

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM480047

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	AMENDED AND RESTATED INTELLECTUAL PROPERTY SECURITY AGREEMENT		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
LUGANO DIAMONDS & JEWELRY INC.		06/28/2018	Corporation: CALIFORNIA
RECEIVING PARTY DATA			
Name:	ALCENTRA CAPITAL CORPORATION, as collateral agent		
Street Address:	200 Park Avenue, 7th Floor		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10166		
Entity Type:	Corporation: MARYLAND		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3601977	LUGANO	
Registration Number:	3685190	LUGANO	
Registration Number:	4353852	SMART DIAMOND	
Registration Number:	4513294	LUGANO PRIVÉ	
Registration Number:	4513295	LUGANO PRIVÉ	
CORRESPONDENCE DATA			
Fax Number:	3126095005		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Email:	hmiller@vedderprice.com		
Correspondent Name:	Holly Miller		
Address Line 1:	222 North LaSalle Street - 24th Floor		
Address Line 2:	Vedder Price P.C.		
Address Line 4:	Chicago, ILLINOIS 60601		
ATTORNEY DOCKET NUMBER:	48202.00.0003		
NAME OF SUBMITTER:	Holly Miller		
SIGNATURE:	/Holly Miller/		
DATE SIGNED:	06/29/2018		

CH \$140.00 3601977

Total Attachments: 14

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**AMENDED AND RESTATED INTELLECTUAL PROPERTY SECURITY
AGREEMENT**

THIS AMENDED AND RESTATED INTELLECTUAL PROPERTY SECURITY AGREEMENT, as it may be amended, restated or otherwise modified from time to time (this “**Agreement**”), is dated as of June 28, 2018, by **LUGANO DIAMONDS & JEWELRY INC.**, a corporation organized under the laws of the State of California (together with its successors and assigns, “**Pledgor**” or “**Borrower**”), to **ALCENTRA CAPITAL CORPORATION**, a Maryland Corporation (“**Alcentra**”), in its capacity as collateral agent for and on behalf of the Lenders, as secured parties pursuant to the Collateral Documents, and its successors and permitted assigns (in such capacity, “**Collateral Agent**”).

RECITALS:

Alcentra and Pledgor entered into a certain Loan Agreement dated as of October 24, 2016 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “**Original Loan Agreement**”).

In connection with the Original Loan Agreement, Alcentra and Pledgor entered into that certain Intellectual Property Security Agreement dated as of October 24, 2016 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “**Original IP Security Agreement**”), pursuant to which, among other things, Pledgor granted to Alcentra a lien on and security interest in the intellectual property of Pledgor.

Collateral Agent, the Lenders party thereto and Pledgor are entering into that certain Amended and Restated Loan Agreement, dated as of June 28, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “**Loan Agreement**”).

In connection with the Loan Agreement, Collateral Agent, the other Lenders party thereto and Pledgor desire to amend and restate the Original IP Security Agreement to provide for, among other things, a lien on and security interest in the intellectual property of Pledgor described herein subject to the terms and conditions hereof.

This Agreement shall in no event be deemed to be a novation or otherwise satisfy the obligations of Pledgor under the Original IP Security Agreement, which obligations remain in full force and effect as amended and restated herein.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

“**Collateral**” shall mean, collectively, all of Pledgor’s existing and future (a) Patents; (b) Trademarks; (c) Licenses; (d) all of the goodwill of Pledgor’s business, including, but not

limited to, all goodwill connected with and symbolized by the Trademarks; and (e) proceeds of any of the foregoing, in each case of clauses (a) through (e) above.

“**Debt**” shall mean the Obligations, as such term is defined in the Loan Agreement.

“**Licenses**” shall mean any license agreement with any other party, whether Pledgor is a licensor or licensee under any such license agreement, if any, including, without limitation, the licenses listed on Schedule C attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter owned by Pledgor and now or hereafter covered by such licenses; provided however that “Licenses” shall not include any license agreement which by its terms cannot be assigned or which the pledge thereof would constitute a default thereunder.

