

08/13/2012

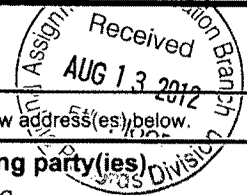
Form PTO-1595 (Rev. 03-11)  
OMB No. 0651-0027 (exp. 04/30/20)



U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

103647956

FEET



To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies)**

Reinhart Capital, LLC as Receiver of the assets of Cutting Edge Creations, Inc.

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

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

Name: WhatRU Holding, LLC

Internal Address: \_\_\_\_\_

Street Address: 10665 Alameda Avenue

City: Inver Grove Heights

State: MN

Country: USA Zip: 55077

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

**3. Nature of conveyance/Execution Date(s):**

Execution Date(s) September 28, 2010

- Assignment  Merger
- Security Agreement  Change of Name
- Joint Research Agreement
- Government Interest Assignment
- Executive Order 9424, Confirmatory License
- Other \_\_\_\_\_

**4. Application or patent number(s):**

This document is being filed together with a new application.

A. Patent Application No.(s)

B. Patent No.(s)

7,300,354  
7,108,608

Additional numbers attached?  Yes  No

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

Name: WhatRU Holding, LLC

Internal Address: c/o Brian Field

Street Address: 10665 Alameda Avenue

City: Inver Grove Heights

State: MN Zip: 55077

Phone Number: 651-209-8600

Docket Number: \_\_\_\_\_

Email Address: brian@n-flatables.com

**6. Total number of applications and patents involved:** 2

**7. Total fee (37 CFR 1.21(h) & 3.41)** \$ 80.00

- Authorized to be charged to deposit account
- Enclosed
- None required (government interest not affecting title)

**8. Payment Information**

Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

**9. Signature:**

Brian J. Field

Signature

Name of Person Signing

8/3/2012

Date

Total number of pages including cover sheet, attachments, and documents: 13

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, V.A. 22313-1450

8-13-12

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is made effective as of September 28, 2010 ("Effective Date") entered into by and among Reinhart Capital, LLC as Receiver of the assets of Beijing Manufacturing Company, a Minnesota corporation ("Beijing"), Cutting Edge Creations, Inc., a Minnesota corporation ("CEC") and Cutting Edge Inflatables, LLC, a Minnesota limited liability company ("CEI") (Reinhart Capital, LLC, as the receiver of the assets of Beijing, CEC and CEI, shall be referred to as the "Seller"), and WhatRU Holding, LLC, a Minnesota limited liability company ("Buyer").

WHEREAS, Seller has been appointed receiver over the assets of Beijing, CEC and CEI by order of the Dakota County Court dated July 23, 2010 and is authorized to sell the assets of Beijing, CEC and CEI; and

WHEREAS, Seller desires to sell and assign to Buyer certain assets described below related to the business of Beijing, CEC and CEI (the "Business"), and Buyer desires to purchase and assume from Seller, on the terms and subject to the conditions set forth in this Agreement, the assets as described herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and subject to the conditions set forth herein, and intending to be legally bound hereby, Buyer and Seller hereby agree as follows:

### ARTICLE 1

#### TRANSFER OF ASSETS; NO ASSUMPTION OF LIABILITIES

1.1 **Transfer of Assets.** Seller shall, as of the Closing, sell, transfer and assign to Buyer, and Buyer shall purchase and acquire from Seller, all of Seller's right, title and interest, as of the Closing Date, in and to all of the following assets of the Seller used in connection with the Business which are specifically set forth on **Exhibit A** (collectively, except for the excluded assets set forth in Section 1.2 hereof, the "Assets"):

1.2 **Excluded Assets.** The following assets (the "Excluded Assets") shall be retained by Seller and shall not be sold, transferred or assigned to Buyer:

All assets of Beijing, CEC and CEI, which are not specifically identified above, including, without limitation, cash, inventory, accounts receivable, furniture, fixtures, equipment, work-in-process, and purchase orders

1.3 **Assumption of Liabilities.** It is expressly understood that Buyer is assuming no liabilities of the Seller, Beijing, CEC and CEI. Buyer shall have no responsibility or liability for any liabilities of Seller, Beijing, CEC and CEI unless expressly provided herein.

