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05-03-1999



1 SHEET -Y

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To the Honorable Commissioner of Patents and Trademarks, attached original documents or copy thereof.

1. Name of conveying party(ies):

SPK Jewelry, Inc.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State (New York), Other

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

2. Name and address of receiving party(ies)

Name: Fleet Precious Metals Inc.

Internal Address:

Street Address: 111 Westminster Street

City: Providence State: RI ZIP: 02903

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State, Other Bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

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

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: January 5, 1999

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,701,684

Additional numbers attached? Yes No

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

Name: Patricia J. Igoe

Internal Address: Peabody & Brown

Street Address: One Citizens Plaza

City: Providence State: RI ZIP: 02903

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41) \$ 40.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

04/29/1999 JSHBAZZ 00000099 1701684

DO NOT USE THIS SPACE

01-FC-481

40.00 EP

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.

Patricia J. Igoe

Name of Person Signing

Signature

Signature

4/20/99

Date

Total number of pages including cover sheet, attachments, and document:

COLLATERAL ASSIGNMENT OF TRADEMARKS AND TRADENAMES

AGREEMENT made as of January 5, 1999, by and among SPK JEWELRY, INC., a New York corporation with its principal office located at 7 North Village Avenue, Rockville Centre, New York (the "Assignor"); and FLEET PRECIOUS METALS INC., a Rhode Island corporation ("FPM"), and FLEET NATIONAL BANK, a national banking association (the "Bank"), both with offices at 111 Westminster Street, Providence, Rhode Island 02903 (FPM and the Bank may hereinafter be referred to, individually as a "Lender" and, together, as the "Lenders").

Background. Assignor has incurred obligations to the Lenders which are secured by security interests in all of Assignor's accounts, inventories, equipment and general intangibles, including without limitation Assignor's trademarks, trademark applications, servicemarks, tradenames, and goodwill in respect thereof (collectively, the "Collateral"). To confirm and perfect the Lenders' interest in Assignor's trademarks, trademark applications, servicemarks, and tradenames, Assignor has agreed to assign Assignor's trademarks, trademark applications, servicemarks, and tradenames to the Lenders as hereinafter provided.

Additional Definitions. The following terms shall be defined as follows:

"Obligations" means (i) the due and punctual payment of that certain Secured Demand Note of the Assignor, JEWELRY MANUFACTURERS WHOLESALE OUTLET INC., a New York corporation ("Retail I"), and JEWELRY WHOLESALE OUTLET, INC., a New York corporation ("Retail II"), of even date herewith issued to FPM in the maximum principal amount of \$270,000 (the "Line Note"), (ii) the due and punctual payment and performance of all the obligations of the Assignor contained herein and the due and punctual payment and performance of all obligations of the Assignor Retail I and Retail II contained in that certain Loan Agreement of even date herewith, as amended from time to time, by and among FPM and the Assignor, Retail I and Retail II (the "Loan Agreement"), and (iii) the due and punctual payment of all other future advances to the Assignor and/or Retail I and/or Retail II by the Lenders, or either of them, and all other indebtedness, liabilities and obligations of the Assignor, Retail I and Retail II to the Lenders and each of them, of every kind and description, whether direct, indirect or contingent, now or hereafter existing, due or to become due, and howsoever arising, incurred or evidenced.

"Of Record" means recorded in the U.S. Patent and Trademark Office.

Capitalized terms not otherwise defined herein shall have the meanings assigned by the aforesaid Loan Agreement.

NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with the Lenders as follows:

1. To secure the complete and timely payment and satisfaction of the Obligations, Assignor hereby grants, assigns and conveys to the Lenders the entire right, title and interest of Assignor in and to the trademark applications, trademarks,

servicemarks. and tradenames listed in Schedule A hereto and Assignor's goodwill in respect thereof (the "Marks"), including without limitation all proceeds of the Marks (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part of the Marks (collectively, the "Rights").

2. Assignor covenants and warrants that:

(a) Schedule A hereto correctly describe all Assignor's trademarks, trademark applications, servicemarks and tradenames Of Record;

(b) The Rights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(c) To the best of Assignor's knowledge, each of the Rights is valid and enforceable and Assignor has notified Lenders in writing of all prior art (including public uses and sales) of which it is aware;

(d) To the best of the Assignor's knowledge, upon the filing of the Assignment Of Record from Ardian Jewelry Corp. to Stewart P. Klein and the further filing of the Assignment Of Record from Stewart P. Klein. to the Assignor, the Assignor will be the sole and exclusive owner Of Record of the entire and unencumbered right, title and interest in and to each of the Rights, free and clear of any liens, charges and encumbrances Of Record; and

(e) Assignor has the unqualified right to enter into this Agreement and perform its terms.

3. Except as specifically set forth in Paragraph 2, Assignor does not warrant that the Rights might not be declared invalid if challenged in court, and does not warrant that no other person has rights to use the Marks.

4. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement which is inconsistent with Assignor's obligations under this Agreement, without Lenders' prior written consent.

