



12-06-2001



101908814

US\$

Form PTO-1595 (Rev. 03/01)

RECORDATION FORM COVER SHEET PATENTS ONLY

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

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings

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

1. Name of conveying party(ies):

West Coast Beauty Supply Co.

12.3.01

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: Bank of America, N.A.

Internal Address:

Street Address: 345 Montgomery Street

City: San Francisco State: CA Zip: 94104

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date:

4. Application number(s) or patent number(s): 5,185,902 and 346,498

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

B. Patent No.(s)

Additional numbers attached? Yes No

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

Name: Reedfax Crystal Plaza One Suite 1207 2001 Jefferson Davis Hwy. Arlington, Virginia 22202

Street Address:

City: State: Zip:

6. Total number of applications and patents involved: 2

7. Total fee (37 CFR 3.41): \$ 80.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

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.

Name of Person Signing

Signature

Date

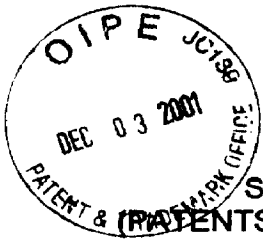
Total number of pages including cover sheet, attachments, and documents:

12/05/2001 LNUELLER 00000161 5185902

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

01 FC:581

80.00 OP



**SECURITY AGREEMENT - GENERAL INTANGIBLES
(PATENTS, TRADEMARKS, COPYRIGHTS, COMPUTER SOFTWARE)**

1. **THE SECURITY.** The undersigned West Coast Beauty Supply Co. ("Borrower") for valuable consideration hereby grants to BANK OF AMERICA, N.A. ("Bank"), a security interest in any right, title, or interest of Borrower in or to the following described personal property, whether now owned or hereafter acquired ("Collateral"):

A. All patents and patent applications and all rights corresponding thereto throughout the world, and all unpatented or unpatentable developments and inventions.

B. All trademarks, service marks, logos, and all United States, state and/or foreign applications for registration and registrations thereof, all trade names, trade styles, designs, and the like, all elements of package or trade dress of goods, the goodwill of the Borrower's business connected with the use of, and symbolized by any of the above, and all property of Borrower necessary to produce any products sold under any of the above.

C. All copyrights and copyrighted works, all derivative works thereof, all mask works of semiconductor chip products, and United States and/or foreign applications for registration and registrations thereof.

D. All computer software programs developed or to be developed by Borrower or in which Borrower asserts or could assert a proprietary interest; all personal property, including but not limited to source codes, object codes or similar information, which is necessary to the practical utilization of such programs; all tangible property of Borrower embodying or incorporating any such programs.

E. All trade secrets, proprietary information, customer lists, instructional materials, working drawings, manufacturing techniques, process technology documentation, and product formulations.

F. All rights to damages or profits due or accrued arising out of past, present or future infringement of the Collateral or injury to Borrower's good will connected with the use of the Collateral and the right to sue therefor.

G. All renewals, modifications, amendments, re-issues, divisions, continuations in whole or part, and extensions of any Collateral.

H. All proceeds of any Collateral.

2. **THE INDEBTEDNESS.** The Collateral secures and will secure all Indebtedness of Borrower to Bank. For the purposes of this Agreement, "Indebtedness" shall mean all loans and advances made by Bank to Borrower and all obligations and liabilities of Borrower to Bank, whether now existing or hereafter incurred or created, whether voluntary or involuntary, whether due or not due, whether absolute or contingent (including but not limited to obligations of Borrower as a guarantor of the indebtedness of another), and whether incurred directly or acquired by Bank by assignment or otherwise. Unless Borrower shall have otherwise agreed in writing, "Indebtedness" shall not include "consumer credit" subject to the disclosure requirements of the Federal Truth in Lending Act or any regulations promulgated thereunder.

3. **WARRANTIES AND REPRESENTATIONS.** Borrower represents and warrants to Bank as follows:

A. Exhibits A-1 through A-6 (collectively, "Exhibit A") to this Agreement are a complete list of all material patents, trademark and service mark registrations, copyright registrations, mask work registrations, and all applications therefor, in which Borrower has any right, title, or interest, throughout the world.

