

9-6-00

09-08-2000



101452198

UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

PATENTS ONLY

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

Bell Sports, Inc.
6350 San Ignacio Avenue
San Jose, CA 95119

A California corporation

2. Name and address of receiving party:

Fleet National Bank, as Administrative Agent
100 Federal Street
Boston, MA 02110

A national banking association

3. Nature of conveyance: Patent Collateral Assignment and Security Agreement, attached hereto as Exhibit 1.

Execution date: August 11, 2000

4. Application numbers and registration numbers:

A. Patent application numbers:

See Attached Schedule A.

09/06/2000 JSHABRZZ 00000145 08481181

01 FC:581

3000.00 DP

B. Patent numbers:

See Attached Schedule B.

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

Jennifer L. Pasquini, Esq.
Bingham Dana LLP
150 Federal Street
Boston, Massachusetts 02110

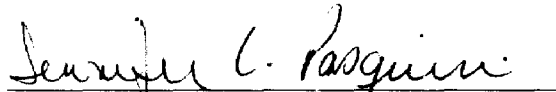
6. Total number of applications and patents involved: 75

7. Total fee enclosed: \$3,000

8. Deposit account number: Not applicable

9. Statement and signature:

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


Jennifer L. Pasquini, Esq.
September 5, 2000

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules): 30

Mail documents to be recorded with required cover sheet information to:

United States Patent and Trademark Office
Office of Public Records
Crystal Gateway 4
Room 335
Washington, D.C. 20231

SCHEDULE A
TO RECORDATION COVER SHEET

PATENTS ONLY

Pending United States Patent Applications:

Patent Application No.	Filing Date	Title
<i>08/481,181</i>	<i>06-07-95</i>	Childs Bicycle Seat and Rack Assembly
<i>09/277,294</i>	<i>03-26-99</i>	Remote Power Module for Bicycles (Nightstick)
<i>09/280,254</i>	<i>03-29-99</i>	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
<i>09/376,887</i>	<i>08-19-99</i>	Air Pump Valve Head for Both Schrader and Presta Valves
<i>09/386,598</i>	<i>08-31-99</i>	Air Pump Valve Head for Gripping Both Schrader and Presta Valves
	<i>05-31-00</i>	Bicycle Carrier with Selectively Positionable Anti-Sway Cradles

PATENT COLLATERAL
ASSIGNMENT AND SECURITY AGREEMENT

PATENT COLLATERAL SECURITY AND PLEDGE AGREEMENT dated as of August 11, 2000, by and between Bell Sports, Inc., a California corporation (the "Assignor"), in favor of (i) Fleet National Bank, as administrative agent (hereinafter, in such capacity, the "Administrative Agent") for itself and other lending institutions (hereinafter, collectively, the "Banks") which are, or may become, parties to the Revolving Credit and Term Loan Agreement dated as of August 11, 2000 (as amended and in effect from time to time, the "Credit Agreement"), by and among the Assignor Bell Sports Corp., the Banks, the Administrative Agent, First Union National Bank, as syndication agent for the Banks (the "Syndication Agent" and together with the Administrative Agent, the "Agents"), and General Electric Capital Corporation, as documentation agent for the Banks, and (ii) each of the Banks.

WHEREAS, it is a condition precedent to the Banks' making any loans or otherwise extending credit to the Assignor under the Credit Agreement that the Assignor execute and deliver to the Administrative Agent, for the benefit of the Banks and the Agents, a patent agreement in substantially the form hereof;

WHEREAS, the Assignor has executed and delivered to the Administrative Agent, for the benefit of the Banks and the Agents, the Security Agreement (as defined in the Credit Agreement), pursuant to which the Assignor has granted to the Administrative Agent, for the benefit of the Banks and the Agents, a security interest in certain of the Assignor's personal property and fixture assets, including without limitation the patents and patent applications listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations (as defined in the Credit Agreement); and

WHEREAS, this Patent Agreement is supplemental to the provisions contained in the Security Agreement;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and the Security Agreement. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Patent Agreement referred to below:

Patent Agreement. This Patent Collateral Assignment and Security Agreement, as amended and in effect from time to time.

Patent Collateral. All of the Assignor's right, title and interest in and to all of the Patents, the Patent License Rights, and all other Patent Rights, and all additions, improvements, and accessions to, all substitutions for and replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records and technical information and data describing or used in connection with any and all such rights, interests, assets or property.

Patent License Rights. Any and all past, present or future rights and interests of the Assignor pursuant to any and all past, present and future licensing agreements in favor of the Assignor, or to which the Assignor is a party, pertaining to any Patents, or Patent Rights, owned or used by third parties in the past, present or future, including the right in the name of the Assignor or the Administrative Agent to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement.

