

Form PTO-1594 (Rev. 03-11)
OMB Collection 0651-0027 (exp. 03/31/2012)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies): M.W. Samara LLC <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation- State: _____ <input checked="" type="checkbox"/> Other LLC Citizenship (see guidelines) _____ Additional names of conveying parties attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2. Name and address of receiving party(ies) Additional names, addresses, or citizenship attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Name: <u>Manufacturer's And Traders Trust Company</u> Internal Address: _____ Street Address: <u>One M&T Plaza</u> City: <u>Buffalo</u> State: <u>NY</u> Country: <u>USA</u> Zip: <u>10018</u> <input type="checkbox"/> Association Citizenship _____ <input type="checkbox"/> General Partnership Citizenship _____ <input type="checkbox"/> Limited Partnership Citizenship _____ <input type="checkbox"/> Corporation Citizenship _____ <input checked="" type="checkbox"/> Other <u>Bank</u> Citizenship <u>USA</u> If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment)	
3. Nature of conveyance /Execution Date(s) : Execution Date(s) <u>March 29, 2012</u> <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____		4. Application number(s) or registration number(s) and identification or description of the Trademark. A. Trademark Application No.(s) _____ B. Trademark Registration No.(s) <u>1335404, 1172197, 1390732, 3753687, 1524417</u> <u>5</u> Additional sheet(s) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown): _____ _____ _____			
5. Name & address of party to whom correspondence concerning document should be mailed: Name: <u>Stuart A. Hoberman, Esq.</u> Internal Address: <u>c/o Wilentz, Goldman & Spitzer, P.A.</u> Street Address: <u>90 Woodbridge Center Drive</u> City: <u>Woodbridge</u> State: <u>NJ</u> Zip: <u>07095</u> Phone Number: <u>(732) 855-6052</u> Fax Number: <u>(732) 726-6603</u> Email Address: <u>shordon@wilentz.com</u>		6. Total number of applications and registrations involved: 5 7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ <u>140.00</u> <input checked="" type="checkbox"/> Authorized to be charged to deposit account <input type="checkbox"/> Enclosed	
9. Signature: <u>Shelly J. Bordon</u> _____ Shelly J. Bordon, Corporate Paralegal Name of Person Signing		8. Payment Information: <u>See Form 2038 attached.</u> Deposit Account Number _____ Authorized User Name _____ Total number of pages including cover sheet, attachments, and document: 15	
Signature: _____ Date: <u>April 4, 2012</u>			

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

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**PATENTS, TRADEMARKS
AND COPYRIGHTS SECURITY AGREEMENT**

THIS PATENTS, TRADEMARKS AND COPYRIGHTS SECURITY AGREEMENT is made on the 29th day of March, 2012 by and between M.W. SAMARA LLC, a Limited Liability Company of the State of New York (the "Assignor") and MANUFACTURER'S AND TRADERS TRUST COMPANY (the "Bank"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Agreement (as defined below).

WITNESSETH:

WHEREAS, Assignor has executed that certain Revolving Credit, Term Loan and Security Agreement with HASKELL JEWELS, LLC, a Limited Liability Company of the State of Delaware and HASKELL TIMEPIECES, LLC, a Limited Liability Company of the State of Delaware (and collectively with Assignor, the "Borrower") of even date herewith (as same may be amended, restated, replaced, modified and/or supplemented from time to time, the "Loan Agreement"), that certain Revolving Credit Note in favor of the Bank in the original principal amount of \$30,000,000 of even date herewith (as may be amended, replaced, modified, increased, restated and/or extended from time to time, the "Revolving Credit Note") and that certain Term Note in favor of the Bank in the original principal amount of \$7,500,000 of even date herewith (as may be amended, replaced, modified, increased, restated and/or extended from time to time, the "Term Note" and collectively with the Revolving Credit Note, the "Note"); and

WHEREAS, the Assignor owns (i) the United States copyrights listed on Schedule A (the "Registered Copyrights") which have been registered with the United States Copyright Office and has made applications for a United States copyright registration with the United States Copyright office with respect to the applications hereto listed on Schedule A hereto ("Copyrights Applications", and collectively with the Registered Copyrights, the "Copyright"), (ii) owns the United States patents listed on Schedule B hereto ("Issued Patents") which have been issued by the United States Patent and Trademark Office ("USPTO"), and has made application for patents with the USPTO with respect to the applications for United States patents listed on Schedule B hereto ("Patents Applications", and collectively with the Issued Patents, the "Patents"), (iii) owns the United States trademarks listed on Schedule C ("Registered Trademarks") which have been registered with the USPTO, and has made application for trademark registration with the USPTO with respect to the trademarks listed on Schedule C hereto, along with the good-will of the Assignor to which such trademark applications and trademarks relate ("Trademark Applications", and collectively with the Registered Trademarks, the "Trademarks") and (iv) owns the United States trademark applications filed in the United States Patent and Trademark Office based on its intent to use the corresponding mark and listed on Schedule D, along with any good-will of the Assignor relating to such trademarks ("ITU Marks"); and

