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**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): March 29, 2013**

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**ATRICURE, INC.**

(Exact name of registrant as specified in charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-51470**  
(Commission  
File Number)

**34-1940305**  
(IRS Employer  
Identification No.)

**6217 Centre Park Drive West Chester, OH**  
(Address of principal executive offices)

**45069**  
(Zip Code)

**Registrant's telephone number, including area code: (513) 755-4100**

**Not Applicable**

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

Effective March 29, 2013, AtriCure, Inc. (the “Company”) and Silicon Valley Bank (the “Bank”) entered into a Sixth Loan Modification Agreement (the “Loan Modification Agreement”) and an Export-Import Bank Fourth Loan Modification Agreement (the “Ex-Im Agreement” and, collectively with the Loan Modification Agreement, the “Modification Agreements”) which set forth certain amendments to the Company’s credit facility with the Bank.

The Modification Agreements provide for (i) a change in the applicable borrowing rate on the revolving credit facility from 0.25% to 1.25% above the prime rate based on the Company’s Liquidity Ratio to the prime rate during a Streamline Period and prime plus 1.25% during a Non-Streamline Period, (ii) a reduction in the collateral handling fee on the revolving credit facility, (iii) a reduction in the fixed interest rate on the term loan from 6.75% to 4.75% and (iv) modifications to the Liquidity Ratio and EBITDA financial covenants.

The foregoing description of the Modification Agreements is qualified in its entirety by the full text of the Loan Modification Agreement and the Ex-Im Agreement as attached to and filed with this Form 8-K as Exhibits 10.1 and 10.2, respectively.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

**No.      Description**

10.1      Sixth Loan Modification Agreement between Silicon Valley Bank and AtriCure, Inc. dated March 29, 2013

10.2      Export-Import Bank Fourth Loan Modification Agreement between Silicon Valley Bank and AtriCure, Inc. dated March 29, 2013

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ATRICURE, INC.

Date: March 29, 2013

By: /s/ M. Andrew Wade

M. Andrew Wade

Vice President and Chief Financial Officer

## SIXTH LOAN MODIFICATION AGREEMENT

This Sixth Loan Modification Agreement (this “**Loan Modification Agreement**”) is entered into and effective as of March 29, 2013 (the “**Sixth Loan Modification Effective Date**”), by and between (i) **SILICON VALLEY BANK**, a California corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, California 95054 and with a loan production office located at 380 Interlocken Crescent, Suite 600, Broomfield, Colorado 80021 (“**Bank**”), (ii) **ATRICURE, INC.**, a Delaware corporation with its chief executive office located at 6217 Centre Park Drive, West Chester, Ohio 45069 (“**Atricure**”), and (iii) **ATRICURE, LLC**, a Delaware limited liability company (“**Atricure LLC**”, and together with Atricure, individually and collectively, jointly and severally, the “**Borrower**”).

1. **DESCRIPTION OF EXISTING INDEBTEDNESS AND OBLIGATIONS.** Among other indebtedness and obligations which may be owing by Borrower to Bank, Borrower is indebted to Bank pursuant to a loan arrangement dated as of September 13, 2010, evidenced by, among other documents, a certain Amended and Restated Loan and Security Agreement dated as of September 13, 2010, between Borrower and Bank, as further amended by a certain First Loan Modification Agreement entered into and effective as of March 15, 2011, as further amended by a certain Second Loan Modification Agreement, entered into and effective as of February 2, 2012, as further amended by a certain Third Loan Modification Agreement, dated as of May 31, 2012, as further amended by a certain Fourth Loan Modification Agreement, dated as of September 26, 2012 and as further amended by a certain Joinder and Fifth Loan Modification Agreement, dated as of January 30, 2013 (as amended, the “**Loan Agreement**”). Capitalized terms used but not otherwise defined herein shall have the same meaning as in the Loan Agreement.

2. **DESCRIPTION OF COLLATERAL.** Repayment of the Obligations is secured by the Collateral as described (i) in the Loan Agreement; (ii) in a certain Export-Import Bank Loan and Security Agreement, dated as of September 13, 2010, as further amended by a certain Export-Import Bank First Loan Modification Agreement entered into and effective as of March 15, 2011, as further amended by a certain Export-Import Bank Second Loan Modification Agreement, dated as of February 2, 2012, and as further amended by a certain Export-Import Bank Joinder and Third Loan Modification Agreement, dated as of January 30, 2013 (as amended, the “**EXIM Loan Agreement**”); (iii) in a certain Intellectual Property Security Agreement dated as of May 1, 2009 (the “**IP Agreement**”); and (iv) a certain Unconditional Guaranty dated as of September 26, 2012, a certain Guarantor Security Agreement, dated as of September 26, 2012 and the Dutch Security Documents, in each case executed by Atricure Europe, B.V., a company organized under the laws of The Netherlands and a wholly owned Subsidiary of Borrower (the documents described in the foregoing clauses (i) through (iv), together with any other collateral security granted to Bank, are collectively referred to as the “**Security Documents**”).

