

TRADEMARK ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	Successor Agency Appointment Agreement
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Cosmetic Essence, Inc.		08/20/2003	CORPORATION: NEW JERSEY

RECEIVING PARTY DATA	
Name:	Madison Capital Funding LLC, as Agent
Street Address:	300 West Madison Street, Suite 1200
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60606
Entity Type:	Limited Liability Company: DELAWARE

PROPERTY NUMBERS Total: 6	
Property Type	Number
Registration Number:	1677289
Serial Number:	75179221
Serial Number:	75866510
Serial Number:	76313017
Serial Number:	76403990
Serial Number:	76403989

CORRESPONDENCE DATA	
Fax Number:	(312)332-2196
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312-863-7292
Email:	ian.hathaway@goldbergekohn.com
Correspondent Name:	Ian Hathaway
Address Line 1:	55 East Monroe Street, Suite 3700
Address Line 2:	Goldberg, Kohn
Address Line 4:	Chicago, ILLINOIS 60603

OP \$165.00 1677289

ATTORNEY DOCKET NUMBER:

4975.012

NAME OF SUBMITTER:

Ian Hathaway

Total Attachments: 12

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SUCCESSOR AGENCY APPOINTMENT AGREEMENT

THIS SUCCESSOR AGENCY APPOINTMENT AGREEMENT ("Agreement") is entered into as of August 20, 2003 by and among COSMETIC ESSENCE, INC., a New Jersey corporation ("CEI"), CEI-ROANOKE, INC., a Delaware corporation ("CEI Roanoke"), CEI-KIDS, LLC, a New Jersey limited liability company ("CEI Kids") and CEI COSMETIC GROUP, L.L.C., a New Jersey limited liability company ("CEI Cosmetic Group" and together with CEI, CEI Kids and CEI Roanoke, the "Borrowers"), MADISON CAPITAL FUNDING LLC ("MCFLLC"), HELLER FINANCIAL, INC., ("Heller"), ANTARES CAPITAL CORPORATION ("Antares"), JPMORGAN CHASE BANK ("JPMorgan"), COMERICA BANK ("Comerica"), and MARINER CDO 2002, LTD. ("Mariner"). This Agreement is effective as of the Effective Date, as defined below.

RECITALS

A. Borrowers, JPMorgan, as Administrative and Collateral Agent, and the lenders named therein, are each a party to that certain Amended and Restated Credit Agreement dated as of April 1, 2002, as amended as of August 19, 2002, November 15, 2002 and January 16, 2003 (the "Credit Agreement").

B. JPMorgan is the current Administrative and Collateral Agent under the Credit Agreement.

C. JPMorgan desires to resign as Administrative and Collateral Agent, and the Borrowers and Lenders desire to appoint MCFLLC as successor Administrative and Collateral Agent under the Credit Agreement and the Loan Documents.

NOW, THEREFORE, in consideration of the agreements contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereby agree as follows:

1. DEFINED TERMS.

The following terms shall have the definitions indicated:

"Effective Date" means the date set forth in a notice from MCFLLC delivered to the parties hereto stating that all of the conditions of Section 6 of this Agreement have been satisfied.

Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the Credit Agreement or, if not defined in the Credit Agreement, the applicable Loan Documents.

2. RESIGNATION OF CURRENT AGENT AND APPOINTMENT OF SUCCESSOR; WAIVER.

2.1. Pursuant to the provisions of Article IX of the Credit Agreement, and the relevant terms of any other Loan Documents, JPMorgan resigns from its position as the Agent ("Retiring Agent"), effective as of the Effective Date. Pursuant to the terms of Article IX of the Credit Agreement, the Lenders appoint MCFLLC as the successor Agent under the Credit Agreement and each other Loan Document ("Successor Agent"), and Borrowers confirm their consent to such appointment. MCFLLC accepts such appointment as the Agent, and agrees to serve in such capacity pursuant to the Loan Documents.