### ARTICLE 2

**PURCHASE PRICE**

2.1 **Amount.** The purchase price for the Assets shall be \$300,000 plus the Deficiency as defined herein. The Deficiency is defined as

All principal, interest, fees, costs, attorneys' fees, receiver fees and receiver costs owed or to become owing to Eagle Valley Bank, N.A. by Beijing Manufacturing Company, Cutting Edge Creations, Inc. and Cutting Edge Inflatables, LLC. (the "Bank Debt"), Less

Purchase Price of \$300,000, Less

Maturity Date Late Fee of \$47,861.39, Less

The net amount realized upon liquidation of the Excluded Assets, to be determined as follows:

Promptly after the liquidation of the Excluded Assets, Seller shall provide a liquidation report of gross sales, costs and net result.

HOWEVER, in no event shall the Deficiency Amount exceed \$100,000.

2.2 **Payment of Purchase Price.**

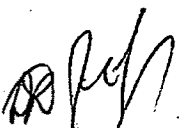
2.2.1 Down Payment. Buyer shall make a down payment of Three Hundred Thousand and no/100 Dollars (\$300,000). This payment shall be wired directly to Eagle Valley Bank, N.A. at closing for application to the Bank Debt.

2.2.2. Balance of Purchase Price. Buyer shall obtain financing on the Deficiency through Eagle Valley Bank, N.A. Proceeds of this financing shall be applied directly to the Bank Debt.

2.3 **Allocation of Purchase Price.** The Purchase Price shall be allocated for all purposes, including, without limitation, Section 1060 of the Internal Revenue Code of 1986, as amended, the regulations thereunder and Form 8594 and all other required tax filings, based upon the following allocation and the parties hereto agree not to contest such allocation for any purpose:

	ITEM	ALLOCATION
1.	Intellectual Property	\$
2.	Equipment	\$
3.	Goodwill	\$

**ARTICLE 3**



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CLOSING

3.1 **Closing.** The closing of the transactions contemplated by this Agreement (the "Closing") will be September 22, 2010, referred to herein as the "Closing Date."

3.2 **General Procedure.** Effective as of the Closing, each party shall deliver to the party entitled to receipt thereof, the documents required to be delivered pursuant to Article 6 hereof and such other documents, instruments and materials (or complete and accurate copies thereof, where appropriate) as may be reasonably required in order to effectuate the intent and provisions of this Agreement and all such documents instruments and materials shall be satisfactory in form and substance to counsel for the receiving party. The conveyance, transfer, assignment and delivery of the Assets shall be effected by Seller's execution and delivery to Buyer of a bill of sale substantially in the form attached hereto as **Exhibit B** (the "Bill of Sale") and such other instruments of conveyance, transfer, assignment and delivery as Buyer shall reasonably request.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller that:

4.1 **Execution, Delivery; Valid and Binding Agreement.** The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated hereby have been duly and validly authorized by all requisite actions, and no other proceedings on its part are necessary to authorize the execution, delivery or performance of this Agreement. This Agreement has been duly executed and delivered by Buyer and constitutes the valid and binding obligation of Buyer, enforceable in accordance with its terms.

4.2 **Representation and Warranties as to the Purchased Assets.** Seller makes no representations or warranties as to the assets on Exhibit A and Buyer agrees to take title to such assets As is, Where is, and With All Faults.

ARTICLE 5

DELIVERABLES

5.1 **By Seller.** Seller covenants and agrees that it will, as of the Closing, deliver to Buyer executed copies of the **Bill of Sale** and such other instruments of conveyance, transfer, assignment and delivery as Buyer shall have reasonably requested.

