

4-28-00



To the Honorable Commissioner of Patents

101363707

Send original documents or copy thereof.

1. Name of conveying party(ies): **PRD APR 28 AM 10: 03**

Diversified Business Credit, Inc. **OPR/FINANCE**  
3630 Dain Rauscher Plaza  
60 South Sixth Street  
Minneapolis, Minnesota

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation - State of Minnesota
- Other \_\_\_\_\_

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

3. Nature of conveyance:

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

Execution Date: February 2, 2000

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

Name: A & A Jewelers, Inc.

Street Address: c/o A&A Jewelers, Ltd. at  
1405 Morningside Avenue

City: Scarborough Province: Ontario Zip: M1B 3J1

U.S. Corporate Address: 303 Cayuga Road, Suite 120  
Buffalo, NY 14225

- Individual(s) citizenship \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership \_\_\_\_\_
- Limited Partnership \_\_\_\_\_
- Corporation-State of Delaware
- Other \_\_\_\_\_

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) and address(es) attached?  Yes  No

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

A. Trademark Application No.(s)

B. Trademark No.(s) -

2,164,773  
1,618,672

Additional Numbers attached?  Yes  No

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

Name: Lorrie Turner-Proulx, Esq.

Hodgson, Russ, Andrews, Woods & Goodyear, LLP

Internal Address: Intellectual Property Law Section

Street Address: One M&T Plaza, Suite 2000

City: Buffalo State: NY ZIP: 14203-2391

6. Total number of applications and registrations involved: 02

7. Total fee (37 CFR 3.41)..... \$65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:  
08-2442

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

05/22/2000 ASCOTT 00000026 2164773

01 FC:481  
02 FC:482

40.00 OP  
25.00 OP

DO NOT USE THIS SPACE

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.*

Lorrie Turner-Proulx  
Name of Person Signing

*Lorrie Turner-Proulx*  
Signature

April 28, 2000  
Date

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

5

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents and Trademarks, Box Assignments Washington DC 20231

## SECURED CREDITOR'S BILL OF SALE

WHEREAS, pursuant to a Credit And Security Agreement made September 26, 1996 by Scott Companies, Inc., a Minnesota corporation, P.O. Box 47248, , Plymouth, Minnesota (hereinafter "Debtor") in favor of Diversified Business Credit, Inc., a Minnesota corporation, 3630 Dain Rauscher Plaza, 60 South Sixth Street, Minneapolis, Minnesota (hereinafter "Diversified"), Diversified is the holder of a security interest in, among other things, all general intangibles of Debtor including, without limitation, all trademarks, trademark registrations and trademark applications together with the goodwill of the business of Debtor symbolized thereby (such trademarks, registrations, applications and goodwill, herein the "Collateral"); and

WHEREAS, the security interest of Diversified in the Collateral was duly perfected by the filing of appropriate UCC-1 financing statements in the offices of the Secretary of State of the State of Minnesota and the Clerk of the County of Hennepin, State of Minnesota and (b) the Grant of Security Interest In Trademarks filed with the United States Patent and Trademark Office; and

WHEREAS, Debtor is in default under the provisions of such security agreements and Diversified, pursuant to the terms of such security agreements, notified Debtor in writing of the default, has foreclosed upon the Collateral, has repossessed the Collateral and intends to apply the proceeds thereof to certain indebtedness of Debtor to Diversified; and

WHEREAS, Diversified desires to sell, and A. & A. Jewelers, Inc., a Delaware corporation ("A&A"), with an address at c/o A&A Jewelers, Ltd., 1405 Morningside Avenue, Scarborough, Ontario M1B 3J1, desires to purchase, certain trademarks and Federal registrations thereof upon the terms and conditions set forth herein;

NOW THEREFORE, for good and valuable consideration in hand paid by A&A to Diversified, the receipt of which is hereby acknowledged, Diversified hereby sells, conveys, assigns and transfers to A&A, pursuant to §336.9-504 of the Minnesota Uniform Commercial

Code, all right, title and interest in and to the trademarks and Federal registrations thereof identified on Exhibit A attached hereto and hereby made a part hereof, together with the good will of the business in connection with which the trademarks are used.

Diversified warrants and represents: (1) that it holds a perfected first security interest in said collateral; (2) that it is legally entitled and authorized to make the conveyance evidenced hereby; and (3) it has complied with all applicable provisions of Article 9 of the Uniform Commercial Code and such security agreements in connection with the present sale.

Diversified shall (without incurring any out-of-pocket expenses) execute and deliver to A&A any additional documentation A&A shall reasonably request in order to cause the transfer of said Trademarks and Federal registrations thereof to be properly recorded in the United States Patent and Trademark Office.

Indemnification for Diversified's representations and warranties contained herein shall be limited to the indemnification contained in the Asset Purchase Agreement of even date herewith. To the extent the representations and warranties contained herein are inconsistent with those contained in said Asset Purchase Agreement, the representations and warranties, including limitations and qualifications, contained in said Asset Purchase Agreement shall govern.

This Bill of Sale shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns. This Bill of Sale constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified or terminated except by a writing subscribed by both parties hereto. This Bill of Sale shall be construed in accordance with the laws of the State of Minnesota.



EXHIBIT A

<u>Trademark</u>	<u>Federal Registration No.</u>	<u>Issue Date</u>
JEWELSTAR MASTER JEWELRY J and design	2,164,773	June 9, 1998
JEWELSTAR (stylized letters)	1,618,672	October 23, 1990