2.2. In connection with the agency succession described in the foregoing Section 2.1, effective as of the Effective Date and without the need for further action (except as expressly set forth below), (i) Successor Agent shall succeed to and become vested with all of the rights, powers, privileges and duties as Agent under the Loan Documents, (ii) Retiring Agent's appointment, powers, obligations and duties as Agent under the Loan Documents shall terminate, (iii) all protective provisions of the Credit Agreement set forth in Article IX and Section 11.04 thereof shall continue in effect for Retiring Agent's benefit in respect of any actions taken or omitted to be taken by Retiring Agent while it was acting as Agent under the Loan Documents or relating to any cash management services to be provided by JPMorgan to Borrowers after the Effective Date as contemplated by Section 3.1 of this Agreement, (iv) Successor Agent shall bear no responsibility or liability for any actions taken or omitted to be taken by Retiring Agent while Retiring Agent served as Agent under the Loan Documents, (v) each of Retiring Agent, Borrowers, Guarantors, and Lenders authorizes Successor Agent to file any Uniform Commercial Code financing statements, assignments or amendments that Successor Agent deems necessary or desirable to evidence Successor Agent's succession as Agent under the Credit Agreement and the other Loan Documents, (vi) Retiring Agent agrees to promptly deliver to Successor Agent any tangible personal Collateral securing the Obligations that is currently in the possession of the Retiring Agent (such as stock certificates, instruments and the like) and Retiring Agent agrees to promptly take such further actions as Successor Agent may reasonably request from time to time to assign Security Documents and its Liens upon any Collateral to Successor Agent, and (vii) Retiring Agent, Borrowers, Guarantors and the Lenders agree, upon the reasonable request of Successor Agent, to take such additional actions and to execute and deliver such other documents and instruments as Successor Agent may reasonably request to effect Successor Agent's succession as Agent under the Loan Documents. Without limiting the generality of the foregoing, Retiring Agent hereby assigns to the Successor Agent all liens and security interests in the Collateral, all of which Borrowers and Guarantors affirm shall remain in full force and effect. The Lenders hereby agree that the Successor Agent shall have no liability for failing to have any of the Security Documents or other Loan Documents assigned to Successor Agent. In addition, Retiring Agent agrees to act as agent for Successor Agent to perfect Successor Agent's security interest in any tangible personal Collateral in Retiring Agent's possession. Borrowers shall reimburse Successor Agent for the costs and expenses (including reasonable attorneys' fees) incurred by Successor Agent in connection with becoming Agent and the transactions contemplated by the Agreement, including

without limitation, the assignment of security interests and liens to Successor Agent. Upon receipt by Retiring Agent of a letter of credit in the amount of \$943,937.00 and a letter of credit in the amount of \$283,000.00, each in form and substance satisfactory to Retiring Agent and each issued by Comerica Bank in favor of Retiring Agent, Lenders shall be deemed released from any liability to Retiring Agent with respect to Letters of Credit issued by Retiring Agent. As of the Effective Date, each Lender acknowledges that Retiring Agent is not liable to it for any Loans, fees, interest or other charges under the Loan Documents.

3. **BANK ACCOUNTS.**

3.1. JPMorgan shall permit Borrowers to maintain their bank accounts with JPMorgan during the 90 day period following the Effective Date. Within 90 days following the Effective Date, Borrowers shall close any bank accounts at JPMorgan and establish new bank accounts at Comerica and Borrowers, Comerica and Successor Agent shall enter into agreements, in form and substance satisfactory Successor Agent, providing Successor Agent with control over such accounts. Failure to comply with the provisions of the preceding sentence within the 90-day period set forth therein shall constitute an immediate Event of Default under the Credit Agreement.

4. **ADMINISTRATIVE FEE.**

JPMorgan received an annual administrative fee of \$50,000 from Borrowers on April 1, 2003. On the Effective Date, JPMorgan shall remit to MCFLLC a portion of such fee equal to the product of \$50,000 multiplied by a fraction, the numerator of which is the number of days between the Effective Date and March 31, 2004 and the denominator of which is 365.

5. **REPRESENTATIONS AND WARRANTIES.**

Retiring Agent hereby represents and warrants to Successor Agent while it served as Agent, it did not execute any release or other discharge with respect to any significant portion of the Collateral (unless otherwise disclosed in writing to Successor Agent and Lenders prior to the date hereof). Retiring Agent hereby represents and warrants to Successor Agent that Exhibit A is a list of all of the Loan Documents that (a) evidence (i) the grant of any Lien to secure any of the Obligations or any guaranty of any of the Obligations, or the perfection of any such Lien, (ii) any guaranty of any of the Obligations, (iii) any loan or other financial accommodation extended by Agent or any Lender to any Borrower, (iv) the subordination of any of the Obligations to any other Indebtedness or the subordination of any Indebtedness to any of the Obligations, or (b) constitute a material Loan Document, and Retiring Agent further represents and warrants to Successor Agent that true, correct and complete copies of such Loan Documents have been delivered by Retiring Agent to Successor Agent (except to the extent otherwise noted on Exhibit A), all as amended through the Effective Date.

6. CONDITIONS PRECEDENT.

The effectiveness of this Agreement shall be subject to the satisfaction of the following conditions precedent:

6.1. MCFLLC shall have received original executed counterparts of this Agreement from all parties.

6.2. Amendment Agreement No. 4 shall have been fully executed, the conditions thereto to effectiveness shall have been satisfied and such amendment shall be effective.

6.3. MCFLLC shall have received, in form and substance satisfactory to it, all of the agreements, instruments, documents and other materials set forth on the Closing Checklist attached hereto as Exhibit B.

6.4. MCFLLC and JPMorgan shall have entered into an assignment and acceptance and the conditions thereto to effectiveness shall have been satisfied and such assignment and acceptance shall be effective.

7. MISCELLANEOUS.

7.1. Notices. Any notice or other communication given or required to be given under this Agreement or any Loan Document shall be sent to the address set forth below, or such other address as shall be designated in a written notