

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Ardelis, Inc.		03/31/2009	CORPORATION: OREGON
Ardelis Intellectual Property LLC		03/31/2009	LIMITED LIABILITY COMPANY: OREGON

**RECEIVING PARTY DATA**

Name:	Rolf Prima, Inc.
Street Address:	750 Commercial St
Internal Address:	Suite 1
City:	Eugene
State/Country:	OREGON
Postal Code:	97402
Entity Type:	CORPORATION: OREGON

Name:	Rolf Dietrich
Street Address:	1645 Mill St
Internal Address:	#3
City:	Eugene
State/Country:	OREGON
Postal Code:	97401
Entity Type:	INDIVIDUAL: UNITED STATES

**PROPERTY NUMBERS Total: 5**

Property Type	Number	Word Mark
Serial Number:	78723912	
Registration Number:	2720572	
Registration Number:	3281755	PRIMA
Registration Number:	2105158	ROLF
Registration Number:	2805916	ACCEL

OP \$140.00 78723912

CORRESPONDENCE DATA

Fax Number: (419)531-0362  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 419-531-0599  
Email: dpurdue@purdue-law.com  
Correspondent Name: Purdue Law Offices  
Address Line 1: 2735 N Holland-Sylvania Rd  
Address Line 2: Suite B-2  
Address Line 4: Toledo, OHIO 43615

ATTORNEY DOCKET NUMBER:	178.0130
NAME OF SUBMITTER:	David C. Purdue
Signature:	/David C. Purdue/
Date:	07/14/2009

**Total Attachments: 10**

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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

**COPY**

PARTIES: Ardalis, Inc. (Debtor)  
an Oregon corporation  
780 Bailey Hill Road, Ste. 2  
Eugene, OR 97402

Ardelis Intellectual Property LLC, (Debtor)  
an Oregon limited liability company  
780 Bailey Hill Road, Ste. 2  
Eugene, OR 97402

Rolf Prima, Inc. (Secured Party)  
an Oregon corporation  
and Rolf Dietrich  
1645 Mill Street, #3  
Eugene, OR 97401

### SECTION 1. CREATION OF SECURITY INTEREST

Ardelis, Inc. and Ardelis Intellectual Property LLC are collectively referred to herein as "Debtor." Debtor hereby grants to Secured Party a security interest in the property described in Section 2 on the terms and conditions set forth in this Agreement.

### SECTION 2. COLLATERAL

The property subject to the security interest ("Collateral") is as follows:

All of Debtor's right, title and interest in and to the assumed business name "Rolf Prima"; domain names [www.rolfprima.com](http://www.rolfprima.com), [www.rolfprimawheels.com](http://www.rolfprimawheels.com), and [www.rolfwheels.com](http://www.rolfwheels.com); the patents identified on Exhibit A attached hereto; and the trademarks identified on Exhibit B attached hereto, including all registrations of the patents, trademarks and domain names and all claims by Debtor against third parties for infringement of said patents, trademarks and domain names.

### SECTION 3. SECURED OBLIGATIONS

The obligations secured hereby (the Obligations) are:

3.1 The obligations of Debtor under 1(h), 5(g) and, to make each quarterly payment under 1(g) of that certain Asset Purchase Agreement effective March 31, 2009 (the "APA").

3.2 The performance by Debtor of the covenants and conditions of this Intellectual Property Security Agreement.

3.3 All expenses incurred or paid by Secured Party in conserving and protecting the Collateral including, but not limited to, reasonable attorney's fees and other legal expenses incurred in connection with retaking, holding, preparing for sale or selling the Collateral.

#### SECTION 4. WARRANTIES AND COVENANTS OF DEBTOR

Debtor warrants and covenants as follows:

4.1 **Company Existence.** Debtor Ardelis, Inc. is a corporation duly organized and existing under the laws of the state of Oregon. Debtor Ardelis Intellectual Property LLC is a limited liability company duly organized and existing under the laws of the State of Oregon.

4.2 **Company Authority.** The execution, delivery, and performance of this Agreement are within Debtor's corporate powers, have been duly authorized by Debtor's board of directors or members, and are not in contravention of law or the terms of Debtor's articles of incorporation, bylaws, articles of organization, operating agreement, or of any indenture, agreement, or undertaking to which Debtor is a party or by which it is bound.

4.3 **Ownership of Collateral.** Debtor is the sole owner of the Collateral and will defend the Collateral against the claims and demands of all other persons at any time claiming the same or any interest therein.