Patent Rights. Any and all past, present or future rights in, to and associated with the Patents throughout the world, whether arising under federal law, state law, common law, foreign law, or otherwise, including but not limited to the following: all such rights arising out of or associated with the Patents; the right (but not the obligation) to register claims under any federal, state or foreign patent law or regulation; the right (but not the obligation) to sue or bring opposition or bring cancellation proceedings in the name of the Assignor or the Administrative Agent for any and all past, present and future infringements of or any other damages or injury to the Patents or the Patent Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and the Patent License Rights.

Patents. All patents and patent applications, whether United States or foreign, that are owned by the Assignor or in which the Assignor has any right, title or interest, now or in the future, including but not limited to:

(a) the patents and patent applications listed on Schedule A hereto (as the same may be amended pursuant hereto from time to time);

(b) all letters patent of the United States or any other country, and all applications for letters patent of the United States or any other country;

(c) all re-issues, continuations, divisions, continuations-in-part, renewals or extensions thereof;

(d) the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein; and

(e) the right (but not the obligation) to make and prosecute applications for such Patents.

Proceeds. Any consideration received from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property which constitutes all or any part of the Patent Collateral, any value received as a consequence of the ownership, possession, use or practice of any Patent Collateral, and any payment received from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes all or any part of the Patent Collateral.

PTO. The United States Patent and Trademark Office.

2. GRANT OF SECURITY INTEREST.

To secure the payment and performance in full of all of the Obligations, the Assignor hereby grants, assigns, transfers and conveys to the Administrative Agent, for the benefit of the Banks and the Agents, BY WAY OF COLLATERAL SECURITY, all of the Patent Collateral. NONE OF THE AGENTS NOR ANY OF THE BANKS ASSUMES ANY LIABILITY ARISING IN ANY WAY BY REASON OF ITS HOLDING SUCH COLLATERAL SECURITY.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Assignor represents, warrants and covenants that: (i) Schedule A attached hereto sets forth a true and complete list of all the United States federal patents, rights to patents and patent applications now owned, licensed, controlled or used by the Assignor; (ii) the issued Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and except as set forth on Schedule B attached hereto, there is no litigation or proceeding pending concerning the validity or enforceability of the issued Patents; (iii) to the best of the Assignor's knowledge, each of the issued Patents is valid and enforceable; (iv) to the best of the Assignor's knowledge, there is no infringement by others of the issued Patents or Patent Rights; (v) no claim has been made that practice of inventions described in any of the Patents does or may violate the rights of any third person, and to the best of the Assignor's knowledge there is no infringement by the Assignor of the patent rights of others; (vi) subject to matters set forth on Exhibit A, the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents (other than ownership and other rights reserved by third party owners with respect to Patents which the Assignor is licensed to practice or use or with respect to Patents which the Assignor has granted to other licenses to practice or use), free and clear of any liens, charges, encumbrances and adverse claims (other than as set forth on Schedule B), including without limitation pledges, assignments, licenses, shop rights and covenants by the Assignor not to sue third persons, other than the security agreement and mortgage created by the Security Agreement, the Trademark Agreement, this Patent Agreement and Permitted Liens; (vii) the Assignor has the unqualified right to enter into this Patent Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees which will enable it to comply with the covenants herein contained; (viii) this Patent Agreement, together with the Security Agreement, will create in favor of the

Administrative Agent, for the benefit of the Banks and the Agents, a valid and perfected first priority security interest in the Patent Collateral upon making the filings referred to in clause (ix) of this §3; and (ix) except for the filing of financing statements with [Secretary of State for the State of California and the Secretary of State for the State of Delaware], for the Assignor and the Parent respectively, under the Uniform Commercial Code and the filing of this Patent Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (1) for the grant by the Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Patent Agreement by the Assignor, or (2) for the perfection of or the exercise by the Administrative Agent of any of its rights and remedies hereunder.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Administrative Agent's prior written consent and except for licenses of the Patent Collateral in the ordinary course of the Assignor's business consistent with its past practices, the Assignor will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Patent Collateral, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Assignor's obligations under this Patent Agreement or the Security Agreement.

5. AFTER-ACQUIRED PATENTS, ETC.

5.1. After-acquired Patents. If, before the Obligations shall have been finally paid and satisfied in full, the Assignor shall obtain any right, title or interest in or to any other or new patents, patent applications or patentable inventions, or become entitled to the benefit of any patent application or patent (other than items described in §2.3 of the Security Agreement) or any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent Collateral or any improvement on any of the Patent Collateral, the provisions of this Patent Agreement shall automatically apply thereto and the Assignor shall promptly give to the Administrative Agent notice thereof in writing and execute and deliver to the Administrative Agent such documents or instruments as the Administrative Agent may reasonably request further to transfer title by way of collateral security thereto to the Administrative Agent, for the benefit of the Banks and the Agents.