WHEREAS, pursuant to the Loan Agreement, the Assignor is required to and has conveyed and granted to Bank a security interest in, among other things, all right, title and interest of the Assignor in, to and under all of the Assignor's Copyrights, Patents and Trademarks, whether presently existing or hereafter arising or acquired, and all products, substitutions, replacements and proceeds thereof to secure all obligations of the Assignor to Bank, including contingent obligations; and

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Assignor does hereby absolutely grant and convey to Bank a security interest in, all of the Assignor's right, title and interest in, to and under the following, whether presently existing or hereafter arising or acquired:

- (a) Each of the Copyrights which are presently, or in the future may be, owned by the Assignor, in whole or in part, as well as any application for a United States copyright registration now or hereafter made with the United States Copyright Office by the Assignor, as the same may be updated hereafter from time to time;

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(b) Each of the Patents, which are presently, or in the future may be owned by the Assignor, in whole or in part, as well as all applications for United States patents now or hereafter owned by the Assignor, as the same may be updated hereafter from time to time; and

(c) Each of the Trademarks, which are presently, or in the future may be owned by the Assignor, in whole or in part, together with the good-will associated with each Trademark, as well as all applications for Trademarks now or hereafter owned by the Assignor, as the same may be updated hereafter from time to time.

Said security interest includes, without limitation, all proceeds thereof, the right to sue for past, present, and future infringements thereof, all rights corresponding thereto throughout the world, and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof.

1) Assignor covenants and warrants that, to the extent that any Patents, Trademarks and/or Copyrights exist:

(a) it is the true and lawful exclusive owner of all the Copyrights listed on Schedule A and that said Copyrights constitute all the United States Copyrights registered in the United States Copyright Office and applications for United States Copyrights that the Assignor now owns;

(b) it is the true and lawful exclusive owner and/or intended assignee of all the Patents listed on Schedule B and that said Patents constitute all the United States Patents registered in the USPTO and applications for United States Patents that the Assignor now owns;

(c) it is the true and lawful exclusive owner of all the Trademarks listed on Schedule C and that said Trademarks constitute all the United States Trademarks registered in the USPTO and applications for Trademarks that the Assignor now owns;

(d) The Assignor agrees, at Bank's request, on a semi-annual basis to execute such additional agreements with respect to any new Patent, Trademark and/or Copyright in which the Assignor hereinafter obtains rights or any ITU Mark which becomes registered with the USPTO as may be necessary to perfect Bank's security interest in the Copyrights, Trademarks and Patents. The Assignor further warrants that it is not aware of any action or conduct of a third party that infringes or will infringe on any Patent, Trademark or Copyright. The Assignor grants to Bank an absolute power of attorney to sign any document which will be required by the United States Copyright Office or the United States Patent and Trademark Office in order to record the security interest in the Patents, Trademarks and Copyrights;

(e) except as disclosed on the schedules attached hereto, the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable;

(f) Each of the Patents, Trademarks and Copyrights is in use and, to Assignor's knowledge, does not infringe the rights of any other person or entity;

(g) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances other than Permitted Encumbrances, including without limitation pledges, assignments, licenses, registered user agreements, and covenants by Assignor not to sue third persons, other than the assignment to Bank pursuant to this Agreement;

(h) Assignor has the unqualified right to enter into this Agreement and perform its terms;

(i) Assignor believes it has used, and will use commercially reasonable good faith efforts to continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents, Trademarks and Copyrights;

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(j) Assignor has used, and will use commercially reasonable good faith effort to continue to use for the duration of this Agreement, consistent standards of quality in its manufacture or use of products sold under the Trademarks;

(k) At its own expense, the Assignor shall make timely payment of all post-issuance fees required pursuant to 35 U.S.C. Sec. 41 to maintain in force rights under each Patent, to the extent that Assignor, in the exercise of its reasonable business judgment, deems advisable;

(l) The Assignor hereby agrees not to divest itself of any right under any Copyright, Trademark and/or Patent, which divestiture would have a material adverse effect on Assignor's business, its properties, or its ability to perform its obligations under the Loan Agreement; and

(m) The Assignor agrees to promptly, upon learning thereof, furnish Bank in writing all pertinent information available to the Assignor with respect to any infringement or other violation of the Assignor's rights in any Copyright, Trademark and/or Patent, which infringement or violation could have a material adverse effect on the Assignor, its properties or its ability to perform its obligations under the Loan Agreement and Other Documents. To the extent that the Assignor in the exercise of its reasonable business judgment deems advisable, the Assignor further agrees to prosecute any Persons infringing upon any Copyright, Trademark and/or Patent to the extent such infringement could have a material adverse effect on the Assignor, its properties or its ability to perform its obligations under the Loan Agreement or Other Documents.