“**Patents**” shall mean any patent and patent application, including, without limitation, the inventions and improvements described and claimed therein, if any, and those patents listed on Schedule A attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof; (c) the right to sue for past, present and future infringements thereof; (d) all rights corresponding thereto throughout the world.

“**Obligor**” shall mean a Person whose credit or any of whose property is pledged to the payment of any portion of the Debt and includes, without limitation, (a) Borrower and (b) any signatory to a Loan Document.

“**PTO**” shall mean the United States Patent and Trademark Office.

“**Trademarks**” shall mean any registered trademark, trademark registration, trade name and trademark application (other than any “intent to use” trademark applications for which a statement of use has not been filed (but only until such statement is filed)), registered service mark, service mark registration, service name and service mark application, if any, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark applications listed on Schedule B attached hereto and made a part hereof, and (a) renewals thereof; (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payment for past or future infringements thereof; (c) the right to sue for past, present and future infringements thereof; and (d) all rights corresponding thereto throughout the world.

Capitalized terms used in this Agreement without definition have the meanings ascribed to such terms in the Loan Agreement.

2. Grant of Security Interest. In consideration of and as security for the full and complete payment of all of the Debt, Pledgor hereby agrees that Collateral Agent, for the benefit of the Lenders, shall at all times have, and hereby grants to Collateral Agent a security interest in all of the Collateral, including (without limitation) all of Pledgor’s future Collateral, irrespective of any lack of knowledge by Collateral Agent of the creation or acquisition thereof.

3. Warranties and Representations. Pledgor represents and warrants to the Collateral Agent and each Lender that as of the date hereof:

(a) Pledgor owns or licenses all of the Collateral and no such owned registered Collateral has been adjudged invalid or unenforceable and to the knowledge of Pledgor, no such unregistered Collateral has been adjudged invalid or unenforceable;

(b) except as set forth in the schedules to the Loan Agreement, Pledgor has no knowledge of any claim that the use of any of the Collateral does or may violate the rights of any Person;

(c) except for Permitted Liens and for licenses granted by or to Pledgor, Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Pledgor not to sue third Persons;

(d) Pledgor has full power, authority and legal right to pledge the Collateral and enter into this Agreement and perform its terms;

(e) Pledgor has used, and shall continue to use, for the duration of this Agreement, proper statutory notice in connection with its use of the Collateral;

(f) Pledgor represents and warrants that it is the true and lawful owner or licensee of the Trademarks listed on Schedule B and Schedule C attached hereto and made a part hereof, and that said listed Trademarks constitute all the marks registered in the PTO that such Pledgor now owns or uses in connection with its business, other than any such marks which are (i) owned but not used and (ii) not material to its business. Pledgor represents and warrants that it owns or is licensed to use all Trademarks that it uses, and that it owns all of the registrations listed on Schedule B. Pledgor further warrants that it is not aware of any third party claim that any aspect of Pledgor's present or contemplated business operations infringes or will infringe on any registered trademark or registered service mark; and

(g) Pledgor represents and warrants that it is the true and lawful owner or licensee of all rights in the Patents listed on Schedule A and Schedule C attached hereto and made a part hereof, that said Patents constitute all the United States patents and applications for United States patents that Pledgor now owns, other than any such patents, applications and registrations which are (i) owned but not used and (ii) not material to its business. Pledgor represents and warrants that it owns or is licensed to use or practice under all Patent registrations and applications that it owns, uses or practices under, and that it owns all of the Patent registrations and applications listed on Schedule A. Pledgor further warrants that it is not aware of any third party claim that any aspect of Pledgor's present or contemplated business operations infringes or will infringe on any patent except as may be disclosed in the schedules to the Loan Agreement.

4. Further Assignment Prohibited. Pledgor shall not enter into any agreement that is inconsistent with Pledgor's obligations under this Agreement and shall not otherwise sell or

assign its interest in, or grant any license or sublicense with respect to, any of the Collateral without Collateral Agents's prior written consent.