Hereinafter, the Security Documents, together all other documents evidencing or securing the Obligations shall be referred to as the “**Existing Loan Documents**”.

3. **DESCRIPTION OF CHANGE IN TERMS.**

A. Modifications to Loan Agreement.

1 The Loan Agreement shall be amended by deleting the following text appearing as Section 2.3(a) thereof:

“(a) Interest Rate.

(i) Advances. Subject to Section 2.3(b), the principal amount of Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate based on Borrower’s Liquidity Ratio (and the existence or non-existence of an Event of Default) as set forth below, which interest shall be payable monthly, in arrears, in accordance with Section 2.3(f) below.

**Liquidity Ratio as of the end of a month and Event of Default status**

**Interest Rate**

Greater than or equal to 2.50:1.00, and no Event of Default has occurred and is continuing

One-quarter of one percentage point (0.25%) above the Base Rate (the “**First Tier Rate**”)

Greater than or equal to 2.00:1.00, but less than 2.50:1.00, and no Event of Default has occurred and is continuing

Three-quarters of one percentage point (0.75%) above the Base Rate (the “**Second Tier Rate**”)

Less than 2.00:1.00, or an Event of Default has occurred and is continuing

One and one-quarter percentage points (1.25%) above the Base Rate (the “**Regular Rate**”)

The rate in effect as of the Second Loan Modification Effective Date is the Second Tier Rate. Changes in the interest rate based on the Borrower’s Liquidity Ratio as provided above shall go into effect as of the first day of the month following the month in which Borrower’s financial statements are received by Bank. If, based on the Liquidity Ratio as shown in Borrower’s financial statements, there is to be an increase in the interest rate, the interest rate increase may be put into effect by Bank as of the first day of the month following the month in which Borrower’s financial statements were due, even if the delivery of the financial statements is delayed. The Regular Rate shall go into effect immediately upon the occurrence and during the continuance of an Event of Default unless Bank otherwise elects from time to time in its sole discretion to delay its effect or impose a smaller increase.

(ii) Term Loan 2012. Subject to Section 2.3(b), the principal amount outstanding under the Term Loan 2012 shall accrue interest at a per annum rate equal to six and three quarters percent (6.75%), which interest shall be payable monthly in accordance with Section 2.1.7(c).”

and inserting in lieu thereof the following:

“(a) Interest Rate.

(i) Advances. Subject to Section 2.3(b), the principal amount of Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to the Prime Rate plus one and one-quarter percent (1.25%); provided, that while a Streamline Period is in effect, the principal amount of Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to the Prime Rate, which interest shall in any event be payable monthly, in arrears, in accordance with Section 2.3(f) below.

(ii) Term Loan 2012. Subject to Section 2.3(b), the principal amount outstanding under the Term Loan 2012 shall accrue interest at a per annum rate equal to four and three quarters percent (4.75%), which interest shall be payable monthly in accordance with Section 2.1.7(c).”

2 The Loan Agreement shall be amended by deleting the following text appearing as Section 2.4(f) thereof:

“(f) Collateral Monitoring Fee. A collateral monitoring fee of One Thousand Dollars (\$1,000) for each month during which the Streamline Period is not in effect for the entire month and of Five Hundred Dollars (\$500) for each month during which the Streamline Period is in effect for the entire month, payable in arrears on the last day of each month (prorated for any partial month at the beginning and upon termination of this Agreement); and”

and inserting in lieu thereof the following:

“(f) Collateral Monitoring Fee. A collateral monitoring fee of One Thousand Dollars (\$1,000) for each month during which the Streamline Period is not in effect for the entire month and of Zero Dollars (\$0.00) for each month during which the Streamline Period is in effect for the entire month, payable in arrears on the last day of each month (prorated for any partial month at the beginning and upon termination of this Agreement); and”

3 The Loan Agreement shall be amended by deleting the following text appearing as Section 6.9(a) thereof:

“(a) Minimum Liquidity Ratio. A Liquidity Ratio of at least 1.75 to 1.00 at all times, it being understood that Quarter-end Advances shall be excluded from the foregoing calculation; provided, however, that the foregoing Liquidity Ratio covenant will no longer be tested (other than to determine the interest rate applicable to the Revolving Line as described in Section 2.3(a)), for any period commencing on the date that Borrower provides Bank evidence satisfactory to Bank, in its reasonable discretion, that Borrower has achieved a Fixed Charge Coverage Ratio, measured on a trailing twelve month basis, as of the last day of each of the immediately preceding four consecutive fiscal quarters of greater than 1.50:1.00 (the “**FCCR Triggering Event**”).”

