

08-28-2000



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COMPLIANCE

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

7-18-00

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger Effective Date
Month Day Year
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association

Other

Citizenship/State of Incorporation/Organization

08/25/2000 MTHAI1 00000209 031250 1641707
01 FC:481 40.00 CH

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1641707"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

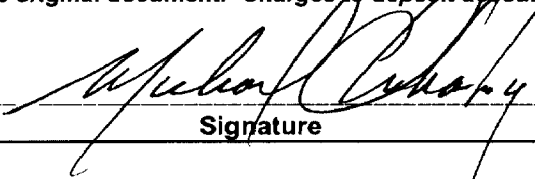
Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.

Michael I. Chakansky



July 14, 2000

Name of Person Signing

Signature

Date Signed

ASSIGNMENT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS

THIS ASSIGNMENT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS (this "Assignment") is executed as of this 30th day of June, 2000, by and between CAMBRIDGE SILVERSMITHS LTD., INC., a New Jersey corporation (the "Borrower"), in favor of PNC BANK, NATIONAL ASSOCIATION, a national banking association, as Agent (in such capacity, the "Agent") for the financial institutions which are now or which hereafter become a party to the Credit Agreement described below (the "Lenders").

WITNESSETH:

WHEREAS, the Borrower has adopted, used and is using the marks listed on Schedule A which are registered in the United States Patent and Trademark Office (the "USPTO") and/or for which applications are pending (the "Trademarks");

WHEREAS, pursuant to the Revolving Credit, Term Loan and Security Agreement dated as of even date herewith by and among the Borrower, Cheshire Silver II, Inc., a New Jersey corporation and a wholly-owned subsidiary of the Borrower ("Cheshire"), the Lenders and the Agent (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), the Lenders have agreed to make revolving advances and a term loan to, and to issue or participate in letters of credit for the account of, the Borrower and Cheshire, all upon the terms and subject to the conditions set forth therein; and

WHEREAS, it is a condition precedent to the obligation of the Lenders to make revolving advances and a term loan to, and to issue or participate in letters of credit for the account of, the Borrower and Cheshire that the Borrower grant to the Agent, for the ratable benefit of the Lenders, a lien and security interest in the Trademarks and the registration thereof, together with all the goodwill of the Borrower associated therewith and represented thereby, as security for all of the Obligations (as defined in the Credit Agreement), all in accordance with the terms hereof.

NOW, THEREFORE, in consideration of the premises and to induce the Agent and the Lenders to enter into the Credit Agreement, the Borrower hereby agrees with the Agent and the Lenders as follows:

1. **Defined Terms.** All capitalized terms used and not otherwise defined herein shall have the same meanings ascribed to such terms in the Credit Agreement.
2. **Grant of Security Interest.** For other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, the Borrower hereby assigns and grants to the Agent, for the ratable benefit of the Lenders, a lien on and security interest in and to all its present and future right, title and interest in and to the Trademarks, together with all the goodwill of the Borrower associated with and represented by the Trademarks, and the applications relating thereto, the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including without limitation, license royalties and proceeds of infringement suits.

3. **Maintenance of Trademarks.** The Borrower hereby covenants and agrees to maintain the Trademarks which are used or useful in the conduct of its business in full force and effect until all of the Obligations are paid in full and the Credit Agreement is terminated.

4. **Representations and Warranties.** The Borrower represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been adjudged invalid or unenforceable; (b) each of the Trademarks is valid and enforceable; (c) the Borrower is the sole and exclusive owner of the entire and unencumbered (except for Permitted Encumbrances) right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges, licenses, options and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Borrower not to sue any third person; (d) the Borrower has used, and will continue to use for the duration of this Assignment, proper statutory notice, in connection with its use of the Trademarks; and (e) the Borrower has used, and will continue to use for the duration of this Assignment, consistent standards of quality in production leased or sold under the Trademarks.

5. **Covenants.** The Borrower covenants that: (a) until all of the Obligations have been paid in full and the Credit Agreement has been terminated, the Borrower will not enter into any agreement, including without limitation, license agreements, which are inconsistent with the Borrower's obligations under this Assignment; and (b) if the Borrower acquires rights to any new Trademarks, the provisions of this Assignment shall automatically apply thereto and the Borrower shall give the Agent prompt written notice thereof along with an amended Schedule A (and an amended schedule to the Escrow Assignment (as defined in paragraph 8(c) hereof) reflecting such new Trademarks.