B. Borrower has full power and authority to execute this Agreement and perform its obligations hereunder, and to subject the Collateral to the security interest transferred hereby, and Borrower has entered and will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

C. Borrower is the lawful owner of the entire right, title and interest in and to all the Collateral, free and clear of all liens, charges, encumbrances, claims of infringement, setoffs, counterclaims, licenses, shop rights, and covenants not to sue third persons, except as Bank has consented to in writing.

4. **BORROWER'S COVENANTS.** Borrower covenants and agrees that, unless compliance is waived by Bank in writing:

A. Borrower will at its expense properly maintain the Collateral and shall not fail to renew and shall not otherwise abandon any Collateral. Borrower will, at its expense, diligently prosecute all patent, trademark or service mark or copyright applications pending on or after the date hereof, will maintain in effect all issued patents and will renew all trademark and service mark registrations, including payment of any and all maintenance and renewal fees relating thereto; Borrower also will promptly make application on any patentable but unpatented inventions, registerable but unregistered trademarks and service marks, and copyrightable but uncopyrighted works.

B. Borrower will at its expense protect and defend all rights in the Collateral against any claims and demands of all persons other than the Bank and will, at its expense, enforce all rights in the Collateral against any and all infringers of the Collateral. Borrower will not license or transfer any of the Collateral except with Bank's prior written consent.

C. Borrower will notify Bank in writing prior to any change in Borrower's place of business or, if Borrower has or acquires more than one place of business, prior to any change in Borrower's chief executive office or headquarters.

D. Borrower will promptly notify Bank of any acquisition (by adoption and use, purchase, license or otherwise) of any patent, trademark or service mark registration, copyright registration, mask work registration, and applications therefor, and unregistered trademarks and service marks and copyrights, throughout the world, which are granted or filed or acquired after the date hereof or which are not listed on Exhibit A hereto. Borrower authorizes Bank, without notice to Borrower, to modify this Agreement by amending Exhibit A to include any such Collateral.

E. Borrower will promptly notify Bank of any legal process which is levied against the Collateral and any other event which may have a material adverse effect on the value of the Collateral (including, but not limited to, conduct which might infringe on any Collateral) or the rights and remedies of Bank in relation thereto, and Borrower will enforce all rights in the Collateral against any and all infringers thereof.

F. Borrower will, at the request of Bank, execute such other agreements, documents or instruments in connection with this Agreement as Bank may reasonably deem necessary, including, but not limited to, those documents prepared by Bank which, at Bank's option, Bank chooses to record with any governmental entity, in any State or at the Federal level or in any foreign country, relating to the security interest Bank holds in the Collateral.

G. Borrower will pay to Bank, on demand, the amounts of any fees required to be paid in connection with recordation of this Agreement or any other agreement, document, or instrument evidencing Bank's security interest and any other rights in or to the Collateral.

5. **DEFAULTS.** Any one or more of the following shall be a default hereunder:

A. Borrower shall fail to pay any Indebtedness to Bank when due.

B. Borrower shall breach any term, provision, warranty or representation under this Agreement, or under any other security agreement, contract between Borrower and Bank, or any other obligation of Borrower to Bank.

C. Any receiver or trustee shall be appointed with regard to all or a substantial portion of the assets of Borrower.

D. Borrower shall become insolvent or unable to pay debts as they mature, shall make a general assignment for the benefit of creditors or shall voluntarily file under any bankruptcy or similar law.

E. Any involuntary petition in bankruptcy shall be filed against Borrower, and shall not be dismissed within 60 days.

F. Any levies of attachment, executions, tax assessments or similar processes shall be issued against the Collateral and shall not be released within ten days thereof.

G. Any financial statements, profit and loss statements, borrowing certificates or schedules, or other statements furnished by Borrower to Bank prove false or incorrect in any material respect.

