

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Armada Del Salvacion		11/02/2007	CORPORATION: CALIFORNIA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Robert Vesely		
<b>Street Address:</b>	659 Via Faisan		
<b>City:</b>	San Clemente		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	92673		
<b>Entity Type:</b>	INDIVIDUAL:		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	3472212	TRUTH SOUL ARMOR	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(602)734-3870		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	(602) 262-5311		
<b>Email:</b>	trademarks@lrlaw.com		
<b>Correspondent Name:</b>	Jennifer Van Kirk, c/o Lewis and Roca		
<b>Address Line 1:</b>	40 North Central Avenue, Suite 1900		
<b>Address Line 4:</b>	Phoenix, ARIZONA 85004		
<b>ATTORNEY DOCKET NUMBER:</b>	IRBY		
<b>NAME OF SUBMITTER:</b>	JENNIFER A. VAN KIRK		
<b>Signature:</b>	/JENNIFER A. VAN KIRK/		
<b>Date:</b>	06/09/2009		

CH \$40.00 3472212

**Total Attachments: 8**

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## SECURITY AGREEMENT

*THIS SECURITY AGREEMENT* (the "Agreement") is entered into and is effective as of November 2, 2007, by and between ARMADA DEL SALVACION, a California corporation ("Debtor"), and ROBERT VESELY ("Secured Party").

### RECITALS

A. *WHEREAS*, Secured Party and Debtor have entered into that certain Convertible Secured Debenture Due 2008 (the "Debenture"), with an effective date of November 2, 2007, whereby Debtor has agreed, among other things, to pay to Secured Party the sum of \$125,000.00;

B. *WHEREAS*, Debtor has entered into this Agreement to secure all of the Secured Obligations (as defined below); and

C. *WHEREAS*, the execution and delivery of this Agreement by Debtor is a condition precedent to Secured Party's obligations under the Acquisition Agreement.

### AGREEMENT

*NOW, THEREFORE*, with reference to the foregoing Recitals and in reliance thereon, and for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor and Secured Party hereby agree, as follows:

### ARTICLE I

#### *SECURITY INTEREST*

1.01. Security Interest. To secure the full and punctual payment and performance of all of the Secured Obligations when due, and in order to secure prompt performance by Debtor of each and all of its covenants under this Agreement, Debtor hereby grants to Secured Party a security interest in all of the interests of Debtor in the following, whether now owned or hereafter acquired or arising, and wherever located (collectively, the "Collateral"): All Accounts, Equipment, General Intangibles (including without limitation, all of the Deposit Accounts), Inventory, Negotiable Collateral, Receivables, all money, all collateral in which Debtor is granted a security interest pursuant to any present or future agreement, all property now or at any time in the future in Secured Party's possession, and all proceeds (including proceeds of any insurance policies, proceeds of claims against third parties), all products of the foregoing, all books and records related to any of the foregoing, and all other personal property, tangible or intangible, of Debtor.

1.03. **DELIVERY OF ADDITIONAL DOCUMENTS.** Debtor shall execute and deliver to Secured Party concurrently with Debtor's execution of this Agreement, and at any time or times hereafter at the request and expense of Secured Party, all financing statements, continuation financing statements and fixture filings, and all other documents that Secured Party may reasonably request, to perfect and maintain perfected Secured Party's security interests in the Collateral, and in order to fully consummate the transactions contemplated by this Agreement. Debtor will timely advise Secured Party of any change in Debtor's name, business structure, identity, or any fictitious business name so as to enable Secured Party to maintain the perfection of its security interest.

## ARTICLE II

### DEFINITIONS

2.01. "**Code**" means the *Uniform Commercial Code* as adopted and in effect in the State of Washington, as may be amended from time-to-time.

2.02. "**Collateral**" has the meaning set forth in Section 1.01 above.

2.03. "**Event of Default**" means any of the following events:

(a) The failure of Debtor to make any payment of principal and interest on the Debenture on the due date for such payment or any other default occurs under the Debenture;

(b) Debtor suspends business;

(c) Debtor becomes insolvent or, except in the ordinary course of business, offers settlement to any creditors; files a petition in bankruptcy, either voluntary or involuntary; institutes any proceeding under any bankruptcy; or institutes any proceeding under any bankruptcy or insolvency laws relating to the relief of debtors;

(d) Debtor merges or consolidates with another legal entity, or transfers or sells any of its assets, if after such merger or consolidation, transfer or sale Debtor will control, or own, less than fifty percent (50%) of a merged or consolidated legal entity, or the entity to which a transfer or sale is made;

(e) Debtor makes an assignment for the benefit of creditors; or

(f) A default of any nature occurs on any debt or obligation to which the Debenture has been subordinated which results in the acceleration of such debt or obligation.