6. **Exclusive Use of Trademarks.** For so long as no Event of Default has occurred and is continuing, the Borrower shall continue to have the exclusive right to use the Trademarks, and the Agent shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

7. **Negative Pledge.** The Borrower agrees not to sell, assign or further encumber its rights and interest in the Trademarks (except for encumbrances constituting Permitted Encumbrances).

8. **Remedies Upon Default.**

(a) Anything herein contained to the contrary notwithstanding, upon the occurrence and during the continuance of an Event of Default, the Borrower hereby covenants and agrees that the Agent, as the holder of a security interest under the Uniform Commercial Code, as now and hereafter in effect in the State of New Jersey, may take such action permitted under the Credit Agreement and the Other Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) The Borrower hereby constitutes the Agent or the Agent's designee as Borrower's attorney with power, following the occurrence and during the continuance of an Event of Default, to endorse the Borrower's name on all applications, documents, paper and instruments necessary for the Agent to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful

misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Assignment and the Credit Agreement, and until all the Obligations are paid in full.

(c) The Borrower expressly acknowledges that this Assignment shall be recorded with the USPTO. Contemporaneously herewith, the Borrower shall also execute and deliver to the Agent a Trademark Assignment, in substantially the form of Exhibit A attached hereto (as amended, supplemented or otherwise modified from time to time, the "Escrow Assignment"), in blank, and such other documents as the Agent shall reasonably require to permanently assign all rights in the Trademarks to the Agent, for the ratable benefit of the Lenders, which documents shall be held by the Agent, in escrow, until the occurrence of an Event of Default. After the occurrence and during the continuance of an Event of Default, the Agent may, at its option, record such escrowed documents with the USPTO.

9. **Subject to Credit Agreement.** This Assignment shall be subject to the terms, provisions, and conditions set forth in the Credit Agreement and may not be modified without the written consent of the party against whom enforcement is being sought. All rights and remedies herein granted to the Agent shall be in addition to any rights and remedies granted to the Agent under the Credit Agreement and the Other Documents. In the event of an inconsistency between this Assignment and the Credit Agreement, the language of the Credit Agreement shall control. The terms and conditions of the Credit Agreement are hereby incorporated herein by reference.

10. **Termination of Agreement.** Upon payment and performance of all Obligations and the termination of the Credit Agreement, the Agent shall execute and deliver to the Borrower, at the Borrower's expense, all documents reasonably necessary to terminate the Agent's security interest in the Trademarks.

11. **Fees and Expenses.** Any and all fees, costs and expenses of whatever kind or nature, including, without limitation, the reasonable attorney's fees and legal expenses incurred by the Agent in connection with the preparation of this Assignment and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting each case in accordance with the terms of this Assignment, shall be borne and paid by the Borrower within ten (10) days of demand by the Agent therefor and until so paid shall be added to the Obligations. The Borrower's obligations under this paragraph 11 shall survive the termination of this Assignment.

12. **Prosecution of Trademark Applications.**

(a) Subject to the terms of the Credit Agreement, the Borrower shall have the duty to prosecute diligently any trademark application pending with respect to any Trademarks as of the date of this Assignment or thereafter, which Trademarks are used or useful in the conduct of the Borrower's business, to preserve and maintain all rights in such Trademarks. Any reasonable expenses incurred in connection with such applications shall be borne by the Borrower. The Borrower shall not abandon any Trademark which is used or useful in the conduct of its business without the prior written consent of the Agent.

(b) The Borrower shall have the right to bring suit in its own name to enforce the

Trademarks, in which event the Agent may, if the Borrower deems it necessary or, upon the occurrence and during the continuance of an Event of Default, if the Agent deems it necessary, be joined as a nominal party to such suit if the Agent shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Borrower shall promptly, upon demand, reimburse and indemnify the Agent for all damages, reasonable costs and reasonable expenses, including, without limitation, reasonable attorneys' fees incurred by the Agent in the fulfillment of the provisions of this paragraph. The Borrower's obligations under this paragraph 12(b) shall survive the termination of this Assignment.

