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4/8/04



102717571

To the Honorable Commissioner of Patents

the enclosed original documents or copy thereof.

1. Name of conveying party(ies):

Harry Winston, Inc.

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

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

3. Nature of conveyance:

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

Execution Date: March 31, 2004

2. Name and address of receiving party(ies)

Name: ABN AMRO Bank N.V., as Agent

Internal Address:

Street Address: 565 Fifth Avenue, 25th Floor

City: New York State: NY ZIP: 10017

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other banking corporation

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

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

A. Trademark Application No.(s)

See Exhibit A attached hereto for.

B. Trademark Registration No.(s)

See Exhibit A attached hereto.

Additional numbers attached? Yes No

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

Name: i

Attn: Penelope J.A. Agodoa
Federal Research Company, LLC
1030 15th Street, NW, Suite 920
Washington, DC 20005
202.783.2700

Street Address:

City: State: ZIP:

04/09/2004 6TON11 00000004 74111258

01 FC:8521 40.00 DP
02 FC:8522 725.00 DP

6. Total number of applications and registrations involved: 30

7. Total fee (37 CFR 3.41).....\$ 710.50

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

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.

Elizabeth Szklarz

Name of Person Signing

Elizabeth Szklarz
Signature

4/2/04

Date

Total number of pages including cover sheet, attachments, and document: 15

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

**SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT**

Dated as of March 31, 2004

TRADEMARKS, ETC., AND APPLICATIONS OF HARRY WINSTON, INC.

See attached chart.

Harry Winston, Inc.

TRADEMARK	OWNED BY	COUNTRY	CLASS	APPLICATION NO.	APPLY DATE	REGISTRY NO.	REG DATE	EXPIRATION	STATUS
718	HWM	United States	14	74-111258	11/1/1990	1,701,673	7/21/1992	7/21/2012	
718 Seven Eighteen Collection (logo)	HWM	United States	14	74-111257	11/1/1990	1,711,558	9/1/1992	9/1/2012	
A Diamond is for Always	HWM	Japan	21	H3-3127	1/18/1991	2,622,483	2/28/1994	2/28/2004	PENDING RECLASSIFICATION
Castelani	HWM	United States	14	74-376,868	4/8/1993	1,813,229	12/21/1993	12/21/2013	
Champagne Glass Logo	HWM	Chile	14	310,447	6/13/1995	462,628	6/17/1996	6/17/2006	
	HWM	Mexico	14	215271	10/12/1994	489198	10/12/1994	10/12/2004	
	HWM	United States	14	74-102,927	10/4/1990	1,657,347	9/17/1991	9/17/2011	
Churchill	HWM	Japan	21	S59-79435	7/24/1984	2,723,458	11/7/1997	11/7/2007	PENDING RECLASSIFICATION
	HWM	United States	14	73-091,779	6/28/1976	1,071,391	8/16/1977	8/16/2007	
	HWM	United States	14	73-662,165	5/21/1987	1,520,797	1/17/1989	1/17/2009	
Harry Darling	HWM	United States	3	78/420211	6/11/2002				ALLOWED 7/8/03 PENDING
Harry Winston	HWM	Argentina	14	1656771	7/19/1988	1,400,619	7/31/1992	7/31/2002	
	HWM	Argentina	14	2408289	1/22/2003	1,959,057	11/11/2003		PENDING CERTIFICATE
	HWM	Benelux	14	42,866	10/23/1979	362,033	10/23/1979	10/23/2009	
	HWM	France	14	272146	3/15/1978	1,044,212	3/15/1978	2/14/2008	
	HWM	Germany	14	W28613/14W	5/18/1978	982,293	2/16/1979	5/18/2008	
	HWM	Israel	14	46284	7/21/1978	462,84	7/23/1980	7/21/2013	
	HWM	Italy	14	34490C/78	8/11/1978	360,283	7/3/1985	8/11/2008	
	HWM	Portugal	14	205154	1/8/1980	205,154	9/1/1987	9/1/2007	
	HWM	Spain	14	878,333	5/17/1978	878,333	3/5/1979	5/17/2008	
	HWM	United States	3	73-643,416	2/6/1987	1,457,928	9/22/1987	9/22/2007	
	HWM	United States	33	78/432944	7/22/2002				ALLOWED 8/24/03 EXTENSION 12/17/03
	HWM	Venezuela	28	4327	7/11/1978	96,797-F	1/19/1981	1/18/2006	
HW	HWM	United States	3	73-643,407	2/6/1987	1,457,926	9/22/1987	9/22/2007	
	HWM	Venezuela	14	4646/82	6/11/1982	122601-F	5/14/1986	5/14/2006	
HW w/ design	HWM	Japan	14	H6-46682	5/13/1994	3,244,613	1/31/1997	1/31/2007	PENDING RECLASSIFICATION
HW Lozenge Logo	HWM	United States	3	73-643,386	2/6/1987	1,461,581	10/20/1987	10/20/2007	
	HWM	United States	14	74-546,842	7/7/1994	1,929,448	10/24/1995	10/24/2005	

Harry Winston, Inc.

