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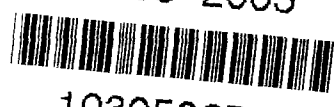
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Form PTO-1594 (Rev. 03/01)  
OMB No. 0651-0027 (exp. 5/31/2006)  
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U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

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

<p>1. Name of conveying party(ies): <b>PAT TENORE</b></p> <p><input checked="" type="checkbox"/> Individual(s)      <input type="checkbox"/> Association  <input type="checkbox"/> General Partnership      <input type="checkbox"/> Limited Partnership  <input type="checkbox"/> Corporation-State  <input type="checkbox"/> Other _____</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies) Name: <b>Production Finance Int'l, LLC</b>  Internal Address: <del>801</del>  Street Address: <b>801 W Riverside #444</b>  City: <b>Spokane</b> State: <b>WA</b> Zip: <b>99201</b></p> <p><input type="checkbox"/> Individual(s) citizenship _____  <input type="checkbox"/> Association _____  <input type="checkbox"/> General Partnership _____  <input type="checkbox"/> Limited Partnership _____  <input type="checkbox"/> Corporation-State _____  <input checked="" type="checkbox"/> Other <b>LLC</b></p> <p><small>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No  (Designations must be a separate document from assignment)  Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</small></p>
<p>3. Nature of conveyance:  <input type="checkbox"/> Assignment      <input type="checkbox"/> Merger  <input checked="" type="checkbox"/> Security Agreement      <input type="checkbox"/> Change of Name  <input type="checkbox"/> Other _____</p> <p>Execution Date: _____</p>	<p>4. Application number(s) or registration number(s):  A. Trademark Application No.(s) <b>78524354</b>  B. Trademark Registration No.(s) <b>2622.308</b></p> <p>Additional number(s) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed:  Name: <b>Greg Strate</b>  Internal Address: <b>Production Finance Int'l</b>  Street Address: <b>801 W Riverside Suite 444</b>  City: <b>Spokane</b> State: <b>WA</b> Zip: <b>99201</b></p>	<p>6. Total number of applications and registrations involved: <b>2</b></p> <p>7. Total fee (37 CFR 3.41).....\$ <b>65.00</b>  <input checked="" type="checkbox"/> Enclosed  <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____</p> <p>(Attach duplicate copy of this page if paying by deposit account)</p>
<p style="text-align: center;"><b>DO NOT USE THIS SPACE</b></p> <p>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.</p> <p><b>Greg Strate</b>      <i>Greg Strate</i>      <b>June 27, 2005</b>  Name of Person Signing      Signature      Date</p> <p>Total number of pages including cover sheet, attachments, and document: <b>4</b></p>	

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

# SECURITY AGREEMENT

THIS AGREEMENT is entered into this 25 day of May, 2005, by and between Production Finance International, LLC (hereinafter "PFI"), of Spokane, Washington 99201, a Washington limited liability corporation, and Patrick M. Tenore, Jr. (hereinafter "TENORE"), of Costa Mesa, California, 92627.

## 1. RECITALS

- 1.1. TENORE is the owner of rights in the Trademarks RVCA and VA worldwide - the trademark RVCA (USPTO Application Nos. 78524354 and 78032992) and the trademark VA (USPTO Registration No. 2622308).
- 1.2. TENORE is president and part owner of RVCA Corporation, (hereinafter "RVCA") a California corporation located in Costa Mesa, CA.
- 1.3. RVCA is indebted to PFI and all present and future monies owed by RVCA to PFI shall hereinafter be referred to as the "PFI Debt".
- 1.4. TENORE has guaranteed payment of the PFI Debt by RVCA to PFI and desires to secure the performance of his guaranty by granting PFI a perfected security interest in the Trademarks.

Now therefore, in return for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## 2. GRANT AND SECURITY INTEREST

- 2.1 TENORE hereby grants to PFI a security interest in all of his rights in the Trademarks and the goodwill associated therewith in the registrations and/or applications described in paragraph 1, 1.1.

## 3. DEFAULT

- 3.1 Breach of any term of this Security Agreement shall constitute default.
- 3.2 RVCA's non-payment of any or all of the PFI Debt when due, and TENORE'S non-performance under his guaranty to pay any or all of the PFI Debt to PFI when due.

#### **4. RIGHTS UPON DEFAULT**

4.1 This security interest is to secure TENORE'S performance under his guaranty to pay the PFI Debt. Should TENORE be in default as defined above, PFI shall have the right to demand a public auction and sale to the highest bidder of the Trademarks and the goodwill associated therewith. If PFI is the successful bidder at such auction and sale, it shall have the right to set off TENORE'S obligation to pay the PFI Debt against its successful bid. If PFI is not the successful bidder, TENORE agrees to satisfy his obligation to pay the PFI Debt to PFI out of the proceeds received from said sale.

#### **5. TERMINATION**

5.1 Upon full payment of all of the PFI Debt, PFI will release all of its security interests in the Trademarks and goodwill associated therewith. In such event, PFI agrees to execute all documents and take all other action requested by TENORE to release PFI's security interest in the trademarks and goodwill associated therewith.

#### **6. SUCCESSORS AND ASSIGNS**

6.1 This Agreement shall be binding on the parties, their successors and assigns.

#### **7. GOVERNING LAW**

7.1 This Agreement shall be governed by the State of Washington.

7.2 In the event that either party brings any legal proceeding to enforce or interpret any provision herein, the party that substantially prevails in such legal proceeding shall be entitled to have its reasonable attorney's fees and costs, including fees and costs of appeal, paid by the other party. In recognition of the costs and delays associated therewith, the parties agree to waive their respective rights to a jury trial in all cases related to enforcement of the Agreement.

Executed this 25 day of May, 2005.

ASSIGNEE: (Secured Party)

**Production Finance International, LLC**

ASSIGNOR: (Obligor)

**Patrick M. Tenore, Jr.**

By [Signature]  
Its SIP

[Signature]

STATE OF \_\_\_\_\_ )

)ss.

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2005, before me appeared

\_\_\_\_\_, who being sworn, acknowledged that he signed this instrument as a free act.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
California, residing at  
\_\_\_\_\_