5.2 **By Buyer.** Buyer covenants and agrees that it will, as of the Closing, deliver to Seller:

- (a) The purchase price; and

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(b) copies of consents from all creditors and / or secured parties which are associated with the assets described on Exhibit A.

5.3 **Conditions Precedent to Buyer's Performance.** The parties agree that Buyer's obligation to perform shall be specifically conditioned upon Seller having performed all covenants, agreements, and obligations required under this Agreement.

5.4 **Conditions Precedent to Seller's Performance.** The parties agree that Seller's obligation to perform shall be specifically conditioned upon:

- (a) The representations and warranties of Buyer shall be true and correct.
- (b) Buyer shall have duly performed all covenants, agreements, and obligations required under this Agreement.
- (c) Buyer shall have received copies of consents from all creditors and / or secured parties which are associated with the Assets.
- (d) Buyer shall have received court approval of the sale.

## ARTICLE 6

### COOPERATION

As additional consideration to Seller Buyer agrees to cooperate with Seller as provided in the attached Exhibit C.

## ARTICLE 7

### MISCELLANEOUS

7.1 **Further Assurances.** Seller agrees that, on and after the Closing Date, it shall take all appropriate action and execute any documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out any of the provisions hereof..

7.2 **Books and Records.** Buyer and Seller agree that so long as any books, records and files retained by Seller relating to the business of Seller, or the books, records and files delivered to the control of Buyer pursuant to this Agreement to the extent they relate to the operations of Seller prior to the Closing Date, remain in existence and available, each party (at its expense) shall have the right upon prior notice to inspect and to make copies of the same at any time during business hours for any proper purpose. Buyer and Seller shall use reasonable efforts not to destroy or allow the destruction of any such books, records and files without first offering in writing to deliver them to the other.



7.3 **Amendment and Waiver.** This Agreement may not be amended or waived except in a writing executed by the party against which such amendment or waiver is sought to be enforced. No course of dealing between or among any persons having any interest in this Agreement will be deemed effective to modify or amend any part of this Agreement or any right or obligations of any person under or by reason of this Agreement.

7.4 **Notices.** All notices, demands and other communications to be given or delivered under or by reason of the provision of this Agreement will be in writing and will be deemed to have been given when personally delivered or three business days after being mailed by certified U.S. mail, return receipt requested, or when receipt is acknowledged, if sent by facsimile, telecopy or other electronic transmission device. Mailed notices should be addressed as follows:

If to Buyer: David Reinhart, Principal  
Reinhart Capital, LLC  
5214 Parker Avenue  
St. Paul, MN 55110

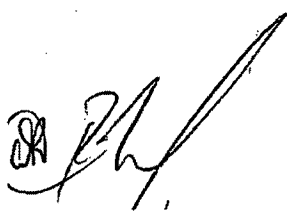
If to Seller: WhatRU Holding, LLC  
10665 Alameda Avenue  
Inver Grove Heights, MN 55077

7.5 **Assignment.** This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either party without the prior written consent of the other party; provided, however, that Buyer shall remain responsible for its obligations under this Agreement even after such an assignment.

7.6 **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement

7.7 **Complete Agreement.** This Agreement, along with the Exhibits attached hereto and incorporated herein, contains the complete agreement between the parties with respect to the subject matter thereof, and supersedes any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter thereof in any way.

7.8 **Counterparts.** This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same instrument.

A handwritten signature in black ink, appearing to be 'DR' followed by a stylized name, is located in the bottom left corner of the page.

7.9 **Governing Law and Venue.** The laws of the State of Minnesota will govern all questions concerning the construction, validity and interpretation of this Agreement.

7.10 **Rights of Third Parties.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties hereto and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

7.11 **Binding Effect; Assignment.** This Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns.

