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06-18-2001

Docket No.:

1564.000

06-07-2001

U.S. Patent & TMOs/TM Mail Rpt Dt. #72

Number of Patents &

101752228

Number of original documents or copy thereof.

1. Name of conveying party(ies):

JewelAstoria, Inc.

6-7-01

- Individual(s)
- General Partnership
- Corporation-State New York
- Other _____

- Association
- Limited Partnership

Additional names(s) of conveying party(ies) Yes No

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

Name: Fleet Precious Metals Inc. and Fleet Nat'l Bank

Internal Address: _____

Street Address: 111 Westminster Street

City: Providence State: RI ZIP: 02903

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other A R.I. Corp. and a Nat'l Banking Association

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

3. Nature of conveyance:

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

Execution Date: May 3, 2001

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See U.S. regs.
on attached
Schedule A

Additional numbers Yes No

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

Name: Jane Linowitz, Esq.

Internal Address: Levisohn, Lerner, Berger & Langsam

Street Address: 757 Third Avenue, Suite 2400

City: New York State: NY ZIP: 10017

6. Total number of applications and registrations involved:..... 916

7. Total fee (37 CFR 3.41):.....\$ \$360.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

02-2105

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.

Jane Linowitz, Esq.

Name of Person Signing

Signature

June 4, 2001

Date

Total number of pages including cover sheet, attachments, and

9

06/15/2001 JJALLAHE 00000007 1933175
Name: Jane Linowitz
Number: 1933175
Fee: \$120.00
CF: 704

TRADEMARK

REEL: 002315 FRAME: 0173

Astoria Jewelry Mfg. Co., Inc. - U.S. Trademarks

TRADEMARK	OWNER	REG/SER#	STATUS
AJ and Design	Astoria Jewelry Mfg., Inc.	743,406	Registered
AJ	Astoria Jewelry Mfg., Inc.	1,933,175	Registered
ASTORIA	Astoria Jewelry Mfg., Inc.	2,035,075	Registered
ENGAGING COLOR	Astoria Jewelry Mfg., Inc.	2,204,940	Registered
ERC Stylized Letters	Astoria Jewelry Mfg., Inc.	834,011	Registered
LA TRIOMPHE <THE TRIOMPHE>	Astoria Jewelry Mfg., Inc.	1,837,374	Registered
MR. Z and Design	Astoria Jewelry Mfg., Inc.	1,184,694	Registered
NATURAL-FIT	Astoria Jewelry Mfg., Inc.	2,014,516	Registered
NINA SCOTT	Astoria Jewelry Mfg., Inc.	1,685,223	Registered

COLLATERAL ASSIGNMENT OF TRADEMARKS AND TRADENAMES

COLLATERAL ASSIGNMENT OF TRADEMARKS AND TRADENAMES made as of the 3rd day of May, 2001, by and between 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") and JEWELASTORIA INC., a New York corporation with its principal address at 119 West 40th Street, New York, New York 10018 (the "Assignor").

Background. Assignor and JewelAmerica Inc., a New York corporation ("JewelAmerica") (Assignor and JewelAmerica are sometimes hereinafter referred to individually as a "Borrower" and together as the "Borrowers") have 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:

"Event of Default" shall have the meaning assigned by the Loan and Consignment Agreement (hereinafter defined).

"Obligations" means (i) the due and punctual payment of that certain Secured Demand Note of the Borrowers dated as of August 6, 1999 issued to FPM in the maximum principal amount of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000), as the same may be amended, restated or replaced from time to time; (ii) the due and punctual payment of that certain Term Promissory Note of the Borrowers dated April 6, 1999 issued to FPM in the original principal amount of Seven Hundred Thousand Dollars (\$700,000), as the same may be amended, restated or replaced from time to time; (iii) the due and punctual payment of that certain Term Promissory Note of the Borrowers dated April 6, 1999 issued to FPM in the original principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000), as the same may be amended, restated or replaced from time to time; (iv) the due and punctual payment of that certain Term Promissory Note of the Borrowers of even date herewith issued to FPM in the original principal amount of Eight Hundred Thousand Dollars (\$800,000), as the same may be amended, restated or replaced from time to time; (v) the payment and performance of all of the obligations of the Borrowers contained herein and in that certain Loan and Consignment Agreement dated as of August 6, 1999 by and among the Borrowers and the Lenders (as the same may be amended, restated or replaced from time to time, the "Loan and Consignment Agreement"); and (vi) all other future advances to the Borrowers, or any of them, by the Lenders, or either of them, and all other indebtedness, liabilities and obligations of the Assignor 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 Loan and Consignment 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) To the best of Assignor's knowledge, Schedule A hereto correctly describes all of Assignor's trademarks, trademark applications, servicemarks and tradenames Of Record;