5.2. Amendment to Schedule. The Assignor authorizes the Administrative Agent to modify this Patent Agreement, without the necessity of the Assignor's further approval or signature, by amending Schedule A hereto to include any future or other Patents or Patent Rights under §2 or §5 hereof.

6. PATENT PROSECUTION.

6.1. Assignor Responsible. The Assignor shall assume full and complete responsibility for the prosecution, grant, enforcement or any other necessary or desirable actions in connection with the Patent Collateral, and shall hold the Agents and the Banks

harmless from any and all costs, damages, liabilities and expenses which may be incurred by either Agent or any of the Banks in connection with the Administrative Agent's title to any of the Patent Collateral or any other action or failure to act in connection with this Patent Agreement or the transactions contemplated hereby. In respect of such responsibility, the Assignor shall retain patent counsel reasonably acceptable to the Administrative Agent.

6.2. Assignor's Duties, etc. The Assignor shall have the duty, through patent counsel reasonably acceptable to the Administrative Agent, to prosecute diligently, consistent with its prior practices, any patent applications of the Patents pending as of the date of this Patent Agreement or thereafter, to make application for unpatented but reasonably likely to be patentable inventions and to preserve and maintain all rights in the Patents, including without limitation the payment when due of all maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Patents. Any expenses incurred in connection with such applications and actions shall be borne by the Assignor. Except as permitted by §10.6 or §11.5.2 of the Credit Agreement, the Assignor shall not abandon any filed patent application, nor any pending patent application or patent, without the consent of the Administrative Agent, which consent shall not be unreasonably withheld. The Administrative Agent hereby appoints the Assignor as its agent for all matters referred to in the foregoing provisions of this §6 and agrees to execute any documents necessary to confirm such appointment. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may terminate such agency by providing written notice of termination to the Assignor.

6.3. Assignor's Enforcement Rights. The Assignor shall have the right, with the consent of the Administrative Agent, which shall not be unreasonably withheld, to bring suit or other action in the Assignor's own name to enforce the Patents and the Patent Rights. The Administrative Agent shall be required to join in such suit or action as may be necessary to assure the Assignor's ability to bring and maintain any such suit or action in any proper forum so long as the Administrative Agent is completely satisfied that such joinder will not subject either Agent or any of the Banks to any risk of liability. The Assignor shall promptly, upon demand, reimburse and indemnify the Agents and the Banks for all damages, costs and expenses, including legal fees, incurred by either Agent and any of the Banks pursuant to this §6.

6.4. Protection of Patents, etc. In general, the Assignor shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Patent Collateral unless the Assignor shall determine that such Patent Collateral is in no way material to the conduct of its business or operations. No Assignor shall take or fail to take any action, nor permit any action to be taken or not taken by others under its control, which would affect the validity, grant or enforcement of any of the Patent Collateral.

6.5. Notification by Assignor. Promptly upon obtaining knowledge thereof, the Assignor will notify the Administrative Agent in writing of the institution of, or any

final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Patents or the Assignor's rights, title or interests in and to any of the Patent Collateral, and of any event which does or reasonably could materially adversely affect the value of any of the Patent Collateral, the ability of the Assignor or the Administrative Agent to dispose of any of the Patent Collateral or the rights and remedies of the Agents and the Banks in relation thereto (including but not limited to the levy of any legal process against any of the Patent Collateral).

7. LICENSE BACK TO ASSIGNOR.

Unless and until there shall have occurred and be continuing an Event of Default and the Administrative Agent has notified the Assignor that the license granted hereunder is terminated, the Administrative Agent hereby grants to the Assignor the sole and exclusive, nontransferable, royalty-free, worldwide right and license under the Patents to make, have made for it, use, sell and otherwise practice the inventions disclosed and claimed in the Patents for the Assignor's own benefit and account and for none other; provided, however, that the foregoing right and license shall be no greater in scope than, and limited by, the rights assigned to the Administrative Agent, for the benefit of the Banks and the Agents, by the Assignor hereby. The Assignor agrees not to sell, assign, transfer, encumber or sublicense its interest in the license granted to the Assignor in this §7, without the prior written consent of the Administrative Agent. Any such sublicenses granted on or after the date hereof shall be terminable by the Administrative Agent upon termination of the Assignor's license hereunder.

8. REMEDIES.

If any Event of Default shall have occurred and be continuing, and the Administrative Agent shall have taken steps to enforce its security interest under the Security Agreement, then at the discretion of the Administrative Agent, or upon instructions by the Majority Banks to the Administrative Agent, and upon notice by the Administrative Agent to the Assignor: (i) the Assignor's license with respect to the Patents as set forth in §7 shall terminate; (ii) the Assignor shall immediately cease and desist from the practice, manufacture, use and sale of the inventions claimed, disclosed or covered by the Patents; and (iii) the Administrative Agent shall have, in addition to all other rights and remedies given it by this Patent Agreement, the Credit Agreement, the Security Agreement, and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts and the State of California, to the extent applicable, and, without limiting the generality of the foregoing, the Administrative Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Assignor, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Patent Collateral, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the

residue of such proceeds toward the payment of the Obligations as set forth in the Security Agreement. Notice of any sale, license or other disposition of any of the Patent Collateral shall be given to the Assignor at least five (5) days before the time that any intended public sale or other disposition of such Patent Collateral is to be made or after which any private sale or other disposition of such Patent Collateral may be made, which the Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Administrative Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Patent Collateral or interests therein sold, licensed or otherwise disposed of.