An Event of Default under (a) or (f) above shall occur only if Maker fails to pay any such installment of principal or other payment within ten (10) days of the date of written notice from the party to whom the obligation is owed.

2.04. "**Permitted Liens**" means the following: (a) purchase money security interests in specific items of Equipment; (b) leases of specific items of equipment; (c) liens for taxes not yet payable; (d) additional security interests and liens which are subordinate to the security interest in favor of Debtor; (e) security interests being terminated substantially concurrently with this Agreement; (f) liens of materialmen, mechanics, warehousemen, carriers, or other similar liens arising in the ordinary course of business and securing obligations which are not delinquent; (g) liens incurred in connection with the extension, renewal, or refinancing of the indebtedness secured by liens of the type described above in clauses (a) and (b) above, provided that any extension, renewal or replacement lien is limited to the property encumbered by the existing lien and the principal amount of the indebtedness being extended, renewed or refinanced does not increase; (h) liens in favor of customs and revenue authorities which secure payment of customs duties in connection with the importation of goods; (i) a new loan or loan extension of any loan with any lender or financial institution, for primary financing of Debtor's business, or any other existing or future loan or extension of credit that is normal, customary or reasonably necessary to support the operations of Debtor.

2.05. "**Secured Obligations**" means the entire principal and any interest due under the Debenture, and any advances, debts, liabilities, obligations and indebtedness of any kind or nature whatsoever at any time owing by Debtor to Secured Party, whether evidenced by this Agreement or any note or other instrument or document, whether direct or indirect (including without limitation, those acquired by assignment and any participation by Secured Party in Debtor's debts owing to others), absolute or contingent, due or to become due, including, without limitation, all interest, charges, expenses, fees, attorney fees, audit fees, and any other sums chargeable to Debtor under this Agreement or under any other present or future instrument or agreement between Debtor and Secured Party.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

3.01. **REPRESENTATIONS AND WARRANTIES.** In order to induce Secured Party to enter into this Agreement, Debtor represents and warrants to Secured Party as follows, and Debtor covenants that the following representations will continue to be true, and that Debtor will at all times comply with all of the following:

(a) Title to Collateral: Permitted Liens. Debtor is now, and will at all times in the future be, the sole owner of the Collateral, except for items of Equipment which are leased by Debtor and except as permitted Sections 2.03(d) and 2.04. Debtor has good and marketable title to the Collateral which is now and will remain free and clear of any and all liens, charges, security interests, encumbrances and adverse claims, except for Permitted Liens. Secured Party now has, and will continue to have, a first-priority perfected and enforceable security interest in all of the Collateral, subject only to, or subordinate to, the Permitted Liens, and Debtor will at all times defend the Collateral against all claims of others. Notwithstanding the foregoing, Debtor shall be permitted to make transfers the in the ordinary course of business, and Creditor shall release its security interest in any property so transferred.

(b) Existence and Authority. Debtor is and will continue to be a duly organized, validly existing limited liability company and is and will continue to be in good standing under the laws of the State of California. Debtor is and will continue to be qualified and licensed to do business in all jurisdictions in which any failure to do so would have a material adverse effect on Debtor.

(c) Authorization. The execution, delivery and performance of this Agreement by Debtor: (i) have been duly and validly authorized, (ii) are enforceable against Debtor in accordance with their terms, and (iii) do not constitute grounds for acceleration of any material indebtedness or obligation under any material agreement or instrument which is binding upon Debtor or its property.

(d) No Conflict. The execution by Debtor of this Agreement does not constitute a breach of any provision contained in Debtor's Articles of Organization or Operating Agreement, nor does it constitute an event of default under any agreement to which Debtor is now or hereafter becomes a party.

