

11-17-2004

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings

RE



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

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

MRD 11-15-04

1. Name of conveying party(ies): Crescent Jewelers Inc. 315 Eleventh Street Oakland, CA 94607 [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State [] Other Delaware Additional name(s) of conveying party(ies) attached? [] Yes [x] No

2. Name and address of receiving party(ies) Name: Bank of America, N.A. Internal Address: Street Address: 55 South Lake Ave., Ste 900 City: Pasadena State: CA Zip: 91101 [] Individual(s) citizenship [x] Association National banking association [] General Partnership [] Limited Partnership [] Corporation-State [] Other If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [x] No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? [] Yes [x] No

3. Nature of conveyance: [] Assignment [] Merger [x] Security Agreement [] Change of Name [] Other Execution Date: 09/24/04

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 75/177483; 75/177090 B. Trademark Registration No.(s) 2123751; 2125567; 2123750 Additional number(s) attached [x] Yes [] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Cathryn A. Berryman Internal Address: Street Address: Jenkins & Gilchrist, P.C. 1445 Ross Ave, Suite 3200 City: Dallas State: TX Zip: 75202

6. Total number of applications and registrations involved: 5 7. Total fee (37 CFR 3.41) \$ 140.00 [x] Enclosed [] Authorized to be charged to deposit account 8. Deposit account number: 10-0447 (underpayment/overpayment)

DO NOT USE THIS SPACE

9. Signature. Cathryn A. Berryman Name of Person Signing Signature Date 11/9/04

11/16/2004 89YRME 00000072 75177483 01 FC:8521 02 FC:8522 40.00 OP 100.00 OP

Total number of pages including cover sheet, attachments, and document: 11 Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

Schedule 1
to
Trademark Security Agreement

Trademarks

TRADEMARKS						
Owner of Record	Country of Registration	Trademark	Application or Registration No.	Filing or Registration Date	Expiration Date	Goods
Crescent Jewelers Inc., a Delaware corporation	UNITED STATES	J. BURTON FIVE STAR GUARANTEE	75/177,483	10/07/1996	Abandoned 11/23, 1997	Retail jewelry store services
Crescent Jewelers Inc., a Delaware corporation	UNITED STATES	CRESCENT FIVE STAR GUARANTEE	75/177,090	10/04/1996	Abandoned 11/23, 1997	Retail jewelry store services
Crescent Jewelers Inc., a Delaware corporation	UNITED STATES	THREE STAR DIAMONDS	2,123,751	12/23/1997	12/23/2007	Diamonds
Crescent Jewelers Inc., a Delaware corporation	UNITED STATES	FOUR STAR DIAMONDS	2,125,567	12/30/1997	12/30/2007	Diamonds
Crescent Jewelers Inc., a Delaware corporation	UNITED STATES	FIVE STAR DIAMONDS	2,123,750	12/23/1997	12/23/2007	Diamonds

TRADEMARK SECURITY AGREEMENT

(Crescent Jewelers Inc.)

This Trademark Security Agreement ("Agreement") is between Crescent Jewelers Inc., a Delaware corporation (the "Debtor") and Bank of America, N.A., a national banking association (the "Secured Party"), acting in its capacity as administrative agent under the Credit Agreement described hereinbelow, and is executed pursuant to that certain Credit Agreement, dated as of September 24, 2004 among the Debtor, Crescent Jewelers, a California corporation, certain of its Subsidiaries party thereto, the Lenders party thereto, and the Secured Party (as such agreement may be amended, restated, or otherwise modified from time to time, the "Credit Agreement"; all terms defined in the Credit Agreement, wherever used herein, shall have the same meanings herein as are prescribed by the Credit Agreement).

Recitals:

A. The Debtor and the Secured Party are parties to that certain Security Agreement dated as of September 24, 2004 (as amended, restated, or otherwise modified, the "Security Agreement").

B. Pursuant to the terms of the Security Agreement, the Debtor has granted to the Secured Party a lien and security interest in all General Intangibles of the Debtor, including, without limitation, all of the Debtor's right, title, and interest in, to, and under all now owned and hereafter acquired Trademarks (as defined below), together with the goodwill of the business symbolized by the Debtor's Trademarks, and Trademark Licenses (as defined below), and all products and proceeds thereof, to secure the payment of the Obligations.