9. COLLATERAL PROTECTION.

If any Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Assignor shall be breached, the Administrative Agent, in its own name or that of the Assignor (in the sole discretion of the Administrative Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignor agrees promptly to reimburse the Administrative Agent for any cost or expense incurred by the Administrative Agent in so doing.

10. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, the Assignor does hereby make, constitute and appoint the Administrative Agent (and any officer or agent of the Administrative Agent as the Administrative Agent may select in its exclusive discretion) as the Assignor's true and lawful attorney-in-fact, with the power to endorse the Assignor's name on all applications, documents, papers and instruments necessary for the Administrative Agent to use any of the Patent Collateral, to practice, make, use or sell the inventions disclosed or claimed in any of the Patent Collateral, to grant or issue any exclusive or nonexclusive license of any of the Patent Collateral to any third person, or necessary for the Administrative Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which the Assignor is obligated to execute and do hereunder. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases the Administrative Agent from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Administrative Agent under this power of attorney (except for the Administrative Agent's gross negligence or willful misconduct). This power of attorney shall be irrevocable for the duration of this Patent Agreement.

11. FURTHER ASSURANCES.

The Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements,

assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Administrative Agent may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Patent Agreement, or to assure and confirm to the Administrative Agent the grant, perfection and priority of the Administrative Agent's security interest in any of the Patent Collateral. Upon receipt of an affidavit of an officer of the Administrative Agent as to the loss, theft, destruction or mutilation of this Patent Agreement and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of this Patent Agreement, the Assignor will issue, in lieu thereof, a replacement security document of like tenor. The Administrative Agent hereby agrees to indemnify, defend and hold harmless the Assignor, its successors and assigns, from and against any and all cost, expense (including, without limitation, reasonable attorneys' fees), loss, liability or damage incurred as a result of the Administrative Agent's failure to deliver the original Patent Agreement to the Assignor.

12. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full in cash and all credit commitments of the Banks in respect thereof (including all outstanding letters of credit) shall have been terminated (or in the case of letters of credit, shall have been cash collateralized or otherwise secured or supported in a manner reasonably acceptable to the Administrative Agent), this Patent Agreement shall terminate and the Administrative Agent shall, upon the written request and at the expense of the Assignor, execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to release, reassign and reconvey to and re-vest in the Assignor the entire right, title and interest to the Patent Collateral previously granted, assigned, transferred and conveyed to the Agents and the Banks by the Assignor pursuant to this Patent Agreement, as fully as if this Patent Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Agents and the Banks pursuant hereto or the Security Agreement.

13. COURSE OF DEALING.

No course of dealing among any Assignor, the Banks and the Agents, nor any failure to exercise, nor any delay in exercising, on the part of either Agent or any of the Banks, any right, power or privilege hereunder or under the Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Administrative Agent in connection with the preparation of this Patent Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in

connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving any of the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Patent Collateral, shall be borne and paid by the Assignor.

15. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by the Assignor hereunder shall be a debt secured by the Patent Collateral and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

16. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER AGENT NOR ANY BANK ASSUMES ANY LIABILITIES OF THE ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PATENT COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE ASSIGNOR, AND THE ASSIGNOR SHALL INDEMNIFY THE AGENTS AND THE BANKS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY EITHER AGENT OR ANY BANK WITH RESPECT TO SUCH LIABILITIES; PROVIDED THAT THE ASSIGNOR SHALL NOT BE LIABLE FOR ANY INDEMNIFICATION TO AN INDEMNIFIED PERSON TO THE EXTENT THAT ANY SUCH SUIT, ACTION, PROCEEDING, CLAIM, DAMAGE, LOSS, LIABILITY OR EXPENSE RESULTS FROM THAT INDEMNIFIED PERSON'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

17. RIGHTS AND REMEDIES CUMULATIVE.

All of the Agents' and the Banks' rights and remedies with respect to the Patent Collateral, whether established hereby or by the Security Agreement or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Patent Agreement is supplemental to the Security Agreement, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Agents and the Banks contained therein. Nothing contained in this Patent Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Patent Collateral granted to the Administrative Agent for the benefit of the Banks and the Agents under the Security Agreement.