4.4 **Perfection of Security Interest.** Debtor agrees to perform any and all actions requested by Secured Party to perfect, maintain and protect Secured Party's security interest in the Collateral including allowing Secured Party to execute and file financing statements under the Oregon Uniform Commercial Code and allowing Secured Party to execute and record notice of a security interest with the U.S. Patent and Trademark Office or any foreign patent office or trademark office.

4.5 **Sale or Transfer.** Ardelis, Inc. may sell, transfer or assign the Collateral to Ardelis Intellectual Property LLC. Any other sale, transfer or assignment of the Collateral shall trigger the obligation of Debtor to Secured Party pursuant to the terms of Section 1(h) of the APA.

4.6 **Adverse Liens and Use.** Except when it has received the prior written consent of Secured Party, Debtor shall keep the Collateral free from any adverse liens, security interests or encumbrances. Debtor will not use or permit anyone to use the Collateral in violation of any statute, ordinance, or state or federal regulation.

4.7 **Preservation and Maintenance of Collateral.** During the term of this Agreement Debtor shall:

4.7.1 Maintain each of the patents identified on Exhibit A attached hereto by taking all actions necessary and appropriate to maintain the patents, including but not limited to, payment of all U.S. maintenance fees required by 37 C.F.R. Section 1.362, without surcharge and all Canadian maintenance fees required by Section 46 of the Canadian Patent Act.

4.7.2 Maintain each of the registered trademarks identified on Exhibit B attached hereto by taking all actions necessary and appropriate to maintain the trademark registrations, including, but not limited to, filing of required renewal documentation and payment of required renewal fees.

4.7.3 In the event that U.S. Trademark Application Serial No. 78/723,912 is issued a trademark registration by the U.S. Patent and Trademark Office, said registration shall be subject to the same maintenance requirements as set forth in Section 4.7.2.

4.8 Request from Debtor. In the event that at any time during the term of this Agreement Debtor proposes not to maintain one or more of the patents or trademarks identified on Exhibits A and B, Debtor shall submit to Secured Party a written request that Debtor be relieved from the maintenance obligations imposed by Sections 4.7.1-4.7.3. Secured Party will not unreasonably withhold or delay consent to relief from any such maintenance obligation.

#### SECTION 5. DEBTOR'S RIGHT TO POSSESSION; SECURED PARTY'S RIGHT TO PAY CERTAIN OBLIGATIONS

5.1 Until default, Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this Agreement.

5.2 At any time when Secured Party reasonably feels insecure, Secured Party, at its option, may discharge taxes, liens, or security interests or other encumbrances at any time levied or placed on the Collateral, and may pay for the maintenance and preservation of the Collateral including, but not limited to, payment of patent maintenance and trademark renewal fees, and all such payments shall become a part of Debtor's obligation secured hereby, payable on demand. Such right shall be in addition to any other rights or any remedies to which Secured Party may be entitled on account of Debtor's default.

#### SECTION 6. EVENTS OF DEFAULT

Debtor shall be in default under this Agreement when any of the following events or conditions occurs:

6.1 Debtor is in default under any of the Obligations.

6.2 Failure of Debtor to comply with any term, obligation, covenant, or condition contained in this Agreement within 30 days after written notice from Secured Party demanding such compliance.

6.3 Any warranty, representation, or statement made or furnished to Secured Party by or on behalf of Debtor under this Agreement proves to have been false in any material respect when made or furnished.

6.4 Any levy, seizure, attachment, lien, or encumbrance of or on the Collateral which is not discharged by Debtor within 20 days.

6.5 Dissolution, termination of existence, insolvency, business failure, discontinuance as a going business, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against either Debtor, or entry of any judgment that in the opinion of Secured Party would reasonably jeopardize the security interest given by this Agreement.

## SECTION 7. RIGHTS OF SECURED PARTY

7.1 Upon default Secured Party may require Debtor to deliver to Secured Party all original documents relating to the Collateral; may require Debtor to execute documents of assignment in recordable form for filing with the U.S. Patent and Trademark Office to assign the Collateral to Secured Party; may require Debtor to execute documents to assign the domain names identified in Section 2 to Secured Party; and may require Debtor to execute an assignment of the assumed business name "Rolf Prima" to Secured Party.

7.2 Upon default all of the domain names specified in Section 2, the assumed business name "Rolf Prima," all of the patents identified on Exhibit A and all of the trademarks identified on Exhibit B, together with the goodwill associated with each mark, shall revert to and hereby are assigned to Secured Party with no further act or deed required to vest ownership of such patents, trademarks, domain names and assumed business name in Secured Party.

7.3 Upon default and at any time after default, Secured Party may exercise the remedies described above, shall have all the rights and remedies of a secured creditor under the Uniform Commercial Code, at law, in equity or otherwise in addition to any other remedy which may be available to Secured Party under applicable law or the Asset Purchase Agreement.

