Anthony Scaturro
Division Manager - Flow International
Neil Pryde Limited

Ms. Jlie C. VanDerZanden
Vice President, General Counsel
K2 Corporation

November 19, 2004

Dear Ms. VanDerZanden

I am writing to you to follow up on an letter sent to you by our Mike Flint on behalf of Neil Pryde Limited on September 2, 2004 whereby Mr. Flint offered K2 Corporation an worldwide non-exclusive license for a royalty equal to five percent (5%) of revenues from sales of licensed products. In turn you responded on October 14th of 2004 stating that you were willing to consider our proposal, but diligence required you to conduct a review. A month has passed and we have not heard further from you.

In light of recent dealer feedback and market research we have concluded that there is growing confusion in the market, amongst retailers and other industry persons. We think that it is important to act immediately to establish a relationship between Neil Pryde Limited and K2 Corporation or seek alternative options available to us in order to protect our assets, establish a formal relationship or position on this matter. This is particularly important, as we are also both moving into a new selling season.

This being said I would like to discuss a commercial relationship with you for the licensing of the relevant patent(s) being used in the K2 Cinch Binding (US 5,971,423 and at least its related international filings provided to you by Mr. Flint on October 20, 2004).

We are appreciative of the K2 Cinch design as we feel it brings further credibility to the Flow binding and the emerging category of back entry bindings. We feel that establishing a formal relationship will allow both the K2 Cinch binding and the Flow binding to coexist and that this relationship can be mutually beneficial. We do however need to make sure that we follow certain legal and professional protocol.

I would like to visit you in the week of November 22 to discuss a formal licensing agreement and to put this matter behind us.

Please contact me via email at anthony@flow.com or by phone to set up a meeting – office phone (415) 543 1000 or on my mobile (415) 335 – 5611.

I am looking forward to hearing from you.

Sincerely,
Anthony Scaturro
Flow International – Division Manager