VENTURES MANAGEMENT I-III, INC. AND SYNECTIC ASSET MANAGEMENT, INC.)**

**(HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY)**

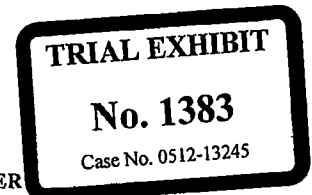
**DECLARATION OF CRAIG L. BERKMAN**

I, Craig L. Berkman, hereby declare:

1. I am a personal defendant in this action and the principal of defendants Synectic Ventures I, Inc., Synectic Ventures II, Inc., and Synectic Ventures III, Inc., and Synectic Asset Management, Inc. The facts stated below are based upon my personal knowledge.

2. The attached Exhibit 1 is a true statement of my current net worth.

3. The attached Exhibit 2 is a true statement of the current net worth of Synectic Ventures I, Inc.



1           4.       The attached Exhibit 3 is a true statement of the current net worth of  
2       Synectic Ventures II, Inc.

3           5.       The attached Exhibit 4 is a true statement of the current net worth of Synectic  
4       Ventures III, Inc.

5           6.       The attached Exhibit 5 is a true statement of the current net worth of Synectic  
6       Asset Management, Inc.

7           I HEREBY DECLARE THAT THE ABOVE STATEMENT IS TRUE TO THE  
8       BEST OF MY KNOWLEDGE AND BELIEF, AND THAT I UNDERSTAND IT IS MADE  
9       FOR USE AS EVIDENCE IN COURT AND IS SUBJECT TO PENALTY FOR PERJURY.

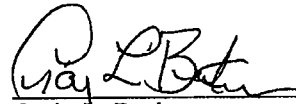
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11           DATED this 18th day of March, 2008.

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Craig L. Berkman

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(HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY)

Craig L. Berkman

Financial Statement as of March 18, 2008

**Assets**

Cash in Banks \$4,469.00

Stocks and Bonds

<u>Name of Company</u>	<u>Shares Held</u>	<u>Per Share Value</u>	<u>Value</u>
Synectic Asset Management	1,000,000	N/A	0.00
EndoVascular Instruments (EVI)	676,485	\$2.00	\$1,352,970.00 <sup>1</sup>

Total Stocks and Bonds \$1,352,970.00

Accounts Receivable \$7,500.00

Total Accounts Receivable \$7,500.00

Real Property Residence \$4,215,000.00

Personal Property (Art, jewelry, furnishings) \$280,000.00

**Total Assets** \$5,855,470.00

**Liabilities**

Accounts Payable \$93,640.76

Mortgage \$3,490,249.00

Insurance Loan \$115,289.00

Guaranteed/Secured loans of Synectic Asset Management \$13,404,816.48<sup>2</sup>

Unsecured Loans \$750,000.00

**Total Liabilities** \$17,853,995.24

**Net Worth** <\$11,998,525.24>

<sup>1</sup> EVI. If certain milestones are met within the next twelve months, the value of EVI's common shares is expected to be \$21.00 per share.

<sup>2</sup> Loans are secured by pledge of EVI stock.

(HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY)

Synectic Ventures I, Inc.

Financial Statement as of March 18, 2008

<b>Assets</b>				\$ -0-
Cash in Banks				
Stocks and Bonds				
	<u>Shares held</u>	<u>Per share value</u>	<u>Value</u>	
Total Stocks and Bonds	None	\$-0-		\$-0-
Accounts Receivable				\$-0-
Total Accounts Receivable				\$-0-
Real Property				None
Personal Property				None
<b>Total Assets</b>				<b>None</b>
<b>Liabilities</b>				
Accounts Payable				None
Total Accounts Payable				None
<b>Total Liabilities</b>				<b>\$-0-</b>
<b>Net Worth</b>				<b>\$-0-</b>

(HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY)

Synectic Ventures II, Inc.