6. **BANK'S REMEDIES AFTER DEFAULT.** In the event of any default Bank may do any one or more of the following:

A. Declare any Indebtedness secured hereby immediately due and payable.

B. Enforce the security interest given hereunder pursuant to the Uniform Commercial Code and any other law.

7. MISCELLANEOUS.

A. In the event of a sale of Collateral (whether under power of sale herein granted, pursuant to judicial process or otherwise), Borrower will duly execute and acknowledge all documents necessary or advisable to record title to such Collateral in the name of the purchaser, including, without limitation, valid and recordable assignments of such Collateral.

B. Borrower hereby appoints Bank, effective upon the occurrence of a default hereunder, Borrower's attorney-in-fact, with full authority to take any action and to execute any instrument which the Bank may deem necessary or advisable to accomplish the purposes of this Agreement. Such appointment of Bank as Borrower's attorney-in-fact is coupled with an interest and is irrevocable.

C. Any waiver, expressed or implied, of any provision hereunder and any delay or failure by Bank to enforce any provision shall not preclude Bank from enforcing any such provision thereafter.

D. This Agreement shall be governed by and construed according to the laws of the State of California, to the jurisdiction of which Borrower submits.

E. All rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.

F. All terms not defined herein are used as set forth in the Uniform Commercial Code.

G. In the event of any action by Bank to enforce this Agreement or to protect the security interest of Bank in the Collateral, Borrower agrees to pay the costs thereof, reasonable attorney's fees and other expenses.

H. This Agreement and any agreement or document attached hereto, referred to herein or executed concurrently herewith, integrate all the terms and conditions mentioned herein or incidental hereto, and supersede all oral negotiations and prior writings in respect to the subject matter hereof.

This Security Agreement is dated as of the 15th day of November, 2001.

WEST COAST BEAUTY SUPPLY CO.

By: WJ Amen

Title President/CEO

By: [Signature]

Title CHIEF FINANCIAL OFFICER

BANK OF AMERICA, N.A.

By: Duke Hanson

Title Vice President

By: _____

Title _____

EXHIBIT A-1

PATENTS

<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s) Name</u>	<u>Title</u>
U.S.A.	5,185,902	2/16/93	JAMES C. FONG	FOLDING POCKET BRUSH
U.S.A.	346,498	5/31/94	KATHY GERTSMA	TECHNIQUE BRUSH HANDLE



EXHIBIT A-2

PENDING PATENT APPLICATIONS

<u>Country</u>	<u>Application Serial No.</u>	<u>Application Filing Date</u>	<u>Inventor(s) Name</u>	<u>Title</u>
----------------	-----------------------------------	------------------------------------	-------------------------	--------------

NONE MATERIAL



EXHIBIT A-3

TRADEMARKS AND SERVICE MARKS

<u>State or Country</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Trademark or Service Mark</u>
U.S.A.	1159200	June 30, 1981	CRICKET
CANADA	TMA 409604	3/12/93	CRICKET
U.S.A.	1,439,002	5/12/87	CENTRIX
CANADA	TMA 409,605	3/12/93	CENTRIX
U.S.A.	1,690,221	6/2/92	OSSINI
U.S.A.	1,829,209	4/5/94	VORTEX
GERMANY	1,171,364	-	CENTRIX
GERMANY	2,073,83	-	CRICKET
U.S.A.	1,690,221	6/2/92	OSSINI
U.S.A.	1,682,991	4/14/92	SILKOMB



EXHIBIT A-4

PENDING TRADEMARK AND
SERVICE MARK APPLICATIONS

State or
Country

Application
Serial No.

Application
Filing Date

Trademark or
Service Mark

NONE MATERIAL



EXHIBIT A-5

COPYRIGHTS AND MASK WORKS

<u>Registration No.</u>	<u>Registration Date</u>	<u>Copyright Owner's Name</u>	<u>Title of Work</u>
-------------------------	--------------------------	-----------------------------------	--------------------------

NONE MATERIAL



EXHIBIT A-6

PENDING COPYRIGHT AND MASK WORK APPLICATIONS

Application
Serial No.

Application
Filing Date

Applicant's Name

Title of Work

NONE MATERIAL