5. Right to Inspect. [Intentionally omitted]

6. Standard Patent and Trademark Use. Pledgor shall not knowingly use the Collateral in any manner that would jeopardize the validity or legal status thereof. Pledgor shall comply with all patent marking requirements as specified, in 35 U.S.C. §287. Pledgor shall further conform its usage of any trademarks to standard trademark usage, including, but not limited to, using the trademark symbols ®, TM, and SM where appropriate.

7. Event of Default.

(a) Pledgor expressly acknowledges that the Collateral Agent, for the benefit of Lenders, may record this Agreement with the PTO.

(b) If an Event of Default shall occur and be continuing, Pledgor irrevocably authorizes and empowers the Collateral Agent, (a) to assign any Collateral owned or licensed by the Pledgor on such terms and conditions and in such manner as the Collateral Agent (as instructed by Required Lenders) shall in its sole discretion determine, including the execution and filing of any document necessary to effectuate or record such assignment and (b) to terminate Pledgor's use of the Collateral and to exercise such rights and remedies as allowed by law, including without limitation all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Collateral Agent may sell at public or private sale, in a commercially reasonable manner, or otherwise realize upon all or, from time to time, any of the Collateral, together with the associated goodwill, or any interest that Pledgor may have therein, and, after deducting from the proceeds of sale or other disposition of the Collateral all reasonable expenses (including all expenses for attorneys' and brokers' fees and other legal services), Collateral Agent shall apply such proceeds against payment of the Debt in accordance with the terms of the Loan Agreement. Notice of any sale or other disposition of the Collateral shall be given to Pledgor at least ten (10) days before the time of any intended public or private sale or other disposition of the Collateral is to be made, which Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Collateral Agent may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Pledgor, which right is hereby waived and released.

8. Termination. At such time as the Debt has been irrevocably paid in full (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted), the commitments of Lenders under the Loan Agreement terminated, and the Loan Agreement terminated, this Agreement shall terminate and the Collateral Agent shall, upon Pledgor's request, execute and deliver to Pledgor, at Pledgor's expense, all deeds, assignments, and other instruments as Pledgor shall reasonably request to evidence the release of the Collateral Agent's security interest in the Collateral in connection with such termination, subject to any disposition thereof that may have been made by the Collateral Agent pursuant hereto; provided, however that the provisions of Sections 9, 11, 22, 23, 24, 25, 26 and 27 shall survive any termination of this Agreement.

9. Maintaining Collateral, Attorneys' Fees, Costs and Expenses. Pledgor shall have the obligation and duty to perform all acts reasonably necessary to maintain or preserve the Collateral. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by the Collateral Agent and Lenders in connection with the amendment and enforcement of this Agreement, all renewals, required affidavits 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 otherwise protecting, maintaining or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by Pledgor, within ten (10) days of demand by the Collateral Agent (as instructed by Required Lenders), and, until so paid after demand, shall be added to the principal amount of the Debt and secured by the Collateral (and all other "Collateral" as defined in the Loan Agreement).

10. Pledgor's Obligations to Prosecute. Except as otherwise agreed to by Collateral Agent in writing, Pledgor shall have the duty to prosecute diligently any patent application or trademark application pending as of the date of this Agreement to the extent such applications remain material to the conduct of its business or thereafter until the Debt shall have been paid in full, and to do any and all acts that are reasonably necessary or desirable to preserve and maintain all rights in the Collateral material to the conduct of its business, including, but not limited to, payment of any maintenance fees. Any expenses incurred by the Collateral Agent and Lenders in connection with the Collateral shall be borne by Pledgor. Pledgor shall not abandon any Collateral material to the conduct of its business without the prior written consent of Collateral Agent.

