

11-12-1998



U.S. DEPARTMENT OF COMMERCE

EET

Patent and Trademark Office
Docket No. 07083/118

100875846

10/26/98

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

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

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

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

2. Name and address of receiving party(ies):

Name: **FIRST NATIONAL BANK OF CHICAGO, THE**
Internal Address: *
Street Address: One First National Plaza
City: Chicago, State: Illinois ZIP: 60670

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

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other:

Execution Date: **September 28, 1998**

4.A. Trademark Application No.(s)

75139587
75504059
75504058
75504101
75503645
75504100
75472955
75504001

Additional numbers attached? * Yes No

B. Registration No.(s)

1914795
2039777
2000058
1654275
2036732
1704807
2041768
2170213

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

Wen Liu
Kevin Cops
Morrison & Foerster LLP
555 West Fifth Street
Suite 3500
Los Angeles, California 90013-1024

6. Total number of applications and trademark registrations involved: **16**

7. Total fee (37 C.F.R. § 3.41): **\$640.00**

Enclosed
 Authorized to be charged to deposit account, referencing Attorney Docket _____

8. Deposit account number: **03-1952**

The Commissioner is hereby authorized to charge any fees under 37 C.F.R. § 1.21 which may be required by this paper, or to credit any overpayment to Deposit Account No. 03-1952.

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and the attached copy is a true copy of the original document.

Name: Wen Liu
Registration No: 32,822

Wen Liu

Signature

10/20/98

Date

Total number of pages comprising cover sheet, attachments and document: 1

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

11/10/1998 JSM/ML/168 751395
01 FC:448
02 FC:482
11/10/1998 JSM/ML/168 751395
01 FC:448
02 FC:482

**SECURITY AGREEMENT
(Trademarks)**

THIS SECURITY AGREEMENT (Trademarks) (the "Trademark Security Agreement") is made and dated this 28th day of September, 1998 by and between ROCKSHOX, INC., a Delaware corporation (the "Debtor"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association (the "Lender") pursuant to that certain Bridge Loan Note dated of even date herewith by Debtor in favor of the Lender (as the same may be amended, extended and replaced from time to time, the "Note").

RECITALS

A. The Lender has agreed that it may extend credit to the Debtor from time to time, each such advance being evidenced and payable in accordance with the Note. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Note.

B. Concurrently with the execution and delivery of the Note, the Debtor is required to grant to the Lender for its benefit a first priority security interest in certain collateral pursuant to the terms of (i) that certain Security Agreement dated of even date herewith (the "Security Agreement") between the Debtor and the Lender, and (ii) certain supplemental documents, including, without limitation, this Trademark Security Agreement.

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Grant of Security Interest. The Debtor hereby mortgages, assigns, grants and conveys to the Lender, for its benefit as security for the Obligations (as such term is defined in the Security Agreement), a security interest, pledge, assignment and mortgage in all of the Debtor's right, title and interest in the following (the "Trademark Collateral"):

(a) All now existing or hereafter created or acquired, trademarks, service marks, unregistered trademarks and service marks, logos, indicia, tradenames, tradestyles, other business identifiers and rights and works protectible by trademark whether now owned or hereafter owned (the "Trademarks"), and, except to the extent prohibited by the terms thereof or by law, all agreements in respect of Trademarks owned by third parties, including, without limitation, the Trademarks specifically described on Schedule I attached hereto, as the same may be amended or replaced from time to time;

(b) All now existing and hereafter arising registrations and applications for registration relating to any of the foregoing, all renewals and extensions thereof throughout the world, and all rights to make such applications and to renew and extend the same;

(c) All now existing and hereafter arising right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation;

(d) All now existing and hereafter arising rights, claims and interests under licensing or other contracts pertaining to any of the foregoing;

(e) All now existing and hereafter arising specifications as to and quality control manuals used in connection with the operations conducted under the name of or in connection with the foregoing;

(f) All now existing and hereafter arising goodwill symbolized by or associated with any of the foregoing;

(g) All now existing and hereafter arising right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Lender for past, present and future infringements of any of the foregoing; and

(h) All products and proceeds of any of the foregoing.

Notwithstanding anything herein to the contrary, in no event shall the Collateral include, and the Company shall not be deemed to have granted a security interest in, any of the Company's rights or interests in any license, contract or agreement to which the Company is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under such license, contract or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-318(4) of the Uniform Commercial Code of any relevant jurisdiction or any other applicable law (including the Bankruptcy Code) or principles of equity; provided, that immediately upon the ineffectiveness, waiver, lapse or termination of any such provision, the Collateral shall include, and the Company shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

2. Representation and Warranty and Covenant. The Debtor hereby:

(a) Represents and warrants that Schedule I attached hereto sets forth an accurate and complete list of all trademarks owned by the Debtor which are registered with the United States Patent and Trademark Office or any equivalent foreign agency; and

(b) Agrees promptly to notify the Lender in writing of any additional Trademarks of which the Debtor becomes the registered owner, and to deliver to the Lender an amended Schedule I reflecting such additional Trademarks. The Lender is hereby authorized to cause such amended Schedule I to be filed and recorded in an amendment of this Trademark Security Agreement.

