PATENT ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT** NATURE OF CONVEYANCE: SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Stila Corp.	04/10/2006

RECEIVING PARTY DATA

Name:	Bank of Montreal
Street Address:	115 South LaSalle Street
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60603

PROPERTY NUMBERS Total: 3

Property Type	Number
Patent Number:	D479275
Patent Number:	5598929
Application Number:	29159442

CORRESPONDENCE DATA

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NAME OF SUBMITTER: Renee M. Prescan

Total Attachments: 5

500094512

REEL: 017468 FRAME: 0741

PATENT

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PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of April <u>/o</u>, 2006, by STILA CORP., a Delaware corporation, ("<u>Grantor</u>"), in favor of BANK OF MONTREAL ("<u>Lender</u>").

WITNESSETH:

WHEREAS, pursuant to that certain Bank of Montreal Loan Authorization Agreement dated as of the date hereof by and among Grantor and Lender (as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lender has agreed to make the Loans for the benefit of Grantor;

WHEREAS, in order to induce the Lender to make the Loans as provided for in the Loan Agreement, the Grantor has executed and delivered to Lender, for the benefit of Lender, that certain Security Agreement dated as of the date herewith (as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, the Grantor is required to execute and deliver to Lender this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor hereby agrees as follows:

- 1 <u>DEFINED TERMS</u>. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.
- 2 <u>GRANT OF SECURITY INTEREST IN PATENT COLLATERAL</u>. Grantor hereby grants to Lender a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral"):
 - (a) all of its patents and patent applications, including those referred to on <u>Schedule I</u> hereto, and all patent licenses to which Grantor is a party;
 - (b) all reissues, continuations or extensions of the foregoing; and
 - (c) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent or any patent licensed under any patent license.
- 3 <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to Lender pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

• • • • • • • • • • • • • • • • • • •	STILA CORP., a Delaware corporation By: Name: Jos! Killion Title: Vice President
ACCEPTED AND ACKNOWLEDG	ED BY:
BANK OF MONTREAL	
Bv:	

Title: Its Duly Authorized Signatory

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

STILA CORP., a Delaware corporation

By:		
Name:	<u>.</u>	
Title:		

ACCEPTED AND ACKNOWLEDGED BY:

BANK OF MONTREAL

Name: DENISE SIDL

Title: Its Duly Authorized Signatory

PATENT

REEL: 017468 FRAME: 0746

SCHEDULE I TO PATENT SECURITY AGREEMENT

U.S. PATENTS

Title	Patent No. Issue Date	Applic. No./ Filing Date
Cosmetic dispensing machine	D479,275 9/2/2003	29/146,448 8/9/2001
Two-part container	5,598,929 2/4/1997	08/341,425 11/17/1994

U.S. PATENT APPLICATIONS

Title	Applic. No./ Filing Date
Cosmetic dispensing machine	29/159,442 4/19/2002

RECORDED: 04/14/2006