11. Collateral Agent's Rights to Enforce. Pledgor shall have the right but not the obligation to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Collateral. The Collateral Agent has the right, but not the obligation, to join in any such action during the existence of an Event of Default. Pledgor shall promptly, and in any event within ten (10) days of demand, reimburse and indemnify the Collateral Agent and Lenders for all damages, and expenses, including reasonable attorneys' fees incurred by the Collateral Agent and Lenders in connection with the provisions of this Section 11, in the event the Collateral Agent elects to join in any such action commenced by Pledgor.

12. Power of Attorney. Pledgor hereby authorizes and empowers the Collateral Agent to make, constitute and appoint any officer or agent of the Collateral Agent as the Collateral Agent may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, after the occurrence and during the continuance of an Event of Default, with the power to endorse Pledgor's name on all applications, documents, papers and instruments reasonably necessary for the Collateral Agent to use the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third party, or reasonably necessary for the Collateral Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral, together with associated goodwill to a third party or parties, including the power to execute in the name of Pledgor and deliver to the PTO for recording instruments of assignment and/or transfer for all or any part of the Collateral naming as assignee or transferee either

Collateral Agent or any party that may purchase all or any part of the Collateral at any public or private sale conducted by the Collateral Agent. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

13. Collateral Agent's Right to Perform Obligations. If Pledgor materially fails to comply with any of its obligations under this Agreement, the Collateral Agent, may after notice to Pledgor, but is not obligated to, do so in Pledgor's name or in the Collateral Agent's name, but at Pledgor's expense, and Pledgor hereby agrees to reimburse the Collateral Agent on demand in full for all reasonable expenses, including reasonable attorneys' fees, incurred by the Collateral Agent and Lenders in protecting, defending and maintaining the Collateral.

14. Additional Documents. Pledgor shall, upon written request of the Collateral Agent, enter into such additional documents or instruments as may be reasonably required by the Collateral Agent or any Lender in order to effectuate, evidence or perfect the Collateral Agent's and such Lender's interests in the Collateral as evidenced by this Agreement.

15. New Collateral. If, before the Debt shall have been satisfied in full (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted), Pledgor shall obtain rights to any new Collateral, the provisions of Sections 2 and 7 hereof shall automatically apply thereto as if the same were identified on Schedules A, B or C attached hereto and made a part hereof as of the date hereof, and Pledgor shall give Collateral Agent prompt written notice thereof as required in the Loan Agreement.

16. Modification for New Collateral. Pledgor hereby authorizes the Collateral Agent to modify this Agreement by amending Schedules A, B and/or C to include any future Collateral as contemplated by Sections 2 and 15 hereof and, at the Collateral Agent's request, Pledgor shall execute any documents or instruments reasonably required by the Collateral Agent in order to modify this Agreement as provided in this Section 16, provided that any such modification to Schedules A, B and/or C shall be effective without the signature of Pledgor. Pledgor hereby acknowledges that the Collateral Agent may refile or re-record this Agreement with the PTO, together with any such modification to Schedules A, B and/or C.

17. No Waiver. No course of dealing between Pledgor and the Collateral Agent or any Lender, nor any failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any Lender, any right, power or privilege hereunder or under any of the Loan Documents 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 or further exercise thereof or the exercise of any other right, power or privilege.

18. Remedies Cumulative. All of the rights and remedies of the Collateral Agent and Lenders with respect to the Collateral, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be executed singularly or concurrently.

19. Severability. 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.

20. Modifications. Except as provided in Section 16 hereof; this Agreement may be amended or modified only by a writing signed by Pledgor and the Collateral Agent. In the event that any provision herein is deemed to be inconsistent with any provision of any other document, other than the Loan Agreement, the provisions of this Agreement shall control.

21. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, except that Pledgor may not assign any of its rights or duties hereunder without the prior written consent of Collateral Agent. Any attempted assignment or transfer without the prior written consent of Collateral Agent shall be null and void.

22. Notice. All notices, requests, demands and other communications provided for hereunder shall be given to or made upon Pledgor or the Collateral Agent as the case may be, in accordance with the terms of Section 13.2 of the Loan Agreement.