18. NOTICES.

All notices and other communications made or required to be given pursuant to this Patent Agreement shall be made in the manner set forth in §22 of the Credit Agreement at the addresses specified therein or on the signature page hereof.

19. AMENDMENT AND WAIVER.

This Patent Agreement is subject to modification only by a writing signed by the Administrative Agent (with the consent of the Majority Banks) and the Assignor, except as provided in §5.2. The Administrative Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Administrative Agent and the Majority Banks. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

20. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS PATENT AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. The Assignor agrees that any suit for the enforcement of this Patent Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Assignor by mail at the address specified by reference in §18. The Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

21. WAIVER OF JURY TRIAL.

THE ASSIGNOR WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS PATENT AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Assignor (i) certifies that none of the Agents nor any Bank nor any representative, agent or attorney of either Agent or any Bank has represented, expressly or otherwise, that either Agent or any Bank would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which either Agent or any Bank is a party, the Agents and the Banks are relying upon, among other things, the waivers and certifications contained in this §21.

22. MISCELLANEOUS.

The headings of each section of this Patent Agreement are for convenience only and shall not define or limit the provisions thereof. This Patent Agreement and all rights and obligations hereunder shall be binding upon the Assignor and its respective successors and assigns, and shall inure to the benefit of the Agents, the Banks and their respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Patent Agreement and the Credit Agreement, or between this Patent Agreement and the Security Agreement, the provisions of the Credit Agreement or the Security Agreement, as the case may be, shall control. If any term of this Patent Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Patent Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Assignor acknowledges receipt of a copy of this Patent Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Patent Agreement has been executed as a contract under seal as of the day and year first above written.

BELL SPORTS, INC.

By: 
Name: Lori Sherwood
Title: Secretary

**FLEET NATIONAL BANK, as
Administrative Agent**

By: 
Name: Carol A. Lovell
Title: Managing Director

CERTIFICATE OF ACKNOWLEDGMENT

City

COMMONWEALTH OR STATE OF Washington)

District) ss.
COUNTY OF Columbia)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 14th day of August, 2000, personally appeared Lori Sherwood to me known personally, and who, being by me duly sworn, deposes and says that she is the Secretary of Bell Sports, Inc., and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Secretary acknowledged said instrument to be the free act and deed of said corporation.

Carol Cooper Chadsey
Notary Public, District of Columbia
My Commission Expires Feb. 28, 2005

Carol Cooper Chadsey
Notary Public
My commission expires:

SCHEDULE A
Intellectual Property of the Company

United States Patents:

Patent No.	Issue Date	Title
4,331,344	05-25-82	Fairing Mounting Apparatus
4,331,358	05-25-82	Motorcycle fairing body extender
4,392,597	07-12-83	Bicycle Rack
4,434,514	03-06-84	Bicyclists Helmet with Air Flow and Perspiration Control
D 278,699	05-07-85	Pannier Carrier for the Front Wheel of a Bicycle
4,555,816	12-03-85	Ventilated Helmet
4,605,289	08-12-86	Bicycle Mirror Assembly
D 285,426	09-02-86	Rear Pannier Rack for Bicycles
D 285,980	10-07-86	Cyclist's Ribbed Helmet
4,622,700	11-18-86	Suction Ventilated Helmet
D 288,421	02-24-87	Bicycle Sprocket (Triangular Top-Tube Loop Rear-Entry Drop-Out Bicycle Frame)
D 293,496	12-19-87	Bicycle Racing Helmet (Advantage)
D 298,156	10-18-88	Bicycle Exerciser
D 299,180	01-03-89	Bicyclists Racing Helmet (Prolight)
D 299,225	01-03-89	Bicycle Front Rack
D 300,070	02-08-89	Bicyclists Helmet
D 299,818	02-14-89	Bicycle Rear Rack
4,830,250	05-16-89	Bicycle Carrier
D 303,851	10-03-89	Bicycle Racing Helmet (Prolight)

Patent No.	Issue Date	Title
D 306,193	02-20-90	Bicycle Exercise Support
D 310,893	09-25-90	Cyclist's Ventilated Helmet
D 316,165	04-09-91	Bicycle Racing Helmet (Aerohead)
D 316,227	04-16-91	Package for Soft Goods (Pro Cap)
D 319,112	08-13-91	Cyclist Helmet (Ventilated Youth Helmet)
5,056,699	10-15-91	Bicycle Carrier
5,056,700	10-15-91	Automobile Mountable Bicycle Carrier
5,099,523	03-31-92	Reinforced Expanded Plastic Helmet Construction
D 325,009	3-31-92	Bicycle
5,119,516	06-09-92	Reinforced Expanded Plastic Helmet Construction
5,123,121	06-23-92	Helmet retention system with adjustable buckle
D 329,035	09-01-92	Vehicle Attached Bicycle Carrier
D 331,382	12-01-92	Bicycle Rack
D 331,736	12-15-92	Bicycle Rack
5,175,528	12-29-92	Double Oscillator Battery Powered Flashing Super- Luminescent Light Emitting Diode Safety Warning Light
D 332,877	02-02-93	Child's Bicycle Seat (Rhode Gear)
D 333,041	02-09-93	Bicycle Seat with Rear Safety Flasher Light and Reflector
D 335,195	04-27-93	Bicycle Helmet with Rear Safety Flasher Light and Reflector
D 336,530	06-15-93	Combined Bicycle Safety Flashing Light and Reflector (VL 300-Design)
D 339,427	09-14-93	Ventilated Bicycle Helmet (Air Attack)

