


Form PTO-1595 (Rev. 10/02)		RECORDATION FORM COVER SHEET		U.S. DEPARTMENT OF COMMERCE	
OMB No. 0651-0027 (exp. 6/30/2005)		PATENTS ONLY		U.S. Patent and Trademark Office	
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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): Instep, LLC			2. Name and address of receiving party(ies) Name: Pacific Cycle, LLC Internal Address: _____ Street Address: 4902 Hammersley Rd City: Madison State: WI Zip: 53711		
Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
3. Nature of conveyance: <input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____					
Execution Date: 03/14/2003					
4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: _____ A. Patent Application No.(s) 09974487 B. Patent No.(s) D408335, 6443472, 6056306, 6155579, D468510, 5421597 Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
5. Name and address of party to whom correspondence concerning document should be mailed: Name: Shelley Kemp Internal Address: _____ Street Address: 4902 Hammersley Rd City: Madison State: WI Zip: 53711			6. Total number of applications and patents involved: 24 7. Total fee (37 CFR 3.41).....\$ 960 ⁰⁰ <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: _____		
DO NOT USE THIS SPACE					
9. Signature. Shelley Kemp Name of Person Signing  Signature 6/29/04 Date Total number of pages including cover sheet, attachments, and documents: 9					

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

OP \$960.00 09974487

Additional Patent numbers

5259634, 5318318, 5522614, 5599033, D379333, D381297, D356761, D385514, 5029891,
5356171, 5468009, D324868, D321036, D471248, D315885, D350923, 6185762

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "**Agreement**") is made and entered into as of March 14, 2003, by and among Pacific Cycle, LLC, a Delaware limited liability company ("**Pacific**"), InSTEP LLC, a Minnesota limited liability company ("**InStep**" or the "**Company**"), Norwest Equity Partners VI, LP, a Minnesota limited liability partnership ("**Norwest**"), InSTEP, Inc., a Minnesota corporation ("**INC**") and each of the other Persons signing the signature pages under the caption "**Members**" (collectively, together with Norwest and INC, the "**Members**"). Pacific, the Company and the Members are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Company is in the business of marketing, distributing and selling jogging strollers, traditional strollers, bicycle trailers, outdoor sporting products and home living products (the "**Business**").

B. The Members, either directly or through their ownership of InSTEP, Inc., own all of the issued and outstanding membership interests of the Company (the "**Membership Interests**") and desire to sell to Pacific, and Pacific desires to acquire from the Members, all of the Membership Interests, upon the terms and subject to the conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties hereby agree as follows:

1. DEFINITIONS

"**Adverse Consequences**" means any and all demands, claims, corrective actions, investigations, fines, penalties, injunctions, judgments, orders, decrees, payments, obligations, actions or causes of action, assessments, losses, liabilities, damages (but excluding incidental, special, consequential, exemplary and punitive damages), costs and expenses, that are suffered, sustained, paid or incurred, including without limitation any legal or other expenses reasonably incurred in connection with investigating or defending any claims or actions and all amounts paid in settlement of claims or actions in accordance with Section 4.3 hereof. The amount of any Adverse Consequence for which indemnification is provided under Article 4 shall be net of any amounts actually recovered by the Acquiring Parties under insurance policies with respect thereto (and thus any such amounts shall not be included in calculating the Basket set forth in Section 4.3(c)(i)), and shall be (i) increased to take account of any net tax costs actually recognized by the Acquiring Parties arising from the receipt of indemnity payments hereunder (grossed up for such increase) and (ii) reduced to take the then present value of any net tax benefit (including as a result of any basis adjustment) to the Acquiring Parties reasonably and in good faith determined by the Acquiring Parties to have arisen from or relate to any such Adverse Consequence.

affect the occupancy, use and value of the affected assets, and (e) in the case of the Membership Interests, restrictions arising under applicable securities laws.

"Environmental Laws" means law, statutes, or regulations pertaining to the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Material, and including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act, Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act and Hazardous and Solid Waste Amendments, Federal Water Pollution Control Act, as amended by the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, Oil Pollution Act, Emergency Planning and Community Right-to-Know Act, and any similar, implementing or successor law, and any amendment, rule, regulation, order or directive issued thereunder.

"Excluded Intellectual Property" means (i) software and databases licensed to the Company under standard, non-exclusive software licenses granted to end-user customers by third parties in the ordinary course of such third parties' business; and (ii) intellectual property which is embedded in equipment or fixtures and which is licensed to the Company under standard, non-exclusive licenses granted to customers by third parties in the ordinary course of such third parties' business.

"GAAP" means United States generally accepted accounting principles as in effect from time to time, applied consistently with the principles used in preparing the Financial Statements (as defined in Section 3.2(f) below) for the Most Recent Audited Year End (as defined in Section 3.2(f) below).

"Good Reason" means any of the following: (i) a reduction in the cash compensation of the employee; (ii) a material reduction in the benefits provided to the employee (other than pursuant to an organization wide change in benefit programs by Pacific); (iii) a material demotion in responsibilities or duties of the employee; or (iv) a required relocation to a place other than a location within 50 miles of the location at which the employee performed substantially all of his or her duties immediately before the required relocation.

"Hazardous Material" means any substance, whether solid, liquid or gaseous in nature which is or becomes defined as **"hazardous waste"**, a **"hazardous substance"**, a **"pollutant"** or a **"contaminant"** under the Environmental Laws; petroleum products, including gasoline, diesel fuel, fuel oil, crude oil and motor oil and the constituents and fractions thereof; asbestos, including asbestos containing materials; and polychlorinated biphenyls (**"PCB"**).

"Intellectual Property" means any and all of the following which is owned by or licensed to the Company: (i) all registered and unregistered trademarks, trade dress, service marks, logos, trade names, and all applications to register the same (the **"Trademarks"**); (ii) all issued U.S. and foreign patents and pending patent applications, patent disclosures and improvements thereto (the **"Patents"**); (iii) all registered and unregistered copyrights and all applications to register the same (the **"Copyrights"**); (iv) all computer software and databases and web page content (the **"Software"**); (v) all categories of trade secrets, know-how, inventions

(whether or not patentable and whether or not reduced to practice), processes, procedures, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial, marketing, and business data, pricing and cost information, business and marketing plans, customer and supplier lists, telephone numbers (including toll-free numbers), vendor qualification numbers and identification information, and other confidential and proprietary information ("**Proprietary Rights**"); (vi) all internet domain names and web addresses ("**Internet Domain Names**"); (vii) all licenses pursuant to which the Company has acquired rights in or to any of the Trademarks, Patents, Copyrights, Software, Proprietary Rights or Internet Domain Names (excluding licenses to Excluded Intellectual Property) ("**Licenses-In**"); and (viii) all licenses pursuant to which the Company has licensed to any third party any rights to any of the Trademarks, Patents, Copyrights, Software, Proprietary Rights or Internet Domain Names ("**Licenses-Out**"); provided, however, that the term "Intellectual Property" does not encompass any Excluded Intellectual Property.

"**Knowledge of the Company**" and "**Knowledge of the Members**", or any similar phrases, means the actual knowledge of any member of the Board of Governors of the Company, any Member, or any of the following Persons: Bill Edwards, Erik Martin, Greg Adams or Steve Cole.

"**Material Adverse Effect**" means a material adverse effect or impact upon the assets, financial condition, results of operations or business of the Company taken as a whole or on the ability of the Company or the Members, as a group, to consummate the transactions contemplated hereby.

"**Membership Interests**" has the meaning set forth in the Recitals.

"**Ordinary Course of Business**" means the ordinary course of business of the Company consistent with past custom and practice.

"**Person**" means any individual, trust, corporation, partnership, limited partnership, limited liability company or other business association or entity, court, governmental body or governmental agency.

"**Pro Rata Percentage**" means, with respect to each Member, the percentage set forth for such Member on Exhibit A attached hereto.

"**Subsidiary**" means any corporation, limited liability company, limited partnership, partnership, trust or other entity with respect to which another person has the power, directly or indirectly through one or more intermediaries, to vote or direct the voting of sufficient securities or interests to elect a majority of the directors or management committee or similar governing body.

"**Tax**" or "**Taxes**" means any United States or foreign, state or local income, gross receipts, sales, licenses, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Section 59A of the Code), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, use, transfer, value added, alternative or add-on

SCHEDULE 3.2(k)

Intellectual Property

(i)

• PatentsUnited States

Title	Serial Number / Filing Date	Patent Number / Issue Date	Status
INFANT STROLLER	Serial No. 441,933; filed November 27, 1989	Patent No. D315,885; dated April 2, 1991	Issued U.S. Design Patent
FLUID PUMP	Serial No. 548,722; filed July 2, 1990	Patent No. D324,868; dated March 24, 1992	Issued U.S. Design Patent
FUEL DISPENSER HANDLE	Serial No. 547,111; filed July 2, 1990	Patent No. D321,036; dated October 22, 1991	Issued U.S. Design Patent
CONVERTIBLE INFANT STROLLER AND TRAILER	Serial No. 992,830; filed December 18, 1992	Patent No. 5,259,634; dated November 9, 1993	Issued U.S. Patent
CONVERTIBLE INFANT STROLLER AND TRAILER	Serial No. 102,088; filed August 4, 1993 (continuation of Serial No. 992,830, filed December 18, 1992)	Patent No. 5,318,318; dated June 7, 1994	Issued U.S. Patent
CONVERTIBLE INFANT STROLLER AND TRAILER WITH QUICK RELEASE HITCH	Serial No. 153,433; filed November 16, 1993 (continuation-in-part of Serial No. 102,088, filed August 4, 1993, which is a continuation of Serial No. 992,830, filed December 18, 1992)	Patent No. 5,421,597; dated June 6, 1995	Issued U.S. Patent
COLLAPSIBLE JOGGING INFANT STROLLER	Serial No. 30,703; filed March 12, 1993	Patent No. 5,356,171; dated October 18, 1994	Issued U.S. Patent