and inserting in lieu thereof the following:

“(a) Minimum Liquidity Ratio. A Liquidity Ratio of at least 2.00 to 1.00 at all times, it being understood that Quarter-end Advances shall be excluded from the foregoing calculation; provided, however, that the foregoing Liquidity Ratio covenant will no longer be tested for any period commencing on the date that Borrower provides Bank evidence satisfactory to Bank, in its reasonable discretion, that Borrower has achieved a Fixed Charge Coverage Ratio, measured on a trailing twelve month basis, as of the last day of each of the immediately preceding four consecutive fiscal quarters of greater than 1.50:1.00 (the “**FCCR Triggering Event**”).”

4 The Loan Agreement shall be amended by deleting the following text appearing as Section 6.9(d) thereof:

“(d) Minimum EBITDA. Achieve, measured as of the end of each month, for the trailing six-month period ending as of the end of such month, EBITDA of at least the following minimum amounts for the months ending during the following periods (amounts in parentheses below represent negative numbers):

<u>Period</u>	<u>Minimum EBITDA</u>
December 31, 2012 through and including January 31, 2013	(\$3,000,000)
February 29, 2013 through and including April 30, 2013	(\$3,500,000)
May 31, 2013 through and including June 30, 2013	(\$3,000,000)
July 31, 2013 through and including August 31, 2013	(\$2,500,000)
September 30, 2013 through and including October 31, 2013	(\$1,000,000)
November 30, 2013 and each monthly period ending thereafter	\$ 1.00”

and inserting in lieu thereof the following:

“(d) Minimum EBITDA. For any monthly period commencing March 1, 2013 through and including December 31, 2013 in which Borrower fails to maintain unrestricted cash and Cash Equivalents at Bank in an amount equal to or greater than Twenty Million Dollars (\$20,000,000) for each day in such monthly period, Borrower shall achieve, measured as of the end of each month, for the trailing six-month period ending as of the end of such month, EBITDA no worse than negative Four Million Dollar (\$4,000,000). Financial covenant levels for the fiscal year commencing January 1, 2014 shall be mutually determined by Borrower and Bank based on the Borrower’s annual forecast for such fiscal year.

5 The Loan Agreement shall be amended by inserting the following definition in its appropriate alphabetical order in Section 13.1 thereof:

“**Sixth Loan Modification Effective Date**” is March 29, 2013.”

6 The Loan Agreement shall be amended by deleting the following definition appearing in Section 13.1 thereof:

“**Base Rate**” is the greater of the Prime Rate or 4.0% per annum.”

7 The Loan Agreement shall be amended by deleting Exhibit B attached thereto and inserting Exhibit A attached hereto in lieu thereof:

4. CONDITIONS PRECEDENT. As a condition precedent to the effectiveness of this Loan Modification Agreement and the Bank’s obligation to make further Advances under the Revolving Line, the Bank shall have received the following documents prior to or concurrently with this Loan Modification Agreement, each in form and substance satisfactory to the Bank:

- A. this Loan Modification Agreement duly executed on behalf of each Borrower and signed by way of acknowledgement by Guarantor;
- B. copies, certified by a duly authorized officer of Borrower and Guarantor, to be true and complete as of the date hereof, of each of (i) the governing documents of Borrower and Guarantor as in effect on the date hereof (but only to the extent modified since last delivered to the Bank), (ii) the resolutions of Borrower and Guarantor authorizing the execution and delivery of this Loan Modification Agreement, the other documents executed in connection herewith and Borrower’s and Guarantor’s respective performance of all of the transactions contemplated hereby (but only to the extent required since last delivered to Bank), and (iii) an incumbency certificate giving the name and bearing a specimen signature of each individual who shall be so authorized on behalf of Borrower and Guarantor (but only to the extent any signatories have changed since such incumbency certificate was last delivered to Bank);
- C. a good standing certificate of each Borrower and Guarantor, certified by the Secretary of State of the state of incorporation of each respective Borrower and Guarantor, together with a certificate of foreign qualification from the Secretary of State (or comparable governmental entity) of each state in which each Borrower and Guarantor is qualified to transact business as a foreign entity, if any, in each case dated as of a date no earlier than thirty (30) days prior to the date hereof, in each case to the extent required by Bank;
- D. certified copies, dated as of a recent date, of financing statement and other lien searches of each Borrower and Guarantor, as Bank may request and which shall be obtained by Bank, accompanied by written evidence (including any UCC termination statements) that the Liens revealed in any such searched either (i) will be terminated prior to or in connection with the Loan Modification Agreement, or (ii) in the sole discretion of Bank, will constitute Permitted Liens;

- E. evidence satisfactory to Bank that the insurance policies required under the Loan Agreement are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses or endorsements in favor of Bank; and
- F. such other documents as Bank may reasonably request.