3. No Present Assignment. Neither the Note, the Security Agreement, this Trademark Security Agreement, nor any other document, instrument or agreement creates or is intended to create a present assignment of the Trademark Collateral. Subject to the rights of the

Lender under the Security Agreement and this Trademark Security Agreement, it is the intention of the parties hereto that the Debtor continue to own the Trademark Collateral and that upon the indefeasible payment and performance in full of the Obligations (as such term is defined in the Security Agreement), the rights of the Lender under the Security Agreement and this Trademark Security Agreement in and to the Trademark Collateral shall be released and terminated.

4. Relationship to Security Agreement. The Trademark Collateral shall constitute Collateral for all purposes of the Security Agreement and the Note and the Lender shall have all rights, powers and remedies with respect to the Trademark Collateral to the same extent as it has with respect to other Collateral. Reference is hereby made to the Security Agreement, the terms and conditions of which are incorporated herein by this reference.

5. Miscellaneous.

(a) All covenants and other agreements contained in this Trademark Security Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns.

(b) Any provision of this Trademark Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

(c) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any person, or which such person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such person.

(d) This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Trademark Security Agreement to be executed on and as of the day and year first above written.

ROCKSHOX, INC., as Debtor

By: 
Name: GARY PATTON
Title: CFO

THE FIRST NATIONAL BANK OF CHICAGO, a
national banking association

By: *Gary S. Coyle*
Name: Gary S. Coyle
Title: Senior Vice President

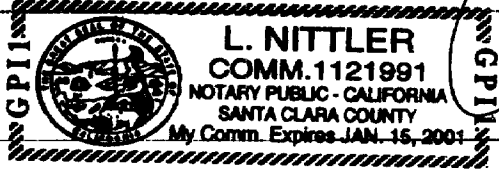
STATE OF CALIFORNIA)

COUNTY OF Santa Clara)^{SS}

On Sept. 24, 1998, before me, the undersigned notary public in and for said County and State, personally appeared Gary Patten, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that, by his/her/their signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument. WITNESS my hand and official seal.

[Handwritten Signature]

My commission expires on Jan 15, 2001



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
Title(s) _____
- PARTNER(S)
 ___ Limited ___ General
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

DESCRIPTION OF ATTACHED DOCUMENT

Security agreement
Title or Type of Document

Signer(s) Other Than Named Above

Date of Document None

Number of Pages: _____

SIGNER IS REPRESENTING:

Schedule 1 to
Trademark Security Agreement

TRADEMARKS OWNED BY ROCKSHOX, INC.

TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
JUDY	ARGENTINA	2036424	6-11-96	PENDING
ROCK SHOX	ARGENTINA	1937873	9-19-94	PENDING
JUDY	AUSTRALIA	720949	11-11-96	REGISTERED
ROCK SHOX	AUSTRALIA	661044	5-13-95	REGISTERED
JUDY	AUSTRIA	166231	9-12-96	REGISTERED
ROCK SHOX	AUSTRIA	159533	8-29-95	REGISTERED
JUDY	BENELUX	601732	10-8-96	REGISTERED
ROCK SHOX	BENELUX	478255	3-30-90	REGISTERED
ROCK SHOX AND DESIGN	BENELUX	510119	2-14-92	REGISTERED
ROCK SHOX	BRAZIL	819193674	5-6-96	PENDING
BOXER	CANADA	834313	1-22-97	PENDING
JUDY	CANADA	479820	8-7-97	REGISTERED
ROCK SHOX	CANADA	492233	4-2-98	REGISTERED
ROCK SHOX	CANADA	422135	1-21-94	REGISTERED

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
ROCK SHOX AND DESIGN	CANADA	424128	3-4-94	REGISTERED
ROCK SHOX COUPE DELUXE	CANADA	884915	7-21-98	PENDING
ROCK SHOX DELUXE	CANADA	884916	7-21-98	PENDING
ROCK SHOX JETT	CANADA	885385	7-24-98	PENDING
ROCK SHOX RUBY METRO	CANADA	875331	4-16-98	PENDING
ROCK SHOX SUPER DELUXE	CANADA	884914	7-21-98	PENDING
RUBY	CANADA	839671	3-18-98	PENDING
SID DUAL AIR	CANADA	884917	7-21-98	PENDING
JUDY	COLOMBIA	193114	1-23-97	REGISTERED
ROCK SHOX	COLOMBIA	193115	1-23-97	REGISTERED
JUDY	DENMARK	2224-1996	3-29-96	REGISTERED
ROCK SHOX	DENMARK	8203-1994	11-25-94	REGISTERED
BOXER	CTM	454892	1-22-97	PENDING
ROCK SHOX	CTM	272088	5-7-96	PENDING