Patent No.	Issue Date	Title
5,259,542	11-09-93	Anti-Sway Device for a Bicycle Carrier
5,269,025	12-14-93	Reinforced Expanded Plastic Helmet Construction
5,299,818	04-05-94	Child Bicycle Seat and Rack Assembly
5,309,576	05-10-94	Multiple Density Helmet Body Compositions to Strengthen Helmet
5,313,187	05-17-94	Battery-Powered Flashing Super-Luminescent Light Emitting Diode Safety Warning Light
5,313,188	05-17-94	Battery-Powered Flashing Super-Luminescent Light Emitting Diode Safety Warning Light
D 346,996	05-17-94	Bottle Cage for Bicycles
D 347,300	05-24-94	Ventilated Bicycle Helmet (Air Attack)
5,351,341	10-04-94	Multiple Density Helmet Body Compositions to Strengthen Helmet
D 352,803	11-22-94	Ventilated Bicycle Helmet (Ventoux)
D 358,123	05-09-95	Quick Release Hub Cam Lever
5,436,810	07-25-95	Portable Headlamp
5,469,583	11-28-95	Strap Lock Buckle
5,477,563	12-26-95	Helmet Having Planar-Molded Infrastructure
5,481,762	01-09-96	Helmet Having a Planar-Molded Infrastructure
5,575,018	11-19-96	Open cockpit racing helmet
D 379,794	06-10-97	Bottle Cage
5,641,220	06-24-97	Portable Headlamp
5,659,900	08-26-97	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
5,675,843	10-14-97	Helmet Visor Attachment Apparatus

Patent No.	Issue Date	Title
5,729,877	03-24-98	Pinch Resistant Buckle Assembly
D 392,650	03-24-98	Bicycle Pump (Mammoth Mtn. Pump Design)
5,774,901	07-07-98	Sport Helmet Retention Apparatus (Tri Star Helmet)
5,856,811	01-05-99	Visual Display & Helmet Assembly
5,887,288	03-30-99	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
5,997,256	12-07-99	Dual Stage, Dual Mode Air Pump
6,009,561	01-04-00	Helmet with Rotatable Mounting Apparatus & Method of Making Same
6,009,562	01-04-00	Helmet with Accessory Mounting Apparatus & Method of Making Same
6,019,708	02-01-00	Torque Limiting Ratchet for Bicycle Mounting Exercising Device (Crank Handle Trainer Utility)
6,042,517	03-28-00	Bicycle Trainer Magnetic Resistance Device

Pending United States Patent Applications:

Patent Application No.	Filing Date	Title
<i>08/481,181</i>	<i>06-07-95</i>	Childs Bicycle Seat and Rack Assembly
<i>09/277,294</i>	<i>03-26-99</i>	Remote Power Module for Bicycles (Nightstick)
<i>09/280,254</i>	<i>03-29-99</i>	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
<i>09/376,887</i>	<i>08-19-99</i>	Air Pump Valve Head for Both Schrader and Presta Valves
<i>09/386,598</i>	<i>08-31-99</i>	Air Pump Valve Head for Gripping Both Schrader and Presta Valves
	<i>05-31-00</i>	Bicycle Carrier with Selectively Positionable Anti-Sway Cradles

Foreign Patents:

Country	Patent No.	Grant Date	Patent
Australia	632,298	05-07-93	Reinforced Expanded Plastic Helmet Construction
Canada	1,169,895	06-26-84	Mounting Hardware for a Motorcycle Fairing
Canada	1,207,820	07-15-86	Handlebar Mounting for a Fairing
Canada	D 58991	07-07-87	Aerodynamic Bicyclists Helmet
Canada	1,335,027	04-04-95	Reinforced Expanded Plastic Helmet Construction
Canada	1,234,451	03-29-88	Ventilated Helmet (Same as Saddle Bag)
Europe	643,933	04-12-00	Strap Lock Buckle
France	7626359	09-01-76	Crash Helmet
France	190,309	04-08-81	Headlight Mask
France	810,431	02-10-81	Motorcycle Article Carrier
France	801,238	12-16-80	Motorcycle Fairing
France	803,026	12-28-81	Pair of Motorcycle Fairing Body Extenders
Germany	M9208518.0	07-11-96	Sizing & Stabilizing Apparatus for Bicycle Helmets Utility Model (ROC LOC)