7.4 In exercising its rights under this Security Agreement, Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at the place to be designated by Secured Party which is reasonably convenient to both parties. Secured Party may sell all or any part of the Collateral as a whole or in parcels either by public auction, private sale, or other method of disposition, provided that automobile inventory shall be sold as individual vehicles. Secured Party may bid at any public sale on all or any portion of the Collateral. Secured Party shall give Debtor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of the Collateral is to be made, and notice given at least 10 days before the time of the sale or other disposition shall be conclusively presumed to be reasonable. A public sale in the following fashion shall be conclusively presumed to be reasonable:

7.4.1 Notice shall be given at least 10 days before the date of sale by publication once in a newspaper of general circulation published in the county in which the sale is to be held;

7.4.2 The sale shall be held in a county in which the Collateral or any part is located or in a county in which Debtor has a place of business;

7.4.3 Payment shall be in cash or by certified check immediately following the close of the sale;

7.4.4 The sale shall be by auction, but it need not be by a professional auctioneer;

7.4.5 The Collateral shall be sold as is and without any preparation for sale.

7.5 Notwithstanding Section 7.5, Secured Party shall be under no obligation to offer to sell the Collateral. In the event Secured Party offers to sell the Collateral, Secured Party will be under no obligation to consummate a sale of the Collateral if, in its reasonable business judgment, none of the offers received by it reasonably approximates the fair value of the Collateral.

7.6 In the event Secured Party elects not to sell the Collateral, Secured Party may elect to follow the procedures set forth in the Uniform Commercial Code for retaining the Collateral in satisfaction of Debtor's obligation, subject to Debtor's rights under such procedures.

7.7 In addition to the rights under Sections 7.1-7.8, in the event of a default by Debtor, Secured Party shall be entitled to the appointment of a receiver for the Collateral as a matter of right and any receiver appointed may serve without bond. Employment by Secured Party shall not disqualify a person from serving as receiver.

7.8 Expenses of retaking, holding, preparing for sale, selling, or the like shall include Secured Party's reasonable attorney fees and legal expenses, whether or not litigation is commenced, and also such fees and expenses on appeal.

## SECTION 8. GENERAL

8.1 Neither party shall be deemed to have waived any rights under this Agreement or any other writing signed by the other party unless such waiver is in writing and signed by such party. No delay or omission on the part of such party shall operate as a waiver of such right or any other right. A waiver by any party of a breach of a provision of this Agreement shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. Election by Secured Party to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Debtor under this Security Agreement after failure of Debtor to perform shall not affect Secured Party's right to declare a default and exercise its remedies under Section 7.

8.2 All Secured Party's rights and remedies, whether evidenced here or by any other writing, shall be cumulative and may be exercised singularly or concurrently.

8.3 Any notices permitted or required under this Agreement shall be deemed given upon the date of personal delivery or 72 hours after deposit in the United States mail, postage fully prepaid, certified mail, return receipt requested, addressed to the parties at the addresses set forth on the face of this Agreement or any other address as

any party may, from time to time, designate by notice given in compliance with this Section.

8.4 This Agreement and all rights and liabilities under it and in and to any and all obligations secured here and in and to all Collateral shall inure to the benefit of the Secured Party and its successors and assigns, and shall be binding on Debtor and its successors and assigns. Whenever there is no outstanding obligation on the part of Debtor and no commitment on the part of Secured Party under any agreement that might give rise to an obligation this agreement shall terminate and Secured Party shall take any and all action necessary to terminate its security interest, including the filing of a UCC Termination Statement. Before termination, this shall be a continuing agreement in every respect.

8.5 Debtor shall pay to Secured Party on demand, any and all expenses (including legal expenses and reasonable attorney fees whether or not litigation is commenced and also such fees and expenses on appeal) reasonably incurred and extended by Secured Party in discharging encumbrances, protecting, maintaining, and liquidating the Collateral and in collecting or attempting to collect proceeds thereof and in protecting and enforcing the covenants and other rights of Secured Party under this Agreement.

8.6 In the event any party defaults under this Agreement, the defaulting party shall reimburse all reasonable costs or attorney fees incurred by the non-defaulting party in connection with the default, including any post petition fees in a bankruptcy court. In the event of any litigation between the parties to declare or enforce any provision of this Agreement, the prevailing party or parties shall be entitled to recover from the losing party or parties, in addition to any other recovery and costs, reasonable attorney fees incurred in such litigation, in both the trial and in all appellate courts. In the event that a judgment, decree or order is entered in any legal proceeding arising out of or relating to this Agreement, including but not limited to any bankruptcy proceeding, the prevailing party shall also be entitled to recover the fees and costs, including reasonable attorney fees, anticipated to be incurred in enforcing the judgment, decree or order.