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
ROCK SHOX COUPE DELUXE	CTM	887398	7-24-98	PENDING
ROCK SHOX DELUXE	CTM	887380	7-24-98	PENDING
ROCK SHOX JETT	CTM	887364	7-24-98	PENDING
ROCK SHOX RUBY METRO	CTM	801233	4-17-98	PENDING
SID DUAL AIR	CTM	887331	7-24-98	PENDING
JUDY	FINLAND	205318	3-27-97	REGISTERED
ROCK SHOX	FINLAND	139229	8-7-95	REGISTERED
JUDY	FRANCE	96646690	10-18-96	REGISTERED
ROCK SHOX	FRANCE	1592112	5-15-90	REGISTERED
ROCK SHOX AND DESIGN	FRANCE	92409308	3-9-92	REGISTERED
JUDY	GERMANY	396037704	7-3-96	REGISTERED
ROCK SHOX	GERMANY	1171053	1-17-91	REGISTERED
ROCK SHOX	GERMANY	2038030	6-11-93	REGISTERED
RUBY	GERMANY	39712224	7-7-97	REGISTERED
JUDY	HONG KONG	0709196	6-12-96	PENDING

TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
ROCK SHOX	HONG KONG	0059796	9-20-94	REGISTERED
JUDY	INDONESIA			PENDING
ROCK SHOX	INDONESIA			PENDING
JUDY	ITALY	96-425	2-13-96	PENDING
ROCK SHOX	ITALY	634557	11-21-94	REGISTERED
ROCK SHOX	ITALY	584073	12-9-92	REGISTERED
RUBY	ITALY	97-1339	3-18-97	PENDING
BOXER	JAPAN	95395	1-22-97	ABANDON
JUDY	JAPAN	816504	2-20-96	ABANDON
ROCK SHOX JETT	JAPAN	N/A	7-27-98	PENDING
ROCK SHOX	JAPAN	2654936	4-28-94	REGISTERED
SID DUAL AJR	JAPAN	N/A	7-27-98	PENDING
ROCK SHOX RUBY METRO	JAPAN	1040429	5-14-98	PENDING
ROCK SHOX	JAPAN	2533307	4-28-93	REGISTERED
JUDY	MALAYSIA	9609119	8-7-96	PENDING
ROCK SHOX	MALAYSIA	9506417	6-30-95	PENDING

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
JUDY	MEXICO	232863	12-18-96	PENDING
ROCK SHOX	MEXICO	486520	1-4-95	REGISTERED
JUDY	NEW ZEALAND	264115	7-1-96	PENDING
ROCK SHOX	NEW ZEALAND	241022	9-16-94	REGISTERED
JUDY	NORWAY	180065	2-20-97	PENDING
ROCK SHOX	NORWAY	173812	6-6-96	PENDING
JUDY	PARAGUAY	190143	11-25-96	REGISTERED
ROCK SHOX	PARAGUAY	026220	12-12-94	PENDING
JUDY	PORTUGAL	317927	6-30-97	REGISTERED
ROCK SHOX	PORTUGAL	310287	5-17-96	REGISTERED
JUDY	SINGAPORE	619196	6-18-96	PENDING
ROCK SHOX	SINGAPORE	532595	6-13-95	PENDING
JUDY	SOUTH KOREA	401232	4-3-98	REGISTERED
ROCK SHOX	SOUTH KOREA	401233	4-3-98	REGISTERED
JUDY	SPAIN	2035780	6-20-96	PENDING
ROCK SHOX	SPAIN	157044088	5-28-90	REGISTERED

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
ROCK SHOX AND DESIGN	SPAIN	16884728	3-5-92	REGISTERED
JUDY	SWEDEN	320299	12-13-96	REGISTERED
ROCK SHOX	SWEDEN	301344	5-5-95	REGISTERED
JUDY	SWITZERLAND	439071	7-28-96	REGISTERED
ROCK SHOX	SWITZERLAND	396181	3-3-92	REGISTERED
ROCK SHOX	SWITZERLAND	381242	3-13-91	REGISTERED
JETT	TAIWAN	87031129	6-26-98	PENDING
JUDY	TAIWAN	723714	8-1-96	REGISTERED
ROCK SHOX	TAIWAN	514949	2-16-91	REGISTERED
ROCK SHOX AND DESIGN	TAIWAN	574957	11-1-92	REGISTERED
ROCK SHOX RUBY METRO	TAIWAN	87022755	5-14-98	PENDING
SID DUAL AIR	TAIWAN	87036017	7-24-98	PENDING
JUDY	UNITED KINGDOM	2114475	11-1-96	PENDING
ROCK SHOX	UNITED KINGDOM	1585336	9-16-94	REGISTERED
RUBY	UNITED KINGDOM	2126916	3-18-97	REGISTERED