7.12 **Survival.** All representations, covenants and warranties contained in this Agreement shall not be cancelled by performance of this Agreement and/or the Closing but shall forever survive the Closing of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

**SELLER:**

Reinhart Capital, LLC, as receiver for Beijing, CEC and CEI

Dated: September 28, 2010

By:   
Dave Reinhart

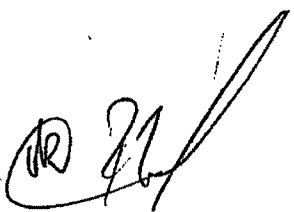
Its: Chief Manager

**BUYER:**

WhatRU Holding, LLC

Dated: September 28, 2010

By:   
Its: Chief Manager



Handwritten signature or initials, possibly 'RJA', enclosed in a circle.



**ASSET PURCHASE AGREEMENT  
EXHIBITS AND SCHEDULES**

**EXHIBITS**

Exhibit A -- Assets  
Exhibit B -- Bill of Sale

A handwritten signature or set of initials, possibly 'JH' or 'JL', written in dark ink. The signature is somewhat stylized and appears to be a personal mark.

**EXHIBIT A**  
**Assets**

1. All intellectual property (trade names, websites, email addresses, phone numbers, patterns, diagrams, photographs, digital print files, customer lists, MAS Enterprise System), patents and copyrights; Safety Air Systems, LLC and related patents.
2. \$5,000 non-refundable deposit that was paid to IAAPA for 2010 trade show.
3. Paper diagrams.
4. Catalogs.
5. Price lists.
6. Servers with rack and cooling system.
7. 2007 iMac computer.
8. Design computer (Gillian) with large digitizing tablet.
9. Sony Vaio computer (Bob Field's computer).
10. Any and all right to purchase the Hwa Nan container recently ordered by Seller.
11. All Watchdog Blower Sirens Inventory.
12. (2) Black Boxes containing Trade Show Extension Cords and Trade Show office supplies (2) Brown bags containing Trade Show Chair (4) Bags containing Trade Show White PVC Table (1) Trade Show Display Case containing WatchDog Backdrop and Facilitator Back Drop (2) Floor Coverings for Trade Show Booths (1) Large Pallet Plastic Container containing Trade Show Supplies.
13. All back up server tapes in the possession of Seller.



**EXHIBIT B**

See attached.

Handwritten signature or initials in the bottom left corner, appearing to be 'JL' followed by several vertical strokes.

**BILL OF SALE**

THIS BILL OF SALE is executed and delivered this 28 day of September, 2010 by Reinhart Capital, LLC as Receiver of the assets of Beijing Manufacturing Company, a Minnesota corporation, Cutting Edge Creations, Inc., a Minnesota corporation and Cutting Edge Inflatables, LLC ("Seller") to WhatRU Holding, LLC, a Minnesota limited liability company ("Buyer").

In consideration of One Dollar (\$1.00) and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller does hereby bargain, sell, convey and grant unto Buyer, its successors and assigns, all of the assets and personal property of Seller identified on Exhibit A attached hereto and incorporated herein (the "Assets").

Seller makes no representations or warranties whatsoever with respect to the existence, condition or location of the Assets or concerning title to or encumbrances on the Assets.

THIS SALE IS "AS IS," "WHERE IS," AND "WITH ALL FAULTS." RECEIVER MAKES NO EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE ASSETS AND SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE CONDITION, USE OR INABILITY TO USE THE ASSETS. THERE IS NO WARRANTY RELATING TO TITLE, POSSESSION, QUIET ENJOYMENT, OR THE LIKE IN THIS DISPOSITION.

The Assets are transferred subject to the liens and security interests of Eagle Valley Bank and shall remain subject to the liens and security interests of Eagle Valley Bank until the financing provided to Buyer by Eagle Valley Bank in connection with this transaction is paid and satisfied in full.

IN WITNESS WHEREOF, Seller has executed and delivered this Bill of Sale as of the date first above written.

**SELLER:**

Reinhart Capital, LLC, as receiver for Beijing, CEC and CEI

By:   
Dave Reinhart

Its: Chief Manager

Dated: September 28, 2010