TRADEMARK	OWNED	COUNTRY	CLASS	APPLIC. NO.	APP. DATE	REGISTRATION NO.	REG. DATE	EXPIRES	STATUS
H WI (logo)	HWI	United States	14	74-102,926	10/4/1990	1,654,296	8/20/1991	8/20/2011	
Jean Duvet	HWI	Japan	21	H3-31740	3/29/1991	2,540,439	5/31/1993	5/31/2013	PENDING RECLASSIFICATION
Jeweler to the Stars	HWI	United States	35	75-295,923	5/21/1997	2,200,587	10/27/1998	10/27/2008	
Key Club Collection	HWI	Japan	21	H1-121009	10/25/1989	2,384,674	2/28/1992	2/28/2012	PENDING RECLASSIFICATION
	HWI	Japan	23	H3-133105	12/24/1991	2,700,523	11/30/1994	11/30/2004	PENDING RECLASSIFICATION
Key Club Collection w/ Design	HWI	Japan	23	H3-133109	12/24/1991	2,700,524	11/30/1994	11/30/2004	PENDING RECLASSIFICATION
Key Club Collection Fifth Avenue, NY	HWI	Japan	21	H1-121010	10/25/1989	2,414,808	5/29/1992	5/29/2012	PENDING RECLASSIFICATION
Luminosa	HWI	United States	14	74-533,411	6/6/1994	1,970,496	4/23/1996	4/23/2006	
Manhattan Avenue	HWI	United States	14	76/437913	8/5/2002				ALLOWED 7/8/03 EXTENSION 12/17/03
Manhattan Bride	HWI	Japan	21	H2-110890	10/3/1990	4,035,022	8/1/1997	8/1/2007	PENDING RECLASSIFICATION
Manhattan Holiday	HWI	Japan	21	H2-110889	10/3/1990	2,722,799	8/22/1997	8/22/2007	PENDING RECLASSIFICATION
Manhattanite	HWI	Japan	21	H1-128047	11/13/1989	2,432,394	7/31/1992	7/31/2012	PENDING RECLASSIFICATION
Northern Lights by Diamonds from Russia	HWI	United States	14	74-299,418	7/30/1992	1,782,594	7/20/1993	7/20/2013	
On the Square by Harry Winston	HWI	United States	14	76/539675	8/25/2003				PENDING OFFICE ACTION
Petit Salon	HWI	United States	14	74-120,002	12/4/1990	1,734,669	11/24/1992	11/24/2012	
Rare Jewels of the World	HWI	United States	42	73-568,165	11/12/1985	1,400,799	7/8/1986	7/7/2006	
Rare Pearls of the World	HWI	United States	35	75-406,880	12/16/1997	2,235,531	3/23/1999	3/23/2009	
Rodeo Mile	HWI	Japan	21	H3-31741	3/29/1991	2,540,440	5/31/1993	5/31/2003	PENDING RECLASSIFICATION
	HWI	United States	14	74-046,048	4/5/1990	1,678,065	3/3/1992	3/3/2012	
Seven Eighteen Collection	HWI	Canada	14	838306	3/4/1997	508,995	3/9/1999	3/9/2014	
	HWI	United States	14	74-111,256	11/1/1990	1,706,592	8/11/1992	8/11/2012	
The A Cut	HWI	United States	14	74-341670	12/21/1992	1,912,458	8/15/1995	8/15/2005	
The Court of Jewels	HWI	United States	14	75-090734	4/18/1996	2,116,878	11/25/1997	11/25/2007	
The Nursery Rhyme Collection	HWI	United States	14	74-322045	10/13/1992	1,776,447	6/15/1993	6/15/2013	

Harry Winston, Inc.