Agreement:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby grants and assigns to the Secured Party a continuing security interest, lien, and collateral assignment in all of the Debtor's right, title, and interest in, to, and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

(1) (a) (i) all trademarks, with the sole exception of any pending trademark applications which have been filed with the United States Patent and Trademark Office on an "Intent to Use" basis, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, service marks, logos, other business identifiers, prints and labels on which any of the foregoing appear, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings, and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, or any other country or any political subdivision thereof, (ii) all reissues, extensions, and renewals thereof, (iii) all income, royalties, damages, and payments now or hereafter relating to or payable under any of the foregoing, including,

without limitation, damages or payments for past or future infringements of any of the foregoing, (iv) the right to sue for past, present, and future infringements of any of the foregoing; (v) all rights corresponding to any of the foregoing throughout the world, and (vi) all goodwill associated with and symbolized by any of the foregoing; in each case, whether now owned or hereafter acquired by the Debtor (all of such items in this clause (a) being referred to herein collectively as the "Trademarks"); (b) any written agreement now or hereafter in existence granting to the Debtor any right to use any Trademark ("Trademark License"); (c) each trademark registration ("Trademark Registration"); and (d) each trademark application ("Trademark Application") (including, without limitation, each Trademark, Trademark Registration, and Trademark Application referred to in Schedule 1 annexed hereto, together with the goodwill of the business symbolized thereby);

(2) each Trademark License, to the extent allowable under the applicable license agreement; and

(3) all products and proceeds of the foregoing, including, without limitation, any claim by the Debtor against third parties for past, present, or future (a) infringement, dilution, or breach of any Trademark, Trademark Registration, Trademark Application, or Trademark License (including, without limitation, any Trademark, Trademark Registration, Trademark Application, or Trademark License referred to in Schedule 1 annexed hereto, and any Trademark Registration issued pursuant to a Trademark Application referred to in Schedule 1 annexed hereto), or (b) injury to the goodwill associated with any Trademark, Trademark Registration, or Trademark Application.

The lien and security interest contained in this Agreement is granted in conjunction with the liens and security interests granted to the Secured Party pursuant to the Security Agreement.

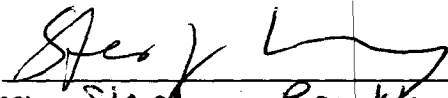
The Debtor hereby acknowledges and affirms that the rights and remedies of the Secured Party with respect to the liens and security interests in the Trademark Collateral made and granted hereby are more fully set forth in the Credit Agreement and the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

This Agreement may be executed in two or more counterparts, all of which shall constitute one and the same agreement. Delivery by facsimile by any of the parties hereto of an executed counterpart of this Agreement shall be as effective as an original counterpart hereof.

IN WITNESS WHEREOF, the Debtor has caused this Agreement to be duly executed by its duly authorized officer effective as of the 24th day of September, 2004.

DEBTOR:

CRESCENT JEWELERS INC.

By: 
Name: Sterling Brinkley
Title: Chief Executive Officer

SECURED PARTY:

BANK OF AMERICA, N.A.,
as administrative agent

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Debtor has caused this Agreement to be duly executed by its duly authorized officer effective as of the 24th day of September, 2004.

DEBTOR:

CRESCENT JEWELERS INC.

By: _____

Name: _____

Title: _____

SECURED PARTY:

BANK OF AMERICA, N.A.,
as administrative agent

By: Robert Mostert

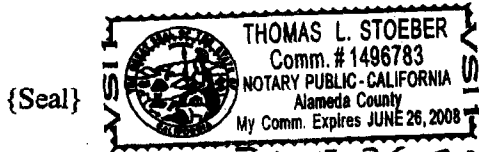
Name: ROBERT MOSTERT

Title: VICE PRESIDENT

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF ALAMEDA)

This instrument was acknowledged before me this 24th day of September, 2004, by STERLING BRINKLEY, as CEO of Crescent Jewelers Inc., a Delaware corporation, on behalf of such corporation.



[Signature]

Notary Public in and for the State of California

My commission expires: JUNE 26, 2008

STATE OF CALIFORNIA)
)
COUNTY OF _____)

This instrument was acknowledged before me this ____ day of September, 2004, by _____, as _____ of Bank of America, N.A., a national banking association, on behalf of such banking association.

{Seal}

Notary Public in and for the State of California

My commission expires: _____

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF _____)

This instrument was acknowledged before me this ____ day of September, 2004, by _____, as _____ of Crescent Jewelers Inc., a Delaware corporation, on behalf of such corporation.

{Seal}

Notary Public in and for the State of California

My commission expires: _____

STATE OF CALIFORNIA)
)
COUNTY OF _____)

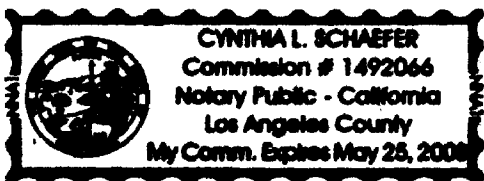
This instrument was acknowledged before me this 29th day of September, 2004, by Robert Mostert, as Vice President of Bank of America, N.A., a national banking association, on behalf of such banking association.

{Seal}

Cynthia Schaefer

Notary Public in and for the State of California

My commission expires: _____



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