23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applied to contracts to be performed wholly within the State of New York. Any judicial proceeding brought by or against Pledgor with respect to this Agreement or any related agreement may be brought in any court of competent jurisdiction in the State of New York, United States of America, and by execution and delivery of this Agreement, Pledgor accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Pledgor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by registered mail (return receipt requested) directed to Pledgor at its address set forth in Section 13.2 of the Loan Agreement and service so made shall be deemed completed five (5) days after the same shall have been so deposited in the mails of the United States of America. Nothing herein shall affect the right to serve process in any manner permitted by law or shall limit the right of the Collateral Agent or any Lender to bring proceedings against Pledgor in the courts of any other jurisdiction. Pledgor waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Pledgor waives the right to remove any judicial proceeding brought against Pledgor in any state court to any federal court. Notwithstanding anything to the contrary contained in the foregoing, any judicial proceeding by Pledgor against the Collateral Agent or any Lender involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Agreement or any related agreement, shall be brought only in a federal or state court located in the County of New York, State of New York.

24. Indemnity: Administration and Enforcement. Pledgor shall reimburse the Collateral Agent, on the Collateral Agent's demand from time to time, for any and all reasonable fees, costs, and reasonable expenses (including, without limitation, the reasonable fees and disbursements of legal counsel) reasonably incurred by the Collateral Agent, as the case may be,

in administering this Agreement and in protecting, enforcing, or attempting to protect or enforce its rights under this Agreement, together with interest thereon, following notice received by Pledgor, at a rate per annum equal to the Default Rate.

25. Unconditional and Continuing Security Interest. Pledgor's obligations under this Agreement and the granting of a security interest to the Collateral Agent pursuant to this Agreement are unconditional and effective immediately, and (except for obligations surviving indefinitely pursuant to Section 8) those obligations and the security interest so granted shall continue in full effect until the Debt shall have been paid in full (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted), regardless of the lapse of time, regardless of the fact that there may be a time or times when no Debt is outstanding, regardless of any act, omission, or course of dealing whatever on the part of the Collateral Agent or Lenders, or any of them, and regardless of any other event, condition, or thing. Without limiting the generality of the foregoing, neither the amount of the Debt for purposes of this Agreement, nor Pledgor's obligations under this Agreement, nor the security interest granted pursuant to this Agreement shall be diminished or impaired by:

(a) the granting by any Lender of any credit to any Obligor, whether or not liability therefor constitutes Debt, or any failure or refusal of any Lender to grant any other credit to any Obligor even if Lender thereby breaches any duty or commitment to Pledgor or any other Person,

(b) the application by any Lender of credits, payments, or proceeds to any portion of the Debt,

(c) any extension, renewal, or refinancing of the Debt in whole or in part,

(d) any amendment, restatement, or other modification of any kind in, to, or of the Loan Agreement or any Loan Document, or any consent or other indulgence granted to any Obligor, or any waiver of any Event of Default (under this Agreement or the Loan Agreement), including without limitation, (i) any extension or change in the time of payment, and/or the manner, place or terms of payment of any or all of Debt, (ii) any renewal, extension of the maturity of the Debt, (iii) any increase or decrease of any loans and extension of credit (and/or any maximum credit limits or sublimits with respect to any such loans or extensions of credit) constituting the Debt, and/or making available to the Pledgor any new or additional or increased loans or extensions of credit (whether such new, additional or increased loans or extensions of credit are the same or of new or different types as the loans and extensions of credit available to the Pledgor under the Loan Agreement and the other Debt as of the date hereof) and (iv) any modification of the terms and conditions under which loans and extensions of credit may be made under the Loan Agreement,

(e) any acceptance of security for or any other Obligor on the Debt or any part thereof, or any release of any security or other Obligor (or compromise or settlement of the liability of any Obligor for the Debt), whether or not any Lender receives consideration for the release, compromise or settlement,

(f) any discharge of the Debt in whole or in part under any bankruptcy or insolvency law or otherwise,