TRADEMARK	OWNED BY	COUNTRY	CLASS	APPLICATION NO.	APP. DATE	REGISTRATION NO.	REG. DATE	EXPIRATION DATE	
Winalloy	HWM	United States	14	74-612932	12/19/1994	2,022,465	12/10/1996	12/10/2006	
Wine Glass On Its Side	HWM	Canada	14	838305	3/4/1997	838305	1/26/1999	1/26/2014	
Winston	HWM	Argentina	14	1656770	7/19/1988	1,402,710	8/31/1992	8/31/2002	
	HWM	Argentina	14	2408288	1/22/2003	1959025	11/11/2003		PENDING CERTIFICATE
	HWM	Brazil	14	20220/M-78	7/6/1978	6921221	4/25/1979	4/25/2009	
	HWM	Canada	14	838304	3/4/1997	838304	10/29/1998	10/29/2013	
	HWM	Hong Kong	14			B1260/80	2/17/1978	2/17/1999	
	HWM	Iran	14	73715	10/23/1978	50672	4/23/1979	10/23/1998	
	HWM	Israel	14	455.22	2/17/1978	45522	11/19/1980	2/17/2013	
	HWM	Italy	14	33048C/78	2/10/1978	358458	6/26/1985	2/10/2008	
	HWM	Liberia	14	12295/012	2/12/1980	12880/1497	2/12/1980	2/12/2010	
	HWM	Mexico	14	95110	9/3/1990	432009	9/3/1990	9/3/2010	
	HWM	OAPI	14	70288		20231	5/24/1980	5/24/2000	RENEWAL PENDING
	HWM	Sierra Leone	14			11,286	2/29/1980	2/29/2008	
	HWM	South Africa	14	78/1097	3/6/1978	B78/1097	7/13/1979	3/6/2008	
	HWM	South Korea	44			195,920	7/10/1990	7/10/2000	
	HWM	United States	3	73-643,414	2/6/1987	1,457,927	9/22/1987	9/21/2007	
	HWM	United States	14	72-274,801	6/26/1967	848629	5/7/1988	5/7/2008	
Zallium	HWM	United States	14	76/288718	7/19/2001				ALLOWED 2/19/02 EXTENSION 2/19/04

**SCHEDULE B
To
TRADEMARK SECURITY AGREEMENT**

Dated as of March 31, 2004

LICENSE AGREEMENTS

1. Trademark License Agreement by and between Harry Winston, Inc. and Ronald Winston dated as of December 18, 2000.

2. Tradename License Agreement, by and among HW Holdings, Inc. and Harry Winston, Inc., as Licensors, and Aber Diamond Corporation and HW Acquisition Company LLC, as Licensees, dated as of March 31, 2004.

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "*Agreement*") is dated as of March 31, 2004, by and between HARRY WINSTON, INC., a New York corporation ("*Company*"), and ABN AMRO BANK N.V. ("*ABN AMRO*"), acting as administrative agent hereunder for the Secured Creditors hereinafter identified and defined (ABN AMRO acting as such administrative agent and any successor or successors to ABN AMRO acting in such capacity being hereinafter referred to as the "*Agent*").

WITNESSETH:

A. The Company, Harry Winston Far East, Inc. (together with the Company, the "*Borrowers*") and ABN AMRO, as Agent, have entered into a Credit Agreement dated as of the date hereof (such Credit Agreement, as the same may be amended or modified from time to time, including amendments and restatements thereof in its entirety, being hereinafter referred to as the "*Credit Agreement*"), pursuant to which ABN AMRO and the other banks, and financial institutions and letter of credit issuer(s) from time to time party to the Credit Agreement (ABN AMRO, in its individual capacity, and such other banks and financial institutions being hereinafter referred to collectively as the "*Lenders*" and individually as a "*Lender*" and such letter of credit issuers being hereinafter referred to collectively as the "*L/C Issuers*" and individually as a "*L/C Issuer*") have agreed, subject to certain terms and conditions, to extend credit and make certain other financial accommodations available to the Borrowers (the Agent, the L/C Issuers, and the Lenders, together with any Affiliates of the Lenders party to any Hedging Agreements and/or Funds Transfer and Deposit Account Agreements referred to below, being hereinafter referred to collectively as the "*Secured Creditors*" and individually as a "*Secured Creditor*").