MULTI-PURPOSE COLLAPSIBLE INFANT STROLLER	Serial No. 154,431; filed November 18, 1993 (continuation-in-part of Serial No. 30,703, filed March 12, 1993)	Patent No. 5,522,614; dated June 4, 1996	Issued U.S. Patent
COLLAPSIBLE FOLDING STROLLER	Serial No. 271,101; filed July 6, 1994 (continuation- in-part of Serial No. 30,703, filed March 12, 1993)	Patent No. 5,468,009; dated November 21, 1995	Issued U.S. Patent
JOGGING INFANT STROLLER	Serial No. 5,845; filed March 12, 1993	Patent No. D350,923; dated September 27, 1994	Issued U.S. Design Patent
CONVERTIBLE TRAILER AND JOGGING STROLLER FOR TWO CHILDREN	Serial No. 114,738; filed August 30, 1993	Patent No. 5,599,033; dated February 4, 1997	Issued U.S. Patent
FOLDABLE CONVERTIBLE TRAILER AND JOGGING STROLLER FOR TWO CHILDREN	Serial No. 49,108; filed January 17, 1996 (continuation-in-part of Serial No. 114,738; filed August 30, 1993)	Patent No. D379,333; dated May 20, 1997	Issued U.S. Design Patent
COMBINATION STROLLER AND TRAILER FOR INFANTS AND CHILDREN	Serial No. 12,338; filed August 30, 1993	Patent No. D356,761; dated March 28, 1995	Issued U.S. Design Patent
INFANT STROLLER	Serial No. 25,595; filed July 6, 1994	Patent No. D357,890; dated May 2, 1995	Issued U.S. Design Patent
SIX WHEEL STROLLER	Serial No. 41,571; filed July 18, 1995	Patent No. D381,297; dated July 22, 1997	Issued U.S. Design Patent

FOLDABLE COMPACT MOLDED STROLLER AND TRAILER WITH FLEXIBLE HITCH	Serial No. 08/629,727; filed April 9, 1996 (continuation-in-part of Serial No. 29/049,108, filed January 17, 1996, which is a continuation-in- part of Serial No. 08/114,783, filed August 30, 1993	Patent No. 6,056,306; dated May 2, 2000	Issued U.S. Patent
FOLDING STROLLER WITH SWIVELING FRONT WHEEL	Serial No. 56,326; filed June 26, 1996	Patent No. D385,514; dated October 28, 1997	Issued U.S. Design Patent
FOLDING CHILD STROLLER AND FRAME CARRIER	Serial No. 29/092,819; filed August 27, 1998	Patent No. D408,355; dated April 20, 1999	Issued U.S. Design Patent
COLLAPSIBLE BABY BED	Serial No. 09/169,412; filed October 9, 1998	Patent No. 6,035,466; dated March 14, 2000	Issued U.S. Patent;
COLLAPSIBLE BABY BED	Serial No. 09/524,226; filed March 13, 2000 (continuation of Serial No. 09/169,412, filed October 9, 1998)	Patent No. 6,185,762; dated February 13, 2001	Issued U.S. Patent
FOLDING CHILD STROLLER AND FRAME CARRIER	Serial No. 09/209,034; filed December 10, 1998	Patent No. 6,155,579; dated December 5, 2000	Issued U.S. Patent
FOLDING FRAME CHILD CARRIER ¹	Serial No. 09/268,008; filed March 15, 1999	Patent No. 6,158,641; dated December 12, 2000	Issued U.S. Patent
BICYCLE TOWING BRACKET	Serial No. 09/799,293; filed March 5, 2001	Patent No. 6,443,472; dated September 3, 2002	Issued U.S. Patent
COMPACT FOLDING TRAILER	Serial No. 09/974,487; filed October 9, 2001	N/A	U.S. patent application; under examination
HAND-PROPELLED GOLF BAG CART	Serial No. 29/157,305; filed March 13, 2002	Patent No. D468,510; dated January 7, 2003	Issued U.S. Design Patent
HAND-PROPELLED GOLF BAG CART	Serial No. 10/112,492; filed March 28, 2002	N/A	U.S. patent application; under examination

¹ As discussed below in part (ii), the Company appears to have a current obligation to assign this patent back to the original owner.