(e) Tax Returns and Payments. Debtor has timely filed, and will timely file unless on a valid extension, all tax returns and reports required by applicable law, and Debtor has timely paid, and will timely pay, all applicable taxes assessment, deposits and contributions now or in the future. Notwithstanding the foregoing, an audit, by any agency, private or governmental, which is contested by Debtor shall not result in a breach of this Section 3.01(e).

(f) Trade Names. The name of Debtor set forth in the heading of this Agreement is its correct name. Debtor shall give Secured Party reasonable prior written notice before changing its name or doing business under any other name. Debtor has complied, and will comply in the future, with all laws relating to the conduct of business under a fictitious business name.

## ARTICLE IV

### DUTIES OF THE DEBTOR

4.01. **LITIGATION COOPERATION.** Should any third-party suit or proceeding be instituted by or against Secured Party with respect to any Collateral or in any manner relating to Debtor, Debtor shall make available Debtor and its Officers, employees and agents, and Debtor's books and records, to the extent that Secured Party may deem them reasonably necessary in order to prosecute or defend any such suit or proceeding.

4.02. **INDEMNIFICATION.** Debtor hereby agrees to indemnify Secured Party and hold Secured Party harmless from and against any and all claims, debts, liabilities, demands, obligations, actions, causes of action, penalties, costs and expenses (including attorneys' fees), of every nature, character and description, which Secured Party may sustain or incur based upon or arising out of any of the Secured Obligations, or any other matter, cause or thing whatsoever occurred, done, omitted or suffered to be done by Secured Party relating to Debtor or the Secured Obligations, except as such amounts sustained or incurred are as the result of the gross negligence or willful misconduct of Secured Party, its directors, officers, employees, agents, or attorneys. The indemnity

provision set forth in this Section shall survive any termination of this Agreement and shall for all purposes continue in full force and effect.

## ARTICLE V

### TERM

5.01. **TERM.** This Agreement shall terminate upon the full and complete payment of the principal and accrued interest under the Debenture and satisfaction of all of the Secured Obligations herein.

## ARTICLE VI

### DEFAULT

6.01. **DEFAULT.** Upon the occurrence of an Event of Default, as defined herein and in the Debenture, and at any time thereafter, after expiration of any applicable cure period, Secured Party, at its option, may do any one or more of the following: (a) accelerate and declare all or any part of the Secured Obligations to be immediately due, payable, and performable, notwithstanding any deferred or installment payments allowed by any instrument evidencing or relating to any Secured Obligation; or (b) exercise any of its rights or remedies provided for in the *California Uniform Commercial Code*, or any other applicable law.

## ARTICLE VII

### GENERAL PROVISIONS

7.01. **NOTICES.** All notices to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is being given, or on the fifth (5th) day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and properly addressed to Secured Party or Debtor, as follows:

**SECURED PARTY:** Robert Vesely  
659 Via Faisan  
San Clemente, CA 92673  
Telephone: (949) 366-0908

with a copy to: Paul Irby, Esq.  
14841 Yorba Street  
Suite 203  
Tustin, CA 92780  
Telephone: (714) 838-5932  
Telecopier: (714) 838-5900

**DEBTOR:** Armada del Salvacion  
Attn: Jeffrey Ray  
1327 Calle Avanzado  
San Clemente, CA 92673  
Telephone: (949) 369-9474  
Telecopier: (949) 369-9471

with a copy to: Alan Sturgeon, Esq.  
27281 Las Ramblas  
Suite 140  
Mission Viejo, CA 92691  
Telephone: (949) 348-1555  
Telecopier: (949) 348-0515

Either party hereto may, from time-to-time, by written notice to the other, designate a different address which shall be substituted for the one specified above.

7.02. **SEVERABILITY.** Should any provision of this Agreement be held by any court of competent jurisdiction to be void or unenforceable, such defect shall not affect the remainder of this Agreement, which shall continue in full force and effect.

7.03. **INTEGRATION.** This Agreement and such other written agreements, documents and instruments as may be executed in connection herewith are the final, entire and complete agreement between Debtor and Secured Party and supersede all prior and contemporaneous negotiations and oral representations and agreements, all of which are merged and integrated in this Agreement. There are no oral understandings, representations, or agreements between the parties which are not set forth in this Agreement or in other written agreement signed by the parties in connection herewith.