5. Unless and until there shall have occurred and be continuing an Event of Default, the Lenders hereby grant to Assignor the exclusive, nontransferable right and license to use the Rights in connection with the Collateral for Assignor's own benefit and for none other; provided, however, that Assignor may make or grant assignments and sublicenses of the Rights in the ordinary course of Assignor's business; provided, further, that no such assignment or sublicense shall be Of Record or shall impair the rights of Assignor or the Lenders to sell the Collateral in the United States in accordance with the terms of this Agreement and the aforesaid Loan Agreement. Assignor covenants that Assignor will maintain the quality of goods produced or sold by Assignor under any Mark

consistent with the quality thereof on the date of this Agreement, will not change the quality of such goods without the Lenders' consent, will permit the Lenders access to Assignor's facilities at all reasonable times for the purpose of inspecting the quality of such goods and will furnish the Lenders such certificates and product samples as Lenders shall from time to time reasonably request to verify Assignor's compliance with the foregoing covenants. Assignor further covenants that the Collateral includes and will at all times during the term of this Agreement include all equipment and other assets necessary to produce the products for which the Marks are used.

6. Assignor agrees that until the Obligations have been satisfied in full, Assignor will execute further assignments to the Lenders, of like tenor to this Agreement, assigning any and all trademarks and trademark applications and any licenses of any trademarks that Assignor shall effect, acquire or make application for and which shall be Of Record, so as to confirm and perfect the Lenders' interest in and to all of the Collateral.

7. If an Event of Default shall have occurred and be continuing, Assignor's license under Paragraph 5 shall terminate forthwith, and the Lenders shall have, in addition to all other rights and remedies given Lenders by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Rights may be located and, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, Lenders may sell at public or private sale or otherwise realize upon the whole or from time to time any part of the Rights, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Rights all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations in accordance with the terms of the aforesaid Loan Agreement. Notice of any sale or other disposition of the Rights shall be given to Assignor at least five (5) days before the time of any intended public or private sale or other disposition of the Rights is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Lenders may purchase the whole or any part of the Rights sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

8. At such time as Assignor shall completely satisfy all the Obligations, Lenders shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Rights, subject to any disposition thereof which may have been made by the Lenders pursuant hereto.

9. Assignor shall have the duty, through counsel acceptable to the Lenders to prosecute diligently any application in respect of any of the Rights pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full. Any expenses incurred in connection with such an application shall be borne by Assignor.

10. Lenders shall have the right but shall in no way be obligated to bring suit in their own name to enforce the Rights and any license thereunder, in which event Assignor shall at the request of Lenders do any and all lawful acts and execute any and all proper documents required by Lenders in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Lenders for all costs and expenses incurred by Lenders in the exercise of their rights under this Paragraph.

11. No course of dealing between Assignor and the Lenders nor any failure to exercise, nor any delay in exercising, on the part of the Lenders, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other further exercise thereof or the exercise of any other right, power or privilege.

12. All of the Lenders' rights and remedies with respect to the Rights whether established hereby or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

13. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. This Agreement is subject to modification only by a writing signed by the parties.

15. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

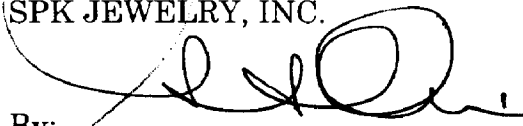
16. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Rhode Island.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers as of the date first above written.

WITNESS:



SPK JEWELRY, INC.



By:

Title:

FLEET NATIONAL BANK

Patrick

By: W. Timothy Coggins
Title: VP

Sharon A. Delfino

By: [Signature]
Title: _____

FLEET PRECIOUS METALS INC.

Patrick

By: W. Timothy Coggins
Title: VP

Sharon A. Delfino

By: [Signature]
Title: VP

STATE OF NEW YORK
COUNTY OF NEW YORK

On the 5th day of January, 1999, before me personally appeared the above-named STEWART P. KLEIN, PRES of SPK Jewelry, Inc., to me known and known by me to be the said party executing the foregoing instrument, and he acknowledged said instrument, by him to be his free act and deed in his said capacity, and the free act and deed of SPK Jewelry, Inc..

[Signature]

Notary Public
My commission expires:
RICHARD P. WEISS
Notary Public, State of New York
No. 31-4722312
Qualified in New York County
Commission Expires November 30, 2000

STATE OF Rhode Island
COUNTY OF Providence

On the 11 day of January, 1999, before me personally appeared the above-named W. Timothy Coggins and Sharon A. Delfino, Vice President and Vice President, respectively, of Fleet National Bank, to me known and known by me, to be the parties executing the foregoing instrument, and they acknowledged said instrument, by them

executed, to be their free act and deed in their said capacities, and the free act and deed of Fleet National Bank.

Diane L Haley
Notary Public
My commission expires: 8/30/2001

STATE OF *Rhode Island*
COUNTY OF *Providence*

On the *11* day of January, 1999, before me personally appeared the above-named *W. Timothy Coggins* and *Sharon A. Delano*, *Vice President* and *Vice President*, respectively, of Fleet Precious Metals Inc., to me known and known by me, to be the parties executing the foregoing instrument, and they acknowledged said instrument, by them executed, to be their free act and deed in their said capacities, and the free act and deed of Fleet Precious Metals Inc.

Diane L Haley
Notary Public
My commission expires: 8/30/2001

PRO: 35118_1

SCHEDULE A