8.7 Secured Party may, at any time and at its option without further authorization from Debtor, file copies of this Agreement as a financing statement.

8.8 Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall be effective.

## SECTION 9. MARSHALLING

Secured Party shall not be required to marshall security and may proceed to foreclose or otherwise realize upon security in such order and in such manner as Secured Party may determine in Secured Party's sole discretion.

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SECTION 10. APPLICABLE LAW

This Security Agreement has been executed and delivered to Secured Party in the state of Oregon and all transactions here contemplated are to be consummated in the state of Oregon. Debtor agrees that the law of the state of Oregon shall apply for the purpose of construing this instrument, determining its validity, and, to the fullest extent permitted by applicable law of any state in which any of the Collateral is located, the rights and remedies of Secured Party in the event of default under this Agreement.

Dated: 3/31, 2009.

DEBTOR:

Ardelis, Inc.

By: 

Brian Boddy, President

SECURED PARTY:

Rolf Prima, Inc.

By: 

Rolf Dietrich, President

DEBTOR:

Ardelis Intellectual Property LLC

By: 

Steven J. Cash, Member

  
Rolf Dietrich

## **Exhibit A - Patents**

Canadian Patent No. 2,136,053 issued Aug. 28, 2001.

Canadian Patent No. 2,187,695 issued Sept. 6, 2005.

US Patent No. 6,715,844 issued April 6, 2004.

US Patent No. 6,497,042 issued Dec. 24, 2002.

US Patent No. 6,428,113 issued Aug. 6, 2002.

US Patent No. 6,244,667 issued June 12, 2001.

US Patent No. 6,024,414 issued Feb. 15, 2000.

US Patent No. 5,947,565 issued Sept. 7, 1999.

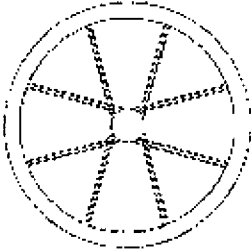
US Patent No. 5,938,293 issued Aug. 17, 1999.

US Patent No. 5,931,544 issued Aug. 3, 1999.

US Patent No. 6,846,047 issued January 25, 2005.

**EXHIBIT B – TRADEMARKS**

**Registered marks:**



US Trademark Registration No. 2,720,572.

**PRIMA:** US Trademark Registration No. 3,281,755

**ROLF:** US Trademark Registration No. 2,105,158.

**ACCEL:** US Trademark Registration No. 2,805,916.

**ROLF:** German Trademark Registration No. 300 24 211.

**ROLF:** European Trademark Registration No. 1,659,085.

**ROLF:** Japanese Trademark Registration No. 4660463.

**Common Law Trademarks:**

**ROLF PRIMA**

**ROLF PRIMA VIGOR SL**

**ROLF PRIMA VIGOR**

**ROLF PRIMA VIGOR RS**

**ROLF PRIMA VIGOR Tandem**

**ROLF PRIMA VIGOR Tandem Disc**

**ROLF PRIMA CARBON TdF58**

**ROLF PRIMA CARBON TT**

**ROLF PRIMA CARBON TdF38**

**ROLF PRIMA CARBON TdF38C**

**ROLF PRIMA ÉLAN, black, silver**

**ROLF PRIMA Élan Aero**

**ROLF PRIMA Élan Aero-RS**

**ROLF PRIMA ÉLAN RS**

**ROLF PRIMA ECHELON**

**ROLF PRIMA ASPIN**

**ROLF PRIMA TEMPO**

**ROLF PRIMA APEX**

**JACKETED NIPPLE DESIGN**

**PAIRED SPOKE DESIGN**

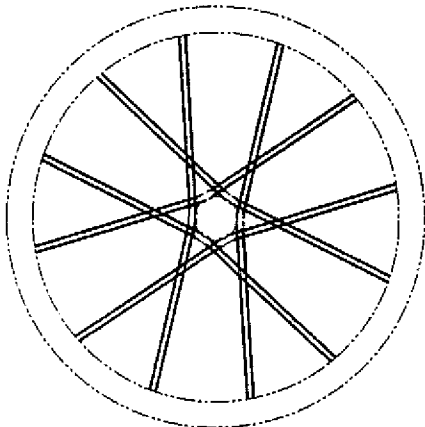
**ZERO OFFSET FLANGE DRILLING**

**DIFFERENTIAL FLANGE DIAMETER**

**SELF-ALIGNING NIPPLE**

**DISH REDUCING DESIGN**

**SCIENCE OF SPEED**



US Trademark Application Serial No. 78/723,912