5. **FEES.** Borrower shall pay to Bank a modification fee equal to Twelve Thousand Five Hundred Dollars (\$12,500.00), which fee shall be due on the date hereof and shall be deemed fully earned and non-refundable as of the date hereof. In addition, without duplication of the anniversary fees payable pursuant to the Second Loan Modification Agreement, dated as of February 2, 2012, Borrower shall pay to Bank an anniversary fee equal to Fifty Thousand Dollars (\$50,000) on May 1, 2013. Borrower shall also reimburse Bank for all reasonable legal fees and expenses incurred in connection with this amendment to the Existing Loan Documents.

6. **AUTHORIZATION TO FILE.** Borrower hereby authorizes Bank to file UCC financing statements without notice to Borrower, with all appropriate jurisdictions, as Bank deems appropriate, in order to further perfect or protect Bank's interest in the Collateral, including a notice that any disposition of the Collateral, by either the Borrower or any other Person, shall be deemed to violate the rights of the Bank under the Code.

7. **CONSISTENT CHANGES.** The Existing Loan Documents are hereby amended wherever necessary to reflect the changes described above.

8. **RATIFICATION OF LOAN DOCUMENTS.** Borrower hereby ratifies, confirms, and reaffirms all terms and conditions of all security or other collateral granted to the Bank, and confirms that the indebtedness secured thereby includes, without limitation, the Obligations.

9. **NO DEFENSES OF BORROWER.** Borrower hereby acknowledges and agrees that Borrower has no offsets, defenses, claims, or counterclaims against Bank with respect to the Obligations, or otherwise, and that if Borrower now has, or ever did have, any offsets, defenses, claims, or counterclaims against Bank, whether known or unknown, at law or in equity, all of them are hereby expressly WAIVED and Borrower hereby RELEASES Bank from any liability thereunder.

10. **CONTINUING VALIDITY.** Borrower understands and agrees that in modifying the existing Obligations, Bank is relying upon Borrower's representations, warranties, and agreements, as set forth in the Existing Loan Documents. Except as expressly modified pursuant to this Loan Modification Agreement, the terms of the Existing Loan Documents remain unchanged and in full force and effect. Bank's agreement to modifications to the existing Obligations pursuant to this Loan Modification Agreement in no way shall obligate Bank to make any future modifications to the Obligations. Nothing in this Loan Modification Agreement shall constitute a satisfaction of the Obligations. It is the intention of Bank and Borrower to retain as liable parties all makers of Existing Loan Documents, unless the party is expressly released by Bank in writing. No maker will be released by virtue of this Loan Modification Agreement.

11. **RIGHT OF SET-OFF.** In consideration of Bank's agreement to enter into this Loan Modification Agreement, Borrower hereby reaffirms and hereby grants to Bank, a lien, security interest and right of set off as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of Silicon Valley Bank (including a Bank subsidiary) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may set off the same or any part thereof and apply the same to any liability or obligation of Borrower even though unmatured and regardless of the adequacy of any other collateral securing the loan. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

12. **CONFIDENTIALITY.** Without limiting Section 12.10 of the Loan Agreement (which is and shall remain in full force and effect), Bank may use confidential information for the development of databases, reporting purposes, and market analysis, so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly permitted by Borrower. The provisions of the immediately preceding sentence shall survive the termination of the Loan Agreement.



13. **JURISDICTION/VENUE.** California law governs the Loan Documents, including, without limitation, this Loan Modification Agreement without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of the Loan Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

**TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS LOAN MODIFICATION AGREEMENT, THE LOAN AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.**

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

14. **COUNTERSIGNATURE.** This Loan Modification Agreement shall become effective only when it shall have been executed by Borrower and Bank.

*[The remainder of this page is intentionally left blank]*

**BORROWER:**

**ATRICURE, INC.**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Chief Financial Officer

**ATRICURE, LLC**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Chief Financial Officer

**BANK:**

**SILICON VALLEY BANK**

By: /s/ Tom Hertzberg  
Name: Tom Hertzberg  
Title: Vice President II

The undersigned, a Director of **ATRICURE EUROPE, B.V.**, a company organized under the laws of The Netherlands and a wholly owned Subsidiary of Borrower, ratifies, confirms and reaffirms, all and singular, the terms and conditions of (i) a certain Unconditional Guaranty dated as of September 26, 2012 (the “**Guaranty**”) and (ii) a certain Guarantor Security Agreement, dated as of September 26, 2012 (the “**Guarantor Security Agreement**”), and acknowledges, confirms and agrees that the Guaranty and the Guarantor Security Agreement shall remain in full force and effect and shall in no way be limited by the execution of this Loan Modification Agreement, or any other documents, instruments and/or agreements executed and/or delivered in connection herewith.