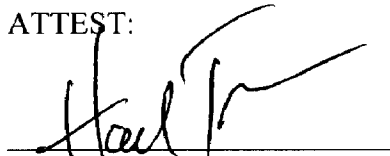
13. **Additional Remedies.** Upon the occurrence and during the continuance of an Event of Default, the Agent may, without any obligation to do so, complete any obligation of the Borrower hereunder, in the Borrower's name or in the Agent's name, but at the Borrower's expense, and the Borrower hereby agrees to reimburse the Agent in full for all expenses, including, without limitation, reasonable attorney's fees, incurred by the Agent in protecting and defending and maintaining the Trademarks.

14. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of New Jersey, without giving effect to the principles of conflicts of law, except that the Federal laws of the United States of America shall govern to the extent applicable.

15. **Counterparts.** This Assignment may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument.


Each of the parties has signed this Assignment as of the day and year first above written.

ATTEST:



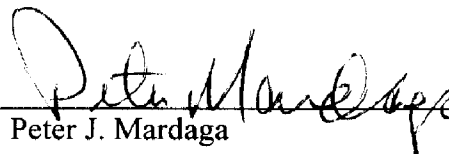
Harold Freeman, Secretary

CAMBRIDGE SILVERSMITHS LTD., INC.

By: 

Name: Roger D. Freeman
Title: President

PNC BANK, NATIONAL ASSOCIATION, as Agent

By: 

Name: Peter J. Mardaga
Title: Vice President

STATE OF NEW JERSEY)
) ss.
COUNTY OF ESSEX)

On this 30th day of June, 2000, before me personally came Roger D. Freeman, to me known, who, being by me duly sworn, did depose and say that he is the President of Cambridge Silversmiths Ltd., Inc., the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

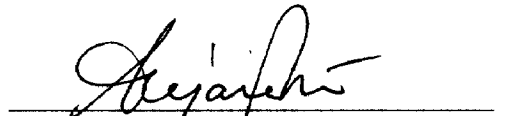


NOTARY PUBLIC

CRAIG D. SPECTOR
ATTORNEY AT LAW
STATE OF NEW JERSEY

STATE OF NEW JERSEY)
) ss.
COUNTY OF ESSEX)

On this 30th day of June, 2000, before me personally came Peter J. Mardaga, to me known, who, being by me duly sworn, did depose and say that he is the Vice President of PNC BANK, NATIONAL ASSOCIATION, the national banking association described in and which executed the foregoing instrument and that he signed his name thereto by on behalf of said national banking association.


NOTARY PUBLIC
*attorney at law of the
State of New Jersey*

SCHEDULE A TO
ASSIGNMENT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS

Trademarks:

<u>TRADEMARK</u>	<u>U.S. TRADEMARK REGISTRATION NUMBER</u>	<u>DATE OF REGISTRATION</u>
CAMBRIDGE	1,641,707	April 16, 1991

EXHIBIT A TO
ASSIGNMENT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS

TRADEMARK ASSIGNMENT

THIS TRADEMARK ASSIGNMENT dated as of _____ is made by and between CAMBRIDGE SILVERSMITHS LTD., INC., a New Jersey corporation (the "Assignor"), and _____, a _____ (the "Assignee").

WITNESSETH:

WHEREAS, the Assignor is the owner of the mark registrations and applications listed on Schedule A hereto (collectively, the "Marks"); and

WHEREAS, the Assignee desires to acquire the Marks;

NOW, THEREFORE, for good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, the Assignor, on behalf of itself and its successors and assigns, hereby assigns to the Assignee, its successors and assigns, all right, title and interest in and to the Marks, together with all the goodwill symbolized by the Marks, and together with all claims by the Assignor for damages by reason of past infringement with the right to sue for and collect the same for its own use and benefit.

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

ATTEST:

CAMBRIDGE SILVERSMITHS LTD., INC.

By: _____
Name: Roger D. Freeman
Title: President

By: _____
Name: _____
Title: _____

SCHEDULE A TO TRADEMARK ASSIGNMENT

Trademarks:

<u>TRADEMARK</u>	<u>U.S. TRADEMARK REGISTRATION NUMBER</u>	<u>DATE OF REGISTRATION</u>
CAMBRIDGE	1,641,707	April 16, 1991