- 2) Subject to the provisions of the Loan Agreement, Assignor hereby grants to Bank and its employees and agents the right to visit Assignor's facilities (during normal business hours and upon reasonable written notice) which maintain or store products sold under any of the Patents, Trademarks, or Copyrights, and to inspect the products and quality control records relating thereto. Assignor shall do any and all acts reasonably required by Bank to ensure Assignor's compliance herewith.
- 3) Assignor agrees that, until all of the Obligations shall have been paid in full, it will not enter into any agreement which is inconsistent with Assignor's obligations under this Agreement, without Bank's prior written consent.
- 4) If, before the Obligations have been paid in full:

(a) Assignor shall obtain rights to any new Trademark, any new Copyright, or any new patentable inventions, or become entitled to the benefit of any patent application or patent for reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions hereof shall automatically apply thereto and Assignor shall give to Bank prompt notice thereof in writing; and

(b) any ITU Mark becomes registered with the United States Patent and Trademark Office, the terms of this Agreement shall automatically apply without any further action on the part of the Assignor or Bank (including, without limitation, the grant of a security interest by Assignor to Bank in any such ITU Mark which becomes registered with the United States Patent and Trademark Office) and Assignor shall give to Bank prompt notice in writing of such ITU Mark becoming registered.

- 5) Assignor authorizes Bank to modify this Agreement by amending Schedules A, B, C and D to include any future Patents, Trademarks, Copyrights or ITU Marks covered hereby so long as any such amendment is executed by the Assignor.
- 6) In the event an Event of Default under the Loan Agreement exists:
 - a) Bank shall have, in addition to all other rights and remedies given to it by this Agreement, the Loan Agreement, and the Other Documents, those rights and remedies 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 Patents, Trademarks, or Copyrights may be located; and

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- b) Bank may, in addition to any other remedies which may be available to Bank, without being deemed to have made an election of remedies, and without the assignment hereunder being deemed to be anything less than an absolute assignment, immediately, without demand of performance and without other notice (except as may be set forth below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale (or, to the extent required by law, otherwise realize upon in a commercially reasonable manner), all or from time to time, any of the Patents, Trademarks, or Copyrights, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents, Trademarks, or Copyrights all reasonable expenses (including all reasonable expenses for broker's fees and legal services), may apply the residue of such proceeds to the payment of the Obligations in accordance with the Loan Agreement. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor. Written notice of any sale or other disposition of the Patents, Trademarks, or Copyrights shall be given to Assignor at least ten (10) business days before the time of any intended public or private sale or other disposition of the Patents, Trademarks, or Copyrights is to be made, which notice Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Bank may, to the extent permissible under applicable law, purchase the whole or any part of the Patents, Trademarks, or Copyrights sold, free from any right or equity of redemption on the part of Assignor, which right and equity of redemption are hereby waived and released.
- 7) Upon payment in full of the Obligations in accordance with Section 13.2 of the Loan Agreement, this Agreement shall terminate and Bank shall execute and deliver to Assignor at Assignor's expense all releases and other instruments as may be necessary or proper to release the security interest in and to the Patents, Trademarks, and Copyrights, subject to any disposition thereof which may have been made by Bank pursuant hereto and in accordance with the terms hereof.
- 8) Any and all reasonable fees, costs and expenses, of whatever kind or nature, including reasonable attorney fees and legal expenses incurred by Bank in connection with the preparation of this Agreement 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, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patents, Trademarks, and Copyrights, in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks, and Copyrights, or in the enforcement by Bank of any of their rights or remedies under this Agreement, the Loan Agreement or any Other Document shall be borne and paid by Assignor on demand by Bank and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the stated rate of interest chargeable pursuant to the Loan Agreement and, upon an Event of Default, at the default rate of interest chargeable pursuant to the Loan Agreement.
- 9) To the extent that Assignor in the exercise of its reasonable business judgment deems it advisable, Assignor shall have the duty, through counsel reasonably acceptable to Bank, to prosecute diligently any actions for or of the Patents, Trademarks, and Copyrights pending as of the date of this Agreement or thereafter until the Obligations shall have been satisfied in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are reasonably necessary or desirable to preserve and maintain all rights in the Patents, Trademarks, and Copyrights. Any expenses incurred in connection with the Patents, Trademarks, and Copyrights shall be borne by Assignor. The Assignor shall not abandon any Patents, Trademarks, and Copyrights other than in the Ordinary Course of Business without the consent of Bank.
- 10) Assignor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Patents, Trademarks, and Copyrights, in which event Bank may, if necessary, be joined as a nominal party to such suit if Bank shall have been satisfied that it is not incurring any risk of liability because of such joinder. Assignor shall promptly, upon demand, reimburse and indemnify Bank for all damages, costs and expenses, including reasonable attorney fees, incurred by Bank in the fulfillment of the provisions of this paragraph. The obligations of the Assignor under this paragraph shall survive the termination of this Agreement.