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
BOXER	UNITED STATES	75139587	7-22-96	OPPOSED
JUDY	UNITED STATES	1914795	8-29-95	REGISTERED
JUDY JAX	UNITED STATES	2039777	2-25-97	REGISTERED
ROCK SHOX	UNITED STATES	2000058	9-10-96	REGISTERED
ROCK SHOX	UNITED STATES	1654275	8-20-91	REGISTERED
ROCK SHOX AND DESIGN	UNITED STATES	2036732	2-11-97	REGISTERED
ROCK SHOX AND DESIGN	UNITED STATES	1704807	8-4-92	REGISTERED
ROCK SHOX AND DESIGN	UNITED STATES	2041768	3-4-97	REGISTERED
ROCK SHOX COUPE DELUXE	UNITED STATES	75504059	6-17-98	PENDING
ROCK SHOX DELUXE	UNITED STATES	75504058	6-17-98	PENDING
ROCK SHOX JETT	UNITED STATES	75504101	6-17-98	PENDING
ROCK SHOX SUPER DELUXE	UNITED STATES	75503645	6-17-98	PENDING
ROCKSHOX A BETTER WAY TO TRAVEL	UNITED STATES	75504100	6-17-98	PENDING

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TRADEMARK	COUNTRY	REG. NUMBER OR APP. NUMBER	REG. DATE OR APP. DATE	STATUS
RUBY	UNITED STATES	2170213	6-30-98	REGISTERED
RUBY METRO	UNITED STATES	75472955	4-23-98	PENDING
SID DUAL AIR	UNITED STATES	75504001	6-17-98	PENDING
JUDY	URUGUAY	286401	7-29-97	REGISTERED
ROCK SHOX	URUGUAY	274447	12-8-94	PENDING

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IRREVOCABLE POWER OF ATTORNEY

ROCKSHOX, INC., a Delaware corporation, located at 401 Charcot Avenue, San Jose, California 95131 ("Debtor") hereby grants to THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, ("Lender"), an exclusive Irrevocable Power of Attorney to (i) transfer patents and applications and registrations therefor owned by Debtor from time to time, (ii) transfer trademarks and applications and registrations therefor owned by Debtor from time to time, (iii) renew, extend, and protect the foregoing, and (iv) register and record any such transfer, renewal, extension and protection, all in accordance with (A) that certain Bridge Loan Note dated as of September 28, 1998 (as amended, extended and replaced from time to time, the "Note") by Debtor in favor of Lender and (B) related documents.

1. The Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising Obligations (as such term is defined in that certain Security Agreement dated as of September 28, 1998 by and between the Debtor and the Lender) of Debtor remain outstanding.
2. The Power of Attorney granted herein shall be irrevocable throughout the duration of its life specified in Paragraph 1 above and is coupled with an interest; it is created for the benefit of the attorney in fact, Lender, rather than for Debtor.
3. This Power of Attorney is created simultaneously with the imposition of other obligations upon Debtor in favor of Lender under the Note
4. The Power of Attorney granted herein is created to secure the performance of the Obligations of Debtor to Lender and shall be exercisable by Lender only after the maturity of the Note, whether at the Scheduled Maturity Date (as such term is defined in the Note) or otherwise.

IN WITNESS WHEREOF, Debtor has caused this Irrevocable Power of Attorney to be executed by its officer thereunto duly authorized, as of September 28, 1998.

ROCKSHOX, INC.,
a Delaware corporation

By: 
Name: GARY PATTEN
Title: CFO

la 240489

STATE OF CALIFORNIA)

COUNTY OF Santa Clara

On Sept. 26, 1998, before me, the undersigned notary public in and for said County and State, personally appeared Gary Patten, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his her/their authorized capacity(ies) and that, by his her/their signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.



[Signature]
My commission expires on Jan. 15, 2001

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER
Title(s) _____
- PARTNER(S)
 ___ Limited ___ General
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

DESCRIPTION OF ATTACHED

Irrevocable power of attorney
Title or Type of Document

Signer(s) Other Than Named Above

Date of Document: _____

Number of Pages: _____

SIGNER IS REPRESENTING:

la-240970