Pending Foreign Patent Applications:

Country	Patent App. No.	File Date	Patent
Canada	2,166,724	07-08-94	Sizing and Stabilizing Apparatus for Bicycle Helmets (Roc Loc)
Canada	2,132,171	09-15-94	Strap Lock Buckle
Europe	US99/1882	08-18-99	Air Pump Valve Head for Both Schrader and Presta Valves
Europe	US099/20793	09-09-99	Bicycle Trainer Magnetic Resistant Device

PATENTS OWNED BY THE INVENTORS

There are **no assignments** recorded from the inventors for the following patents:

4,331,344; 5,056,699; 5,099,523; 5,123,121; 5,175,528; 5,269,025; 5,313,188; 5,477,563; D303,851. Accordingly, the inventors are still the owners of these patents.

* **Assignments from the inventors to the proper entity (depending on the specific chain of title that is broken) should be filed at the PTO.**

PATENTS OWNED BY ENTITIES OTHER THAN BELL SPORTS

The title to the following patent is held by **Vetter Products**:

4,331,358

The title to the following patent is held by **Giro Sports**:

5,659,900

The title to the following patents is held by **Bell Bicycles**:

4,434,514; 5,119,516; D300,070; D310,893; D319,112

The title to the following patents is held by **Bell Helmets**:

4,555,816; 4,622,700

The title to the following patents is held by **Blackburn Designs**:
5,056,700; D278,699; D285,426; D292,900; D298,156; D299,225; D299,818;
D306,193; D329,035; D346,996; D352,267

The title to the following patent is held by **Cycle Products Company**:
D325,009

The title of the following patent is held by **American Recreation Group**:
D288,421

The title of the following patent is held by **Rhode Gear Division**:
4,392,597

PATENTS JOINTLY OWNED BY BELL SPORTS AND OTHER ENTITIES

The following patent is jointly owned by Bell Sports, **Delco Electronics**, and **Hughes Electronics**:
5,856,811

PATENTS SUBJECT TO A SECURITY INTEREST

U.S. Patent No. 4,555,816 is subject to a **security interest** granted to **Mesirow Capital Partners**. In addition, the security interest includes all after acquired patent properties.

The following patents are subject to a **security interest** granted to **Mellon Bank**. In addition to the following patents, the security interest includes all after acquired patent properties.

5,175,528; D333,041; D335,195; D336,530; D335,195; D336,530; 5,313,187;
5,175,528 (granted by Vista Lite without apparent interest in the property)

The following patents are subject to a **security interest** granted to **Barclays Business Credit**. In addition to the following patents, the security interest includes all after acquired patent properties.

D332,877; 5,299,818

The following patents are subject to a **security interest** granted to **Bank of America**. In addition to the following patents, the security interest includes all after acquired patent properties.

5,099,523; 5,119,516

Bell Helmets gave a security interest to Barclays Business Credit in the following patent, among others, but Barclays Business Credit gave the corresponding **release to Bell Sports**:

4,622,700

U.S. Patent No. 4,331,344 was assigned by Vetter to the **First Champaign Corporation**.

The foreign patents and applications have not been checked for title problems because they do not form a material part of Bell Sports' business.

SCHEDULE B

COMPLAINTS FILED

A complaint was filed under each of the following patents on the indicated dates. We are unaware of the disposition of the cases and whether the cases were settled. 5,313,188 (9/15/97); D299,180 (4/15/88); 5,313,188 (9/15/97); 5,056,699 (5/13/92; *defendant had case dismissed); D285,980 (3/7/88; *default judgement and permanent injunction as to defendant Kin Yong Lung Industrial Co. entered); D285,426 (3/15/91)
*** These outcomes were recorded on a computer database, but may be inaccurate or may not represent the entire resolution of the indicated matter.**

**SCHEDULE B
TO RECORDATION COVER SHEET**

PATENTS ONLY

United States Patent Numbers:

Patent No.	Issue Date	Title
4,331,344	05-25-82	Fairing Mounting Apparatus
4,331,358	05-25-82	Motorcycle fairing body extender
4,392,597	07-12-83	Bicycle Rack
4,434,514	03-06-84	Bicyclists Helmet with Air Flow and Perspiration Control
D 278,699	05-07-85	Pannier Carrier for the Front Wheel of a Bicycle
4,555,816	12-03-85	Ventilated Helmet
4,605,289	08-12-86	Bicycle Mirror Assembly
D 285,426	09-02-86	Rear Pannier Rack for Bicycles
D 285,980	10-07-86	Cyclist's Ribbed Helmet
4,622,700	11-18-86	Suction Ventilated Helmet
D 288,421	02-24-87	Bicycle Sprocket (Triangular Top-Tube Loop Rear-Entry Drop-Out Bicycle Frame)
D 293,496	12-19-87	Bicycle Racing Helmet (Advantage)
D 298,156	10-18-88	Bicycle Exerciser
D 299,180	01-03-89	Bicyclists Racing Helmet (Prolight)
D 299,225	01-03-89	Bicycle Front Rack
D 300,070	02-08-89	Bicyclists Helmet
D 299,818	02-14-89	Bicycle Rear Rack
4,830,250	05-16-89	Bicycle Carrier
D 303,851	10-03-89	Bicycle Racing Helmet (Prolight)

