

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Fantasy Diamond Corporation		11/30/2006	CORPORATION: ILLINOIS

RECEIVING PARTY DATA

Name:	Harris N.A., as Agent
Street Address:	201 West Grand Avenue
City:	Bensenville
State/Country:	ILLINOIS
Postal Code:	60106
Entity Type:	National Banking Association: UNITED STATES

PROPERTY NUMBERS Total: 16

Property Type	Number	Word Mark
Registration Number:	2953127	EVERAFTER
Registration Number:	2723429	TOUCH SETTING
Registration Number:	2576549	MAGIC TOUCH
Registration Number:	2483537	ENDLESS DIAMONDS
Registration Number:	2523291	EMBRACING DIAMONDS
Registration Number:	2233172	FANTASY DIAMOND CORPORATION
Registration Number:	0676009	TWILIGHT STAR
Registration Number:	0688292	MASTERPIECE
Registration Number:	0535394	HONOR
Serial Number:	78974344	ENDLESS DIAMONDS
Serial Number:	78974259	FANTASY DIAMOND CORPORATION
Serial Number:	78708014	ENDLESS DIAMOND LUXURY
Serial Number:	78561051	ENDLESS DIAMOND SOLITAIRE
Serial Number:	78891901	ENDLESS DIAMOND JOURNEY

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Serial Number:	78561031	ENDLESS DIAMOND COUTURE
Serial Number:	78493193	MASTERPIECE ELEMENTS

CORRESPONDENCE DATA

Fax Number: (312)803-5299
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: (312) 845-3430
Email: kalwa@chapman.com
Correspondent Name: Richard Kalwa
Address Line 1: 111 West Monroe Street
Address Line 2: Chapman and Cutler LLP
Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:	3309101
NAME OF SUBMITTER:	Richard Kalwa
Signature:	/richard kalwa/
Date:	12/01/2006

Total Attachments: 3
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TRADEMARK COLLATERAL AGREEMENT

This 30th day of November, 2006, Fantasy Diamond Corporation, an Illinois corporation (“*Debtor*”) with its principal place of business and mailing address at 1550 West Carroll Avenue, Chicago, Illinois 60607 in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, assigns, mortgages and pledges to Harris N.A., a national banking association (“*Harris*”) with its mailing address at 201 West Grand Avenue, Bensenville, Illinois 60106, acting as administrative agent hereunder for the Secured Creditors as defined in the Security Agreement referred to below, and its successors and assigns (Harris acting as such administrative agent and any successor(s) or assign(s) to Harris acting in such capacity being hereinafter referred to as the “*Agent*”), and grants to the Agent for the benefit of the Secured Creditors a continuing security interest in, the following property:

(i) Each trademark, trademark registration, and trademark application listed on Schedule A hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration, and trademark application; and

(ii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark, trademark registration, or trademark application listed on Schedule A hereto or by reason of injury to the goodwill associated with any such trademark, trademark registration, or trademark application, in each case together with the right to sue for and collect said damages;

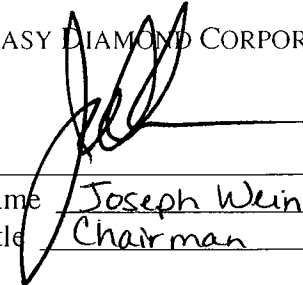
to secure the payment and performance of all Secured Obligations of Debtor as set out in that certain Security Agreement bearing even date herewith between Debtor and Agent, as the same may be amended, modified, or restated from time to time (the “*Security Agreement*”).

Notwithstanding anything herein to the contrary, this Trademark Collateral Agreement shall not operate as a sale, transfer, conveyance or other assignment to Agent of any applications by Debtor for a trademark based on an intent to use the same if and so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as “*Intent-To-Use Applications*”), but rather, if and so long as Debtor’s Intent-To-Use Application is pending without a Statement of Use having been filed and accepted, then this Trademark Collateral Agreement shall operate only to create a security interest for collateral purposes in favor of Agent on such Intent-To-Use Application as collateral security for the Obligations. When a Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

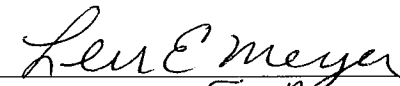
Debtor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the assignment, mortgage, pledge and security interest in the trademarks, trademark registrations, and trademark applications made and granted hereby are more fully set

forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, Debtor has caused this Trademark Collateral Agreement to be duly executed as of the date and year last above written.

FANTASY DIAMOND CORPORATION
By 
Name Joseph Wein
Title Chairman

Accepted and agreed to as of the date and year last above written.

HARRIS N.A., as Agent
By 
Name Len E. Meyer
Title Vice President

**SCHEDULE A
TO TRADEMARK COLLATERAL AGREEMENT**

**REGISTERED TRADEMARKS
AND TRADEMARK APPLICATIONS**

FEDERAL TRADEMARK REGISTRATIONS

MARKS	REG. NO.
EVERAFTER	2,953,127
TOUCH SETTING	2,723,429
MAGIC TOUCH	2,576,549
ENDLESS DIAMONDS	2,483,537
EMBRACING DIAMONDS	2,523,291
FANTASY DIAMOND CORPORATION	2,233,172
TWILIGHT STAR	676,009
MASTERPIECE	688,292
HONOR AND DESIGN	535,394

PENDING FEDERAL TRADEMARK APPLICATIONS

MARK	SERIAL NO.
ENDLESS DIAMONDS	78974344
FANTASY DIAMOND CORPORATION	78974259
ENDLESS DIAMOND LUXURY	78708014
ENDLESS DIAMOND SOLITAIRE	78561051
ENDLESS DIAMOND JOURNEY	78891901
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