(b) To the best of Assignor's knowledge, 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 Assignor's knowledge, Assignor is 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 Loan and Consignment Agreement. Assignor 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 such order as the Lender may determine in its sole and absolute discretion. 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. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally but only by a statement in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

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. All notices, communications and distributions hereunder shall be given or made to the parties at their respective addresses set forth on the last page hereof, or at such other address as the addressee may hereafter specify for the purpose by written notice to the other party hereto in accordance with the requirements of the Loan and Consignment Agreement.

17. No failure on the part of the Lenders or either of them to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or remedy under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Lenders or either of them of any right, power or remedy under this Agreement preclude any other right, power or remedy. The remedies in this Agreement are cumulative and are not exclusive of any other remedies provided by law.

18. THE ASSIGNOR AND LENDERS MUTUALLY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN AND CONSIGNMENT DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF THE LENDERS RELATING TO THE ENFORCEMENT OF THIS AGREEMENT OR THE LOAN AND CONSIGNMENT DOCUMENTS, AND AGREE THAT NEITHER THE ASSIGNOR NOR EITHER LENDER WILL SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, THE ASSIGNOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. THE ASSIGNOR CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF EITHER OF THE LENDERS HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDERS OR EITHER OF THEM WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE LENDERS TO ACCEPT THIS AGREEMENT AND TO EXTEND THE LOAN AND CONSIGNMENT FACILITIES.

19. This Agreement shall be construed in accordance with and governed by the laws of the State of New York (excluding the laws applicable to conflicts or choice of law). THE ASSIGNOR AGREES THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR THE UNITED STATES DISTRICT COURTS FOR THE SOUTHERN DISTRICT OF NEW YORK, AS WELL AS ALL COURTS FROM WHICH AN APPEAL MAY BE TAKEN FROM THE AFORESAID COURTS, AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURTS AND SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON ASSIGNOR BY MAIL AT THE ADDRESS SET FORTH IN THIS AGREEMENT. THE ASSIGNOR HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM. Unless otherwise defined herein, or unless the context otherwise requires, all terms used herein which are defined in the New York Uniform Commercial Code have the meanings therein stated.

The next page is a signature page

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:

Erica A. Chu

JEWELASTORIA INC.

By: [Signature]

Title: PRES

FLEET NATIONAL BANK

P. M. M.

By: [Signature]

Title: SVP RICHARD M. SEUFERT
SR. VICE PRESIDENT

FLEET PRECIOUS METALS INC.

P. M. M.

By: [Signature]

Title: SVP RICHARD M. SEUFERT
SR. VICE PRESIDENT

STATE OF NEW YORK
COUNTY OF NEW YORK

In New York, on the 1st day of May, 2001, before me personally appeared the above-named Zvi Wertneimer, the President of JewelAstoria 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 JewelAstoria Inc.


Erica A. Chu
Notary Public

My commission expires: Jan. 2, 2003

ERICA A. CHU
NOTARY PUBLIC, State of New York
Reg. No. 01CH6053188
Qualified in New York County
Commission Expires January 2, 2003

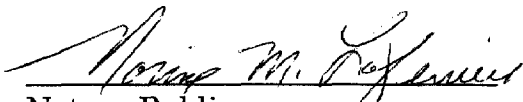
STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In Providence, on the 27th day of APRIL, 2001, before me personally appeared the above-named RICHARD M. SEUFERT, SVP of Fleet National Bank, to me known and known by me, to be the party executing the foregoing instrument, and he acknowledged said instrument, by him executed, to be his free act and deed in his said capacity, and the free act and deed of Fleet National Bank.


Notary Public
My commission expires: April 7, 2003

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In Providence, on the 27th day of APRIL, 2001, before me personally appeared the above-named RICHARD M. SEUFERT SVP of Fleet Precious Metals Inc., to me known and known by me, to be the party executing the foregoing instrument, and he acknowledged said instrument, by him executed, to be his free act and deed in his said capacity, and the free act and deed of Fleet Precious Metals Inc.


Notary Public
My commission expires: April 7, 2003

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