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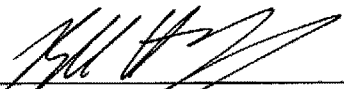
- 11) In the event an Event of Default exists under the Loan Agreement, Assignor hereby authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Bank to use the Patents, Trademarks, and Copyrights, or to grant or issue any exclusive or nonexclusive license under the Patents, Trademarks, and Copyrights to anyone else, or necessary for Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, and Copyrights to anyone else. Assignor 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.
- 12) If Assignor fails to comply with any of its obligations hereunder, Bank may do so in Assignor's name or in Bank's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by Bank in protecting, defending and maintaining the Patents, Trademarks, and Copyrights.
- 13) No course of dealing between Assignor and Bank, nor any failure to exercise, nor any delay in exercising, on the part of Bank, any right, power or privilege hereunder or under the Loan Agreement, or under any Other Document 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.
- 14) All of Bank's rights and remedies with respect to the Patents, Trademarks, and Copyrights, whether established hereby or by the Loan Agreement, or by any other agreement(s) or by law, shall be cumulative and may be exercised singly or concurrently.
- 15) 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.
- 16) This Agreement is subject to modification only by a writing signed by the parties, except as provided elsewhere herein.
- 17) 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.
- 18) The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of New York.
- 19) THE PARTIES HERETO AGREE TO THE JURISDICTION OF THE FEDERAL AND STATE COURTS LOCATED IN NEW YORK IN CONNECTION WITH ANY MATTER ARISING HEREUNDER, INCLUDING THE COLLECTION AND ENFORCEMENT HEREOF. THE ASSIGNOR AND BANK EACH HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER DOCUMENT OR THE ACTIONS OF BANK. THIS WAIVER IS MADE KNOWINGLY AND IN CONSIDERATION OF THE ADVANCES MADE UNDER THE LOAN AGREEMENT.
- 20) This Agreement, the Loan Agreement and the Other Documents embody the entire agreement and understanding between the Assignor and Bank and supersedes all prior agreements and understandings relating to the subject matter hereof and thereof.

[SIGNATURE PAGE TO FOLLOW]

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WITNESS the execution hereof under seal as of the day and year first above written.


M.W. SAMARA LLC

By: 
Name: **BRETT FIALKOFF**
Title: **Executive Vice President**

[SIGNATURE PAGE TO FOLLOW]

EXECUTION ORIGINAL

MANUFACTURER'S AND TRADERS
TRUST COMPANY

By: 
Name: GERALD O'LOUGHLIN
Title: Vice President

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STATE OF NEW YORK :
COUNTY OF Suffolk :SS:

I CERTIFY that on March 29, 2012, BRETT FIALKOFF, the Executive Vice President, personally came before me and stated under oath to my satisfaction that:

- (a) this person is the Executive Vice President of M.W. SAMARA LLC, the Assignor named in this Instrument;
- (b) this Instrument was signed and delivered by the Executive Vice President as its voluntary act duly authorized by a proper resolution of its Board of Managers; and
- (c) this person signed this acknowledgement to attest to the truth of these facts.

Signed and sworn to before me on
March 29, 2012



D. LOUIS VASQUEZ, JR.
Notary Public, State of New York
No. 01VA5023004
Qualified in Suffolk County
Commission Expires March 22, 2014

**SCHEDULES TO THE
PATENTS, TRADEMARKS
AND COPYRIGHTS SECURITY AGREEMENT**

**MANUFACTURER'S AND TRADERS TRUST COMPANY
(AS LENDER AND AS AGENT)**

WITH

M.W. SAMARA LLC¹

March 29, 2012

¹ Any capitalized terms used herein, unless otherwise defined herein, shall have the meanings assigned to such terms in the Loan Agreement

Schedule A

Copyrights

None

Schedule B

Patents

None

Schedule C**Trademarks****U.S. Trademarks:**

<i>Borrower</i>	<i>Mark</i>	<i>Serial/Reg. No.</i>	<i>Filing/Reg. Date</i>
M.W. Samara LLC	M.W. SAMARA	1335405	5/14/85
M.W. Samara LLC	Jewelry Made from Gold and Silver	1172197	10/6/81
M.W. Samara LLC	WATERFALL	1390732	4/22/96
M.W. Samara LLC	SILVERECO	3753687	3/2/10
M.W. Samara LLC	SAMARA	1524417	2/14/89

Schedule D

Intent to Use Trademarks

None