Patent No.	Issue Date	Title
D 306,193	02-20-90	Bicycle Exercise Support
D 310,893	09-25-90	Cyclist's Ventilated Helmet
D 316,165	04-09-91	Bicycle Racing Helmet (Aerohead)
D 316,227	04-16-91	Package for Soft Goods (Pro Cap)
D 319,112	08-13-91	Cyclist Helmet (Ventilated Youth Helmet)
5,056,699	10-15-91	Bicycle Carrier
5,056,700	10-15-91	Automobile Mountable Bicycle Carrier
5,099,523	03-31-92	Reinforced Expanded Plastic Helmet Construction
D 325,009	3-31-92	Bicycle
5,119,516	06-09-92	Reinforced Expanded Plastic Helmet Construction
5,123,121	06-23-92	Helmet retention system with adjustable buckle
D 329,035	09-01-92	Vehicle Attached Bicycle Carrier
D 331,382	12-01-92	Bicycle Rack
D 331,736	12-15-92	Bicycle Rack
5,175,528	12-29-92	Double Oscillator Battery Powered Flashing Super- Luminescent Light Emitting Diode Safety Warning Light
D 332,877	02-02-93	Child's Bicycle Seat (Rhode Gear)
D 333,041	02-09-93	Bicycle Seat with Rear Safety Flasher Light and Reflector
D 335,195	04-27-93	Bicycle Helmet with Rear Safety Flasher Light and Reflector
D 336,530	06-15-93	Combined Bicycle Safety Flashing Light and Reflector (VL 300-Design)
D 339,427	09-14-93	Ventilated Bicycle Helmet (Air Attack)
5,259,542	11-09-93	Anti-Sway Device for a Bicycle Carrier
5,269,025	12-14-93	Reinforced Expanded Plastic Helmet Construction

Patent No.	Issue Date	Title
5,299,818	04-05-94	Child Bicycle Seat and Rack Assembly
5,309,576	05-10-94	Multiple Density Helmet Body Compositions to Strengthen Helmet
5,313,187	05-17-94	Battery-Powered Flashing Super-Luminescent Light Emitting Diode Safety Warning Light
5,313,188	05-17-94	Battery-Powered Flashing Super-Luminescent Light Emitting Diode Safety Warning Light
D 346,996	05-17-94	Bottle Cage for Bicycles
D 347,300	05-24-94	Ventilated Bicycle Helmet (Air Attack)
5,351,341	10-04-94	Multiple Density Helmet Body Compositions to Strengthen Helmet
D 352,803	11-22-94	Ventilated Bicycle Helmet (Ventoux)
D 358,123	05-09-95	Quick Release Hub Cam Lever
5,436,810	07-25-95	Portable Headlamp
5,469,583	11-28-95	Strap Lock Buckle
5,477,563	12-26-95	Helmet Having Planar-Molded Infrastructure
5,481,762	01-09-96	Helmet Having a Planar-Molded Infrastructure
5,575,018	11-19-96	Open cockpit racing helmet
D 379,794	06-10-97	Bottle Cage
5,641,220	06-24-97	Portable Headlamp
5,659,900	08-26-97	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
5,675,843	10-14-97	Helmet Visor Attachment Apparatus
5,729,877	03-24-98	Pinch Resistant Buckle Assembly
D 392,650	03-24-98	Bicycle Pump (Mammoth Mtn. Pump Design)
5,774,901	07-07-98	Sport Helmet Retention Apparatus (Tri Star Helmet)

Patent No.	Issue Date	Title
5,856,811	01-05-99	Visual Display & Helmet Assembly
5,887,288	03-30-99	Sizing and Stabilizing Apparatus for Bicycle Helmets (RocLoc)
5,997,256	12-07-99	Dual Stage, Dual Mode Air Pump
6,009,561	01-04-00	Helmet with Rotatable Mounting Apparatus & Method of Making Same
6,009,562	01-04-00	Helmet with Accessory Mounting Apparatus & Method of Making Same
6,019,708	02-01-00	Torque Limiting Ratchet for Bicycle Mounting Exercising Device (Crank Handle Trainer Utility)
6,042,517	03-28-00	Bicycle Trainer Magnetic Resistance Device