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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

08-18-1998



100824384

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #58

U.S. Patent and Trademark Office Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Di-Star, Ltd.
333 Washington Street
Boston, MA 02108

MKB
8/18/98

- 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
- Merger
- Change of Name

Execution Date: July 28, 1998

2. Name and address of receiving party(ies)

Name: USTrust

Internal Address:

Street Address: 30 Court St.

City: Boston State: MA ZIP: 02108

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

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)

75/359,309; 75/309,307; 75/154,323; 75/272,369
75/311,731; 75/359,308; 75/359,305

B. Trademark Registration No.(s)

2,119,379; 1,826,899; 2,074,761; 2,063,535

Additional numbers attached? Yes No

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

Name: Donald H. Siegel, P.C.

Internal Address: Posternak, Blankstein & Lund

100 Charles River Plaza

Boston, MA 02114

Street Address:

City: State: ZIP:

6. Total number of applications and registrations involved: 11

7. Total fee (37 CFR 3.41).....\$ 290.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

09/08/1998 BNGUYEN 00000062 2119379

DO NOT USE THIS SPACE

01 FC:481

40.00 DP

02 FC:482

250.00 DP

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.

Donald H. Siegel, P.C.
Name of Person Signing

Signature

7/28/98

Date

Total number of pages including cover sheet, attachments, and document: 4

Mail documents to be recorded with required documents to Patent and Trademark Office

TRADEMARK
REEL: 1784 FRAME: 0496

NOTICE OF SECURITY INTEREST IN TRADEMARKS

WHEREAS, DI-STAR, LTD., a Delaware corporation with a principal place of business at 333 Washington Street, Boston, MA 02108 (the "Company") and USTrust, with a principal place of business at 30 Court Street, Boston, MA 02108 (the "Bank") have entered into an Amended and Restated Demand Loan and Security Agreement Accounts Receivable and Inventory dated as of July 28th, 1998 (the "Loan and Security Agreement"), and a Security Agreement (Trademarks) dated as of July 28th, 1998 (the "Trademark Security Agreement");

WHEREAS, the Company is the owner and user of the trademarks listed on Schedule I hereto and identified in said Trademark Security Agreement (the "Trademarks");

WHEREAS, among the security interests granted by the Company to the Bank pursuant to the Trademark Security Agreement and the Loan and Security Agreement is a security interest in the general intangibles of the Company, including, without limitation, each of the Trademarks listed on Schedule I hereto, together with the goodwill of the business associated with and symbolized by such Trademarks; and

WHEREAS, the Company and Bank contemplate and intend that, if an Event of Default (as defined in the Credit agreement) shall occur, the Bank shall have all rights of the Company in and to the Trademarks and the goodwill of the business of the Company associated with and symbolized by the Trademarks as may be necessary or proper in order to enable the Bank, as foreclosing secured party, to continue such business of the Company or, following such foreclosure, to transfer to a purchaser all such rights as may be necessary or proper to enable such purchaser to continue such business of the Company;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties reconfirm the terms of each of the Trademark Security Agreement, and the Loan and Security Agreement, as if set forth fully herein, and acknowledge that the Bank has a security interest in the Trademarks listed on Schedule I hereto, together with the goodwill of the business associated with and symbolized by such Trademarks; the Company hereby collaterally assigns to the Bank, as security for the Obligations (as defined in the Trademark Security Agreement), all of the Company's right, title and interest in and to said Trademarks and the goodwill of the business associated therewith; the Company agrees that it will not sell, assign or encumber any of the Trademarks without the prior written consent of the Bank; and the Company and the Bank request that the Commissioner of Patents and Trademarks record this document with respect to the Trademarks.

The Company hereby appoints the Bank as the Company's attorney-in-fact (with full power of substitution and resubstitution) with the power and authority, after the

SCHEDULE I

to

Notice of Security Interest in Trademarks between Di-Star, Ltd., ("Company") and
UStTrust ("Bank") dated July 28th, 1998.

TRADEMARK APPLICATIONS

<u>Application No.</u>	<u>Country</u>	<u>Mark</u>
75/359,309	USA	Beyond Ideal
75/359,307	USA	The Most Perfectly Cut...
75/154,323	USA	Jeweltech
75/272,369	USA	Proportion Scope
75/311,731	USA	Sabrina
75/359,308	USA	Super Ideal
75/359,305	USA	The Difference Is Perfection...

TRADEMARK REGISTRATIONS

<u>Registration No.</u>	<u>Country</u>	<u>Mark</u>
2,119,379	USA	Di-Star Report, The
1,826,899	USA	DSL
2,074,761	USA	Jewelry Quarterly, The
2,063,535	USA	Pillars of Profit