(g) the failure of the Collateral Agent or any Lender to make any presentment or demand for payment, to assert or perfect any claim, demand, Lien or interest, or to enforce any right or remedy, or any delay or neglect by the Collateral Agent or any Lender in respect of the Debt or any part thereof or any security therefor,

(h) any failure to give Pledgor notice of (i) making of any loan or other credit extension or the terms, conditions, and other provisions applicable thereto, (ii) any dishonor by Pledgor or any other Obligor, or (iii) the inaccuracy or incompleteness of any representation, warranty, or other statement made by any Obligor, or

(i) any defense (other than defense of payment in full) that may now or hereafter be available to any Obligor, whether based on suretyship, impairment of collateral, accord and satisfaction, breach of warranty, breach of contract, failure of consideration, tort, lack of capacity, usury, or otherwise, or any illegality, invalidity, or unenforceability of the Debt or any part thereof or of any Loan Document.


26. No Setoff; Rights Against Other Obligors. Pledgor hereby (a) waives all now existing or hereafter arising rights to recoup or offset any obligation of Pledgor under this Agreement against any claim or right of Pledgor against the Collateral Agent and any Lender, (b) waives all rights of exoneration now or hereafter arising out of or in connection with this Agreement, and (c) agrees that unless and until all of the Debt shall have been paid in full (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted), Pledgor will not assert against any other Obligor or any other Obligor's property any rights (including, without limitation, contribution, indemnification, reimbursement, and subrogation) now or hereafter arising (whether by contract, operation of law, or otherwise) out of or in connection with this Agreement.

27. Restatement. This Agreement amends and restates the Original IP Security Agreement in its entirety and shall in no event be deemed to be a novation or otherwise satisfy the obligations of the Pledgor thereunder, which obligations remain in full force and effect but shall be governed by this Agreement.

[signature pages follow]

28. JURY TRIAL WAIVER. EACH PARTY TO THIS AGREEMENT, TO THE EXTENT PERMITTED BY LAW, WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE COLLATERAL AGENT, ANY LENDER AND PLEDGOR, OR ANY OF THEM, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF THE COLLATERAL AGENT AND ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG PLEDGOR, THE COLLATERAL AGENT, LENDERS, OR ANY OF THEM.

**LUGANO DIAMONDS & JEWELRY
INC.**

By: 
Name: Moti Ferder
Title: CEO

**ALCENTRA NY LLC AS ADVISOR TO
ALCENTRA CAPITAL
CORPORATION**

By: _____
Name: Branko Krmpotic
Title: Managing Director

Signature Page to Amended and Restated IP Security Agreement

CHICAGO#3150455


**TRADEMARK
REEL: 006368 FRAME: 0419**

28. JURY TRIAL WAIVER. EACH PARTY TO THIS AGREEMENT, TO THE EXTENT PERMITTED BY LAW, WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE COLLATERAL AGENT, ANY LENDER AND PLEDGOR, OR ANY OF THEM, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF THE COLLATERAL AGENT AND ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG PLEDGOR, THE COLLATERAL AGENT, LENDERS, OR ANY OF THEM.

**LUGANO DIAMONDS & JEWELRY
INC.**

By: _____
Name:
Title:

**ALCENTRA NY LLC AS ADVISOR TO
ALCENTRA CAPITAL
CORPORATION**

By:  _____
Name: Branko Krmpotic
Title: Managing Director

SCHEDULE A

Patents

None.

SCHEDULE B

Trademarks

Trademark	App. No.	Filing Date	Reg. No.	Reg. Date
LUGANO	77/556,694	August 27, 2008	3,601,977	April 7, 2009
LUGANO (Stylized)	77/558,245	August 28, 2008	3,685,190	September 22, 2009
SMART DIAMOND	85/763,776	October 25, 2012	4,353,852	June 18, 2013
LUGANO PRIVÉ	85/685,902	July 24, 2012	4,513,294	April 15, 2014
LUGANO PRIVÉ and Design	85/685,915	July 24, 2012	4,513,295	April 15, 2014

SCHEDULE C

Licenses

None.