B. The Borrowers and certain other members of the Harry Winston Group may from time to time (i) enter into one or more agreements with respect to, among other things, interest rate, foreign currency and/or commodity exchange, swap, cap, collar, floor, forward, option or other similar agreements with one or more of the Secured Creditors, for the purpose of hedging or otherwise protecting against interest rate, foreign currency and/or commodity exposure (such agreements as the same may be amended or modified from time to time being hereinafter referred to as "*Hedging Agreements*" and the liability of the Borrowers and certain other members of the Harry Winston Group in respect of such Hedging Agreements being hereinafter referred to as "*Hedging Liability*") and (ii) enter into one or more agreements with the Secured Creditors, with respect to the execution or processing of electronic transfer of funds by automatic clearing house transfer, wire transfer or otherwise to or from any deposit account of the Borrowers and certain other members of the Harry Winston Group now or hereafter maintained with any of the Secured Creditors, the acceptance for deposit or the honoring for payment of any check, draft or other item with respect to any such deposit accounts, and other deposit, disbursement, and cash management services afforded to the Borrowers and certain other members of the Harry Winston Group by any of the Secured Creditors (such agreements as the same may be amended or modified from time to time being hereinafter referred to as "*Funds Transfer and Deposit Account Agreements*" and the liability of the Borrowers and certain other

members of the Harry Winston Group in respect of such Funds Transfer and Deposit Account Agreements being hereinafter referred to as "*Funds Transfer and Deposit Account Liability*").

C. As a condition to extending credit to the Borrowers under the Credit Agreement or entering into any Hedging Arrangement or Funds Transfer and Deposit Account Agreement, the Secured Creditors have required, among other things, that the Company grant to the Agent for the benefit of the Secured Creditors a lien on and security interest in the personal property of the Company described herein subject to the terms and conditions hereof.

NOW, THEREFORE, for good and valuable consideration, receipt whereof is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Defined Terms. (a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

Section 2. Incorporation of the Credit Agreement. The Credit Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

Section 3. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

Section 4. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Secured Obligations defined below, the Company hereby grants to the Secured Creditors, a security interest, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of the Company's now owned or existing and hereafter acquired or arising:

(i) trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the

goodwill of the Company's business symbolized by the foregoing and connected therewith, and (e) all of the Company's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications, together with the items described in clauses (a)-(e) in this Section 4(i), are sometimes hereinafter individually and/or collectively referred to as the "*Trademarks*"); and

(ii) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether the Company is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, in each case to the extent assignable without violation thereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by the Company and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "*Licenses*").

The Company hereby authorizes the Agent to file this Agreement, or a duplicate thereof, with the United States Patent and Trademark Office or with any other authority the Agent deems appropriate, and the Company agrees to cooperate with the Agent as the Agent may request in order to effectuate such filing or filings.

Section 5. Secured Obligations. This Agreement is made and given to secure, and shall secure, the prompt payment and performance when due of (a) any and all indebtedness, obligations, and liabilities of the Borrowers, and of any of them individually, to the Secured Creditors, and to any of them individually, under or in connection with or evidenced by the Credit Agreement or any other Loan Documents, including, without limitation, all obligations evidenced by the Notes of the Borrowers heretofore or hereafter issued under the Credit Agreement, all obligations of the Company to reimburse the Secured Creditors for the amount of all drawings on all Letters of Credit issued pursuant to the Credit Agreement and all other obligations of the Company under all applications for Letters of Credit, all obligations of the Borrowers, and of any of them individually with respect to any Hedging Liability, all obligations of the Borrowers, and of any of them individually, with respect to any Funds Transfer and Deposit Account Liability, and all obligations of the Borrowers, and of any of them individually, arising under any guaranty issued by it relating to the foregoing or any part thereof, in each case whether now existing or hereafter arising (and whether arising before or after the filing of a petition in bankruptcy and including all interest accrued after the petition date), due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired and (b) any and all expenses and charges, legal or otherwise, suffered or incurred by the Secured Creditors, and any of them individually, in collecting or enforcing any of such indebtedness, obligations, and liabilities or in realizing on or protecting or preserving any security therefor, including, without limitation, the lien and security interest granted hereby (all of the indebtedness, obligations, liabilities, expenses, and charges described above being hereinafter referred to as the "*Secured Obligations*").

Section 6. Restrictions on Future Agreements. The Company agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would reasonably be expected to have a material adverse effect on the validity or enforcement of the rights collaterally assigned to the Agent under this Agreement or the rights associated with any material Trademarks or Licenses, and in particular, the Company will not permit to lapse or become abandoned any Trademark or License if such lapse or abandonment would reasonably be expected to have a Material Adverse Effect.