Financial Statement as of March 18, 2008

<b>Assets</b>				\$ -0-
Cash in Banks				
Stocks and Bonds				
	<u>Shares held</u>	<u>Per share value</u>	<u>Value</u>	
Total Stocks and Bonds	None	\$-0-		\$-0-
Accounts Receivable				\$-0-
Total Accounts Receivable				\$-0-
Real Property				None
Personal Property				None
<b>Total Assets</b>				<b>None</b>
<b>Liabilities</b>				
Accounts Payable				None
Total Accounts Payable				None
<b>Total Liabilities</b>				<b>\$-0-</b>
<b>Net Worth</b>				<b>\$-0-</b>

(HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY)

Synectic Ventures III, Inc.

Financial Statement as of March 18, 2008

<b>Assets</b>				\$ -0-
Cash in Banks				
Stocks and Bonds				
	<u>Shares held</u>	<u>Per share value</u>	<u>Value</u>	
Total Stocks and Bonds	None	\$-0-		\$-0-
Accounts Receivable				\$-0-
Total Accounts Receivable				\$-0-
Real Property				None
Personal Property				None
<b>Total Assets</b>				<b>None</b>
<b>Liabilities</b>				
Accounts Payable				None
Total Accounts Payable				None
<b>Total Liabilities</b>				<b>\$-0-</b>
<b>Net Worth</b>				<b>\$-0-</b>

(HIGHLY CONFIDENTIAL – ATTORNEYS' EYES ONLY)

Synectic Asset Management, Inc.

Financial Statement as of March 18, 2008

Assets

Cash in Banks \$2,264.76  
Fee Income (Annual) \$550,370.00

Stocks and Bonds

<u>Name of Company</u>	<u>Shares Held</u>	<u>Per Share Value</u>	<u>Value</u>
Endo Vascular Instruments (EVI)	50,000	\$2.00	\$100,000.00 <sup>1</sup>

Total Stocks and Bonds \$100,000.00

Accounts Receivable

Synectic Ventures I \$239,333.30  
Synectic Ventures II \$ 162.10  
Synectic Ventures I and III Carried Interest<sup>2</sup>  
Synectic Ventures I, II and III Management Fees<sup>3</sup>  
Synectic Ventures IV, V and Synectic Asset Ventures Carried Interest<sup>4</sup>

Total Accounts Receivable \$239,495.40

Real Property None

Personal Property (office equipment/furnishings) \$ 25,000.00

**Total Assets \$917,130.16**

Liabilities

Accounts Payable \$ 44,054.03

Loans \$13,404,816.48

**Total Liabilities \$13,448,870.51**

**Net Worth <\$12,531,740.35>**

<sup>1</sup> EVI. If certain milestones are met within the next twelve months, the value of EVI's common shares is expected to be \$21.00 per share.

<sup>2</sup> Synectic Asset Management does not have sufficient information to assign a value to its carried interest.

<sup>3</sup> Synectic Asset Management does not have sufficient information to assign a value to its management fees.

<sup>4</sup> The value of Synectic Asset Management's carried interest in these Funds is dependent upon the performance of the Funds' investments. At this time, no liquidated value is assigned to this interest.

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**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing **DECLARATION OF CRAIG L. BERKMAN IN RESPONSE TO PLAINTIFFS' THIRD REQUEST FOR PRODUCTION TO DEFENDANT CRAIG L. BERKMAN (INDIVIDUALLY AND AS AGENT FOR SYNECTIC VENTURES MANAGEMENT I-III, INC. AND SYNECTIC ASSET MANAGEMENT, INC.)** was served on:

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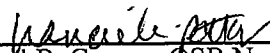
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*Attorneys for Defendant Richard  
Hawkins*

by causing a copy addressed as shown above to be transmitted on the date below via electronic transfer (e-mail); or

by causing a copy thereof to be hand delivered to Stephen F. English on the date below addressed as shown above; or

by causing a copy thereof to be placed in a sealed envelope, postage prepaid, addressed as shown above in the United States Mail at Portland, Oregon, on the date below.

DATED this 19th day of March, 2008.

  
\_\_\_\_\_  
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Nancie K. Potter, OSB No. 80152  
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