**ATRICURE EUROPE, B.V.**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Director

**EXHIBIT B**

**COMPLIANCE CERTIFICATE**

TO: SILICON VALLEY BANK  
 FROM: ATRICURE, INC. and ATRICURE, LLC

Date: \_\_\_\_\_

The undersigned authorized officer of Atricure, Inc. (“**Borrower**”) certifies that under the terms and conditions of the Loan and Security Agreement between Borrower and Bank (as amended, the “**Agreement**”):

(1) Borrower is in complete compliance for the period ending \_\_\_\_\_ with all required covenants except as noted below; (2) there are no Events of Default; (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement; and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

**Please indicate compliance status by circling Yes/No under “Complies” column.**

<u>Reporting Covenant</u>	<u>Required</u>	<u>Complies</u>	
Transaction Reports	Non-Streamline: Weekly; Streamline: monthly within 15 days	Yes	No
Monthly payable & receivable items, check registers, general ledger, & reconciliations	Monthly within 15 days	Yes	No
Monthly financial statements with Compliance Certificate	Monthly within 30 days	Yes	No
Annual financial statement (CPA Audited)	FYE within 120 days	Yes	No
Annual budgets and projections	30 days after FYE	Yes	No

<u>Financial Covenants</u>	<u>Required</u>	<u>Actual</u>	<u>Complies</u>	
Maintain on a Monthly Basis:				
Minimum Liquidity Ratio (when required)	2.00:1.00	____:1.00	Yes	No
Maximum Capital Expenditures	*	\$ _____	Yes	No
Minimum Fixed Charge Coverage Ratio (when required)	1.50:1.00	____:1.00	Yes	No
Minimum EBITDA (no worse than) (when required)	(\$4,000,000)	\$ _____	Yes	No

\* See Loan Agreement

Streamline Requirement Met?

See Loan Agreement

Yes No

Yes, interest rate on Advances equal to the Prime Rate

No, interest rate on Advances equal to the Prime Rate plus one and one-quarter percent (1.25%)

Borrower is party to, or bound by, the following material Restricted Licenses that were not previously noted in the Perfection Certificate or a prior Compliance Certificate:

\_\_\_\_\_.

Borrower intends to register the following copyrights or mask works with the United States Copyright Office that were not previously noted in a prior Compliance Certificate:

\_\_\_\_\_.

Borrower has (i) obtained the following Patents, registered Trademarks, registered Copyrights, registered mask work, or any pending application for any of the foregoing, whether as owner, licensee or otherwise, and (ii) applied for the following Patents and the registration of the following Trademarks; in each case, that were not previously noted in the Perfection Certificate or a prior Compliance Certificate (to be reported on as part of the Compliance Certificate due following the last month of each fiscal quarter):

\_\_\_\_\_.

The following financial covenant analyses and information set forth in Schedule 1 attached hereto are true and accurate as of the date of this Certificate.

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note.")

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATRICURE, INC.  
ATRICURE, LLC

**BANK USE ONLY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Received by: \_\_\_\_\_  
AUTHORIZED SIGNER  
Date: \_\_\_\_\_

Verified: \_\_\_\_\_  
AUTHORIZED SIGNER  
Date: \_\_\_\_\_

Compliance Status:            Yes    No

**Schedule 1 to Compliance Certificate**

**Financial Covenants of Borrower**

In the event of a conflict between this Schedule and the Loan Agreement, the terms of the Loan Agreement shall govern.

Dated: \_\_\_\_\_

**I. Minimum Liquidity Ratio (Section 6.9(a))**

Required: Maintain a minimum Liquidity Ratio of at least 2.00 to 1.00 at all times, it being understood that Quarter-end Advances shall be excluded from the foregoing calculation; provided, however, that the foregoing Liquidity Ratio covenant will no longer be tested (other than to determine the interest rate applicable to the Revolving Line as described in Section 2.3(a)), for any period commencing on the date that Borrower provides Bank evidence satisfactory to Bank, in its reasonable discretion, that Borrower has achieved a Fixed Charge Coverage Ratio, measured on a trailing twelve month basis, as of the last day of each of the immediately preceding four consecutive fiscal quarters of greater than 1.50:1.00 (the "**FCCR Triggering Event**").

Actual:

- A. Borrower's unrestricted cash (and Cash Equivalents) held with Bank and its Affiliates \$ \_\_\_\_\_
- B. Borrower's Eligible Accounts and Eligible EXIM Accounts \$ \_\_\_\_\_
- C. Line A plus line B \$ \_\_\_\_\_
- D. All outstanding liabilities and obligations of Borrower owed to Bank, including, without limitation or duplication, the face amount of any outstanding Letters of Credit (including drawn but unreimbursed Letters of Credit but excluding the undrawn portion of the Revolving Line) (for purposes of clarity, the parties acknowledge that Borrower's cash or Cash Equivalents shall not be considered to be restricted by reason of the fact that they are subject to Bank's Lien) \$ \_\_\_\_\_
- E. Liquidity Ratio (line C divided by line D) \_\_\_\_\_:1.00

Is line E greater than or equal to 2.00:1.00?