Section 7. New Trademarks and Licenses. The Company represents and warrants that, as of the Closing Date, to the best of its knowledge after reasonable inquiry with the U.S. Patent and Trademark Office, (a) the Trademarks listed on Schedule A include all of the registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by the Company, (b) the Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which the Company is the licensee or licensor and which are material individually or in the aggregate to the operation of the business of the Company and (c) other than the rights of any party to the Licenses with respect to the Trademarks, no liens, claims or security interests in such Trademarks and Licenses have been granted by the Company to any Person other than the Agent. If, prior to the termination of this Agreement, the Company shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals, whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of Section 4 above shall automatically apply thereto (but only, in the case of trademark licenses and service mark licenses where the Company is the licensee, to the extent such licenses are assignable without violation thereof, it being understood and agreed that the Company shall use commercially reasonable efforts to ensure that such licenses are assignable for security purposes). The Company shall give to the Agent written notice, to the best of its knowledge after reasonable inquiry, of events described in clauses (i), (ii) and (iii) of the preceding sentence not less frequently than on an annual basis. The Company hereby authorizes the Agent to modify this Agreement unilaterally (i) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications owned or held by the Company or to prepare this Agreement for filing with the Patent and Trademark Office and by amending Schedule B to include any trademark license agreements and service mark license agreements (A) to which the Company becomes a party, and (B) which are Trademarks or Licenses under Section 4 above or under this Section 7, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A or B thereto, as the case may be, such future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements.

Section 8. Royalties. The Company hereby agrees that when an Event of Default has occurred and is continuing the use by the Agent of the Trademarks and Licenses as authorized

hereunder in connection with the Agent's exercise of its rights and remedies under Section 16 hereof or pursuant to Section 10 of the Security Agreement shall be coextensive with the Company's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Agent or the other Secured Creditors to the Company.

Section 9. Further Assignments and Security Interests. From and after the occurrence of an Event of Default, the Company agrees that the Agent, or a conservator appointed by the Agent, shall have the right to establish such reasonable additional quality controls as the Agent or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of Inventory marketed by the Company under the Trademarks and the Licenses or in connection with which such Trademarks and Licenses are used. The Company agrees (i) except as provided in Section 6.14 of the Credit Agreement, not to sell or assign its respective interests in (other than the grant of licenses in the ordinary course of the Company's business) the Trademarks or the Licenses without the prior and express written consent of the Agent and (ii) to maintain the quality of such Inventory as of the date hereof.

Section 10. Nature and Continuation of the Agent's Security Interest; Termination of the Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall terminate only when the Secured Obligations, both principal and interest, have been fully paid and satisfied and the commitments of the Lenders to extend credit to or for the account of the Borrowers under Credit Agreement have expired or otherwise terminated. Upon such termination and at the written request of the Company or its successors or assigns, and at the cost and expense of the Company or its successors or assigns, the Agent shall execute in a timely manner such instruments, documents or agreements as are necessary or desirable to terminate the Agent's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by the Agent pursuant to this Agreement or the Security Agreement.

Section 11. Duties of the Company. The Company shall have the duty, to the extent determined by the Company to be desirable in the normal conduct of the Company's business, to: (i) prosecute diligently any material trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, and (ii) make application for the registration of trademarks or service marks used or adopted by the Company, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on the validity or enforceability of the collateral rights assigned hereunder without the prior written consent of the Agent. The Company further agrees (i) not to abandon any Trademark or License if such abandonment could reasonably be expected to have a Material Adverse Effect without the prior written consent of the Agent, and (ii) to use its reasonable best efforts to obtain and maintain in full force and effect the Trademarks and the Licenses that are or shall be necessary or economically desirable in the operation of the Company's business. Any expenses incurred in connection with the foregoing shall be borne by the Company. None of the Agent or the other Secured Creditors shall have any duty with respect to the Trademarks and Licenses. Without limiting the generality of the foregoing, none of the Agent or the other Secured Creditors shall be under any obligation to take any steps necessary to preserve rights in the Trademarks or Licenses against any other parties, but the Agent may do so at its option from and after the occurrence and during the continuance of an Event of Default,

and all expenses incurred in connection therewith shall be for the sole account of the Company and shall be added to the Secured Obligations secured hereby.

Section 12. The Agent's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, the Agent shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Licenses and, if the Agent shall commence any such suit, the Company shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents reasonably required by the Agent in aid of such enforcement. The Company shall, upon demand, promptly reimburse the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this Section 12 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for the Agent).

Section 13. Waivers. The Agent's failure, at any time or times hereafter, to require strict performance by the Company of any provision of this Agreement shall not waive, affect or diminish any right of the Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Company and the Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Company contained in this Agreement shall be deemed to have been suspended or waived by the Agent unless such suspension or waiver is in writing signed by an officer of the Agent and directed to the Company specifying such suspension or waiver.

Section 14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

Section 15. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 7 hereof or by a writing signed by the parties hereto,

Section 16. Cumulative Remedies; Power of Attorney. The Company hereby irrevocably designates, constitutes and appoints the Agent (and all Persons designated by the Agent in its sole and absolute discretion) as the Company's true and lawful attorney-in-fact, and authorizes the Agent and any of the Agent's designees, in the Company's or the Agent's name, to take any action and execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence and during the continuance of an Event of Default and the giving by the Agent of notice to the Company of the Agent's intention to enforce its rights and claims against the Company, to (i) endorse the Company's name on all applications, documents, papers and instruments necessary or desirable for the Agent in the use, prosecution or protection of the Trademarks or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of

the Trademarks or the Licenses to anyone on commercially reasonable terms (but subject to the terms thereof), (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or under the Licenses, to anyone on commercially reasonable terms (but only, in the case of Licenses, to the extent permitted under such Licenses), and (iv) take any other actions with respect to the Trademarks or, to the extent permitted, the Licenses as the Agent deems in its own best interest or in the best interest of the Lenders or the L/C Issuers. The Company hereby ratifies all that such attorney shall lawfully do or, to the extent permitted, cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations, both principal and interest, shall have been fully paid and satisfied and the commitments of the Lenders to extend credit to or for the account of the Borrowers under the Credit Agreement shall have expired or otherwise terminated. The Company acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent or the other Secured Creditors under the Loan Documents, but rather is intended to facilitate the exercise of such rights and remedies.

The Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any relevant jurisdiction in which the Trademarks or the Licenses may be located or deemed located. Upon the occurrence and during the continuance of an Event of Default and the election by the Agent to exercise any of its remedies under the Uniform Commercial Code with respect to the Trademarks and Licenses, the Company agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Agent or any transferee of the Agent and to execute and deliver to the Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Agent's sole discretion exercised in a commercially reasonable manner, to effect such assignment, conveyance and transfer. All of the Agent's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by the Security Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Agent may exercise any of the rights and remedies provided in this Agreement, the Security Agreement and any of the other Loan Documents. The Company agrees that any notification of intended disposition of any of the Trademarks and Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; *provided, however*, that the Agent may give any shorter notice that is commercially reasonable under the circumstances.

Section 17. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns, and shall inure to the benefit of each of the Agent and the other Secured Creditors, and each of their respective nominees, successors and assigns. The Company's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for the Company; *provided, however*, that the Company shall not voluntarily assign or transfer its rights or obligations hereunder without the Agent's prior written consent.

Section 18. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed in all respects in accordance with the internal laws and decisions of the State of New York.

Section 19. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in Section 10.8 of the Credit Agreement.

Section 20. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

Section 21. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

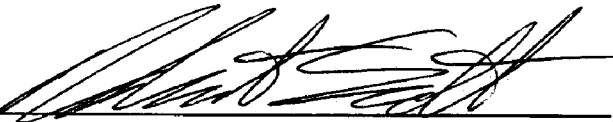
Section 22. Consent to Jurisdiction and Service of Process. The Company agrees that the terms of Section 10.23 of the Credit Agreement with respect to consent to jurisdiction and service of process shall apply equally to this Agreement.

Section 23. WAIVER OF JURY TRIAL. EACH OF THE COMPANY AND THE AGENT WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE AGENT AND THE COMPANY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH. EITHER THE COMPANY OR THE AGENT MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

HARRY WINSTON, INC.

By 
Name Robert Scott
Title Chief Financial Officer,
Secretary and Treasurer

Accepted and agreed to as of the day and year first above written.

ABN AMRO BANK N.V., as Agent

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[Signature Page to Trademark Security Agreement]

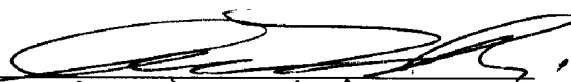
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

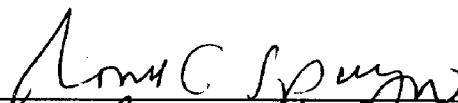
HARRY WINSTON, INC.

By _____
Name _____
Title _____

Accepted and agreed to as of the day and year first above written.

ABN AMRO BANK N.V., as Agent

By  _____
Name ANNA MARTIN
Title SVP

By  _____
Name RONALD C. SPURGAS
Title VICE PRESIDENT

[Signature Page to Trademark Security Agreement]