7.04. **WAIVERS.** The failure of Secured Party at any time or times to require Debtor to strictly comply with any of the provisions of this Agreement or any other present or future agreement between Debtor and Secured Party shall not waive or diminish any right of Secured Party later to demand and receive strict compliance therewith. Any waiver of any default shall not waive or affect any other default, whether prior or subsequent and whether or not similar. None of the provisions of this Agreement or any other agreement now or in the future executed by Debtor and delivered to Secured Party shall be deemed to have been waived by any act or knowledge of Secured Party or its agents or employees, but only by a specific written waiver signed by an authorized officer of Secured Party and delivered to Debtor.

7.05. **AMENDMENT.** The terms and provisions of this Agreement may not be waived or amended, except in a writing executed by Debtor and a duly authorized officer of Secured Party.

7.06. **ATTORNEYS' FEES AND COSTS.** In the Event of Default, as defined herein and in the Debenture, Debtor shall reimburse Secured Party for all reasonable attorneys' fees and all filing, recording, search, title insurance, appraisal, audit, and other reasonable costs incurred by Secured Party, pursuant to, or in connection with, or relating to this Agreement (whether or not a lawsuit is filed), including, but not limited to, any



reasonable attorneys' fees and costs Secured Party incurs in order to do the following: obtain legal advice in connection with this Agreement or Debtor; commence, intervene in, or defend any action or proceeding; initiate any complaint to be relived of the automatic stay in bankruptcy, file or prosecute any probate claim, bankruptcy claim, third-party claims, or other claim; examine, audit, copy, and inspect any of the Collateral or any of Debtor's books and records; protect, obtain possession of, lease, dispose of, or otherwise enforce Secured Party's security interest in, the Collateral; and otherwise represent Secured Party in any litigation relating to Debtor. If either party files any lawsuit against the other predicated on a breach of this Agreement, the prevailing party in such action shall be entitled to recover its reasonable costs and attorneys' fees and costs incurred in the enforcement of, execution upon or defense of any order, decree, award or judgement. Any attorneys' fees and costs to which Secured Party may be entitled pursuant to this Section 7.06 shall immediately become part of Debtor's Secured Obligations, shall be due on demand, and shall bear interest at a rate equal to the highest rate of interest applicable to any of the Secured Obligations.

**7.07. ASSIGNMENT.** This Agreement may be assigned by Secured Party and shall be binding upon and inure to the benefit of Secured Party's successors and assigns. This Agreement shall not be assignable in whole or in part by Debtor without Secured Party's prior written consent.

**7.08. GOVERNING LAW.** This Agreement and all acts and transactions hereunder and all rights and obligations of Secured Party and Debtor shall be governed by the laws of the State of California. Venue of purposes of this Agreement shall be in the Orange County, State of California and Debtor and Secured Party both agree to be subject to the personal jurisdiction of the State of California , including any state or federal court sitting in or Orange County and all rules thereof.

**7.09. PARAGRAPH AND SECTION HEADINGS; CONSTRUCTION.** Paragraph and section headings are only used in this Agreement for convenience. Debtor and Secured Party acknowledge that the headings may not describe completely the subject matter of the applicable paragraph or section, and the headings shall not be used in any manner to construe, limit, define or interpret any term or provision of this Agreement. The term "including", whenever used in this Agreement, shall mean "including (but not limited to)." This Agreement has been fully reviewed and negotiated between the parties and no uncertainty or ambiguity in any terms or provision of this Agreement shall be construed strictly against Secured Party or Debtor under any rule of construction or otherwise.

**7.10. COUNTERPARTS.** This Agreement may be signed in any number of counterparts (including facsimile copies thereof) each of which shall be an original, with the same effect as if the signature thereto and hereto were upon the same instrument.

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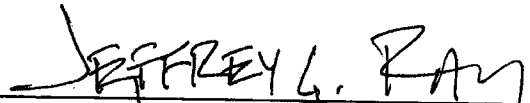
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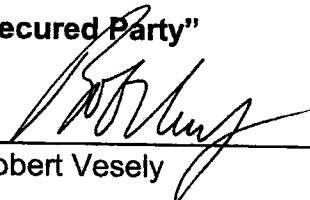
IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

**"Debtor"**

ARMADA DEL SALVACION,  
a California corporation

  
By: \_\_\_\_\_  
Its: Chief Executive Officer

**"Secured Party"**

  
Robert Vesely