\_\_\_\_\_ No, not in compliance

\_\_\_\_\_ Yes, in compliance

**II. Maximum Capital Expenditures** (Section 6.9(b))

Required: Borrower shall not contract for, purchase or make any expenditure or commitments for Capital Expenditures in an aggregate amount in excess of Four Million Dollars (\$4,000,000) for Borrower's fiscal year ending December 31, 2012, and an amount for each of Borrower's fiscal years ending thereafter as Borrower and Bank shall agree; provided that if Borrower and Bank fail to agree on the amount with respect to any such year, such amount shall be deemed to be Four Million Dollars (\$4,000,000) for such year; provided, further, that for each fiscal year, any Capital Expenditure amount not used by the last day of the respective fiscal year shall be added to the permitted Capital Expenditure amount for the next succeeding fiscal year Actual:

- A. Capital expenditure limit provided for in Section 6.9(b) (including any prior-year rollover amount) \$ \_\_\_\_\_
- B. Capital expenditures for fiscal year \$ \_\_\_\_\_
- C. Line A minus line B \$ \_\_\_\_\_

Is line C greater than or equal to zero?

\_\_\_\_\_ No, not in compliance

\_\_\_\_\_ Yes, in compliance

**III. Minimum Fixed Charge Coverage Ratio** (Section 6.9(c))

Required: Achieve, measured on a trailing twelve month basis, as of the last day of each monthly period, a Fixed Charge Coverage Ratio of not less than 1.50:1.00; provided, however, that until the occurrence of the FCCR Triggering Event described in Section 6.9(a) above, the Fixed Charge Coverage Ratio shall be measured solely to determine whether the FCCR Triggering Event has occurred and shall not be deemed a covenant; provided further, that upon the occurrence of the FCCR Triggering Event, the Liquidity Ratio covenant contained in Section 6.9(a) shall no longer be tested (other than to determine the interest rate applicable to the Revolving Line as described in Section 2.3(a)), and achievement of the Fixed Charge Coverage Ratio of not less than 1.50:1.00 (tested monthly, on a trailing twelve month basis as of the last day of each monthly period), shall thereafter be required.

Actual:

A.	EBITDA (as defined in the Loan Agreement)	\$ _____
B.	Cash income taxes paid	\$ _____
C.	Unfinanced Capital Expenditures	\$ _____
D.	Line A <u>minus</u> line B <u>minus</u> line C	\$ _____
E.	Current portion of long term debt, other than DOJ Obligations to the extent included in the calculation of the current portion of long term debt	\$ _____
F.	Interest Expense, other than Interest Expense on the DOJ Obligations, to the extent included in the calculation of Interest Expense	\$ _____
G.	Line E <u>plus</u> line F	\$ _____
H.	Fixed Charge Coverage Ratio (line D <u>divided by</u> line G)	_____:1.00

Is line H greater than or equal to 1.50:1.00?

\_\_\_\_\_ No, not in compliance

\_\_\_\_\_ Yes, in compliance

**IV. Minimum EBITDA** (Section 6.9(d))

Required: For any monthly period commencing March 1, 2013 through and including December 31, 2013 in which Borrower fails to maintain unrestricted cash and Cash Equivalents at Bank in an amount equal to or greater than Twenty Million Dollars (\$20,000,000) for each day in such monthly period, Borrower shall achieve, measured as of the end of each month, for the trailing six-month period ending as of the end of such month, EBITDA no worse than negative Four Million Dollars (\$4,000,000). Financial covenant levels for the fiscal year commencing January 1, 2014 shall be mutually determined by Borrower and Bank based on the Borrower's annual forecast for such fiscal year.

Actual:

A. EBITDA (as defined in the Loan Agreement) \$ \_\_\_\_\_

If unrestricted cash and Cash Equivalents at Bank was less than Twenty Million Dollars (\$20,000,000) on any day during the calendar month, is line A no worse than (\$4,000,000)?

\_\_\_\_\_ No, not in compliance

\_\_\_\_\_ Yes, in compliance



## EXPORT-IMPORT BANK FOURTH LOAN MODIFICATION AGREEMENT

This Export-Import Bank Fourth Loan Modification Agreement (this “**Loan Modification Agreement**”) is entered into and effective as of March 29, 2013 (the “**Fourth Loan Modification Effective Date**”), by and between (i) **SILICON VALLEY BANK**, a California corporation, with its principal place of business at 3003 Tasman Drive, Santa Clara, California 95054 and with a loan production office located at 380 Interlocken Crescent, Suite 600, Broomfield, Colorado 80021 (“**Bank**”), (ii) **ATRICURE, INC.**, a Delaware corporation with its chief executive office located at 6217 Centre Park Drive, West Chester, Ohio 45069 (“**Atricure**”), and (iii) **ATRICURE, LLC**, a Delaware limited liability company (“**Atricure LLC**”, and together with Atricure, individually and collectively, jointly and severally, the “**Borrower**”).

1. **DESCRIPTION OF EXISTING INDEBTEDNESS AND OBLIGATIONS.** Among other indebtedness and obligations which may be owing by Borrower to Bank, Borrower is indebted to Bank pursuant to a loan arrangement dated as of September 13, 2010, evidenced by, among other documents, a certain Export-Import Bank Loan and Security Agreement, dated as of September 13, 2010, between Borrower and Bank, as amended by a certain Export-Import Bank First Loan Modification Agreement, dated as of March 15, 2011, as amended by a certain Export-Import Bank Second Loan Modification Agreement, dated as of February 2, 2012 and as further amended by a certain Export-Import Bank Joinder and Third Loan Modification Agreement, dated as of January 30, 2013 (as amended, the “**Existing Loan Agreement**”). Capitalized terms used but not otherwise defined herein shall have the same meaning as in the Loan Agreement.

2. **DESCRIPTION OF COLLATERAL.** Repayment of the Obligations is secured by the Collateral as described (i) in the Loan Agreement; (ii) in a certain Amended and Restated Loan and Security Agreement, dated as of September 13, 2010 (as amended and in effect as of the date hereof, the “**Domestic Loan Agreement**”); (iii) in a certain Intellectual Property Security Agreement dated as of May 1, 2009 (the “**IP Agreement**”) and (iv) and (iv) a certain Unconditional Guaranty dated as of September 26, 2012, a certain Guarantor Security Agreement, dated as of September 26, 2012 and the Dutch Security Documents, in each case executed by Atricure Europe, B.V., a company organized under the laws of The Netherlands and a wholly owned Subsidiary of Borrower (the documents described in the foregoing clauses (i) through (iv), together with any other collateral security granted to Bank, are collectively referred to as the “**Security Documents**”).

Hereinafter, the Security Documents, together with the Existing Loan Agreement and all other documents evidencing or securing the Obligations shall be referred to as the “**Existing Loan Documents**”.

3. **DESCRIPTION OF CHANGE IN TERMS.**

A. Modifications to Loan Agreement.

1 The Loan Agreement shall be amended by deleting the following text appearing as Section 2.3(a) thereof:

“(a) **Interest Rate; EXIM Advances.** Subject to Section 2.3(b), the principal amount of EXIM Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate based on Borrower’s Liquidity Ratio (and the existence or non-existence of an Event of Default) as set forth below, which interest shall be payable monthly, in arrears, in accordance with Section 2.3(f) below.

Liquidity Ratio as of the end of a month and Event of Default status	Interest Rate
Greater than or equal to 2.50:1.00, and no Event of Default has occurred and is continuing	The First Tier Rate
Greater than or equal to 2.00:1.00, but less than 2.50:1.00, and no Event of Default has occurred and is continuing	The Second Tier Rate
Less than 2.00:1.00, or an Event of Default has occurred and is continuing	The Regular Rate

The rate in effect as of the Second Loan Modification Effective Date is the Second Tier Rate. Changes in the interest rate based on the Borrower's Liquidity Ratio as provided above shall go into effect as of the first day of the month following the month in which Borrower's financial statements are received by Bank. If, based on the Liquidity Ratio as shown in Borrower's financial statements, there is to be an increase in the interest rate, the interest rate increase may be put into effect by Bank as of the first day of the month following the month in which Borrower's financial statements were due, even if the delivery of the financial statements is delayed. The Regular Rate shall go into effect immediately upon the occurrence and during the continuance of an Event of Default unless Bank otherwise elects from time to time in its sole discretion to delay its effect or impose a smaller increase."

and inserting in lieu thereof the following:

"(a) Interest Rate; EXIM Advances. Subject to Section 2.3(b), the principal amount of EXIM Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to the Prime Rate plus one and one-quarter percent (1.25%); provided, that while a Streamline Period is in effect, the principal amount of EXIM Advances outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to the Prime Rate, which interest shall in any event be payable monthly, in arrears, in accordance with Section 2.3(f) below.

2 The Loan Agreement shall be amended by inserting the following definition in Section 13.1 thereof, in its applicable alphabetical order:

**"Fourth Loan Modification Effective Date"** is March 29, 2013.

4. CONDITIONS PRECEDENT. As a condition precedent to the effectiveness of this Loan Modification Agreement and the Bank's obligation to make further EXIM Advances under the Revolving Line, the Bank shall have received the following documents prior to or concurrently with this Loan Modification Agreement, each in form and substance satisfactory to the Bank:

- A. this Loan Modification Agreement duly executed on behalf of each Borrower and signed by way of acknowledgement by Guarantor; and
- B. such other documents as Bank may reasonably request.

5. FEES. Borrower shall reimburse Bank for all legal fees and expenses incurred in connection with this Loan Modification Agreement.

6. AUTHORIZATION TO FILE. Borrower hereby authorizes Bank to file UCC financing statements without notice to Borrower, with all appropriate jurisdictions, as Bank deems appropriate, in order to further perfect or protect Bank's interest in the Collateral, including a notice that any disposition of the Collateral, by either the Borrower or any other Person, shall be deemed to violate the rights of the Bank under the Code.

7. CONSISTENT CHANGES. The Existing Loan Documents are hereby amended wherever necessary to reflect the changes described above.

8. RATIFICATION OF LOAN DOCUMENTS. Borrower hereby ratifies, confirms, and reaffirms all terms and conditions of all security or other collateral granted to the Bank, and confirms that the indebtedness secured thereby includes, without limitation, the Obligations.

9. **NO DEFENSES OF BORROWER.** Borrower hereby acknowledges and agrees that Borrower has no offsets, defenses, claims, or counterclaims against Bank with respect to the Obligations, or otherwise, and that if Borrower now has, or ever did have, any offsets, defenses, claims, or counterclaims against Bank, whether known or unknown, at law or in equity, all of them are hereby expressly WAIVED and Borrower hereby RELEASES Bank from any liability thereunder.

10. **CONTINUING VALIDITY.** Borrower understands and agrees that in modifying the existing Obligations, Bank is relying upon Borrower's representations, warranties, and agreements, as set forth in the Existing Loan Documents. Except as expressly modified pursuant to this Loan Modification Agreement, the terms of the Existing Loan Documents remain unchanged and in full force and effect. Bank's agreement to modifications to the existing Obligations pursuant to this Loan Modification Agreement in no way shall obligate Bank to make any future modifications to the Obligations. Nothing in this Loan Modification Agreement shall constitute a satisfaction of the Obligations. It is the intention of Bank and Borrower to retain as liable parties all makers of Existing Loan Documents, unless the party is expressly released by Bank in writing. No maker will be released by virtue of this Loan Modification Agreement.

11. **RIGHT OF SET-OFF.** In consideration of Bank's agreement to enter into this Loan Modification Agreement, Borrower hereby reaffirms and hereby grants to Bank, a lien, security interest and right of set off as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of Silicon Valley Bank (including a Bank subsidiary) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may set off the same or any part thereof and apply the same to any liability or obligation of Borrower even though unmaturing and regardless of the adequacy of any other collateral securing the loan. **ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.**

12. **CONFIDENTIALITY.** Without limiting Section 12.10 of the Loan Agreement (which is and shall remain in full force and effect), Bank may use confidential information for the development of databases, reporting purposes, and market analysis, so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly permitted by Borrower. The provisions of the immediately preceding sentence shall survive the termination of the Loan Agreement.

**JURISDICTION/VENUE.** California law governs the Loan Documents, including, without limitation, this Loan Modification Agreement without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of the Loan Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

**TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS LOAN MODIFICATION AGREEMENT, THE LOAN AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.**

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph.

13. COUNTERSIGNATURE. This Loan Modification Agreement shall become effective only when it shall have been executed by Borrower and Bank.

*[The remainder of this page is intentionally left blank]*

**BORROWER:**

**ATRICURE, INC.**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Chief Financial Officer

**ATRICURE, LLC**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Chief Financial Officer

**BANK:**

**SILICON VALLEY BANK**

By: /s/ Tom Hertzberg  
Name: Tom Hertzberg  
Title: Vice President II

The undersigned, a Director of **ATRICURE EUROPE, B.V.**, a company organized under the laws of The Netherlands and a wholly owned Subsidiary of Borrower, ratifies, confirms and reaffirms, all and singular, the terms and conditions of (i) a certain Unconditional Guarantee dated as of September 26, 2012 (the “**Guaranty**”) and (ii) a certain Guarantor Security Agreement, dated as of September 26, 2012 (the “**Guarantor Security Agreement**”), and acknowledges, confirms and agrees that the Guaranty and the Guarantor Security Agreement shall remain in full force and effect and shall in no way be limited by the execution of this Loan Modification Agreement, or any other documents, instruments and/or agreements executed and/or delivered in connection herewith.

**ATRICURE EUROPE, B.V.**

By: /s/ M. Andrew Wade  
Name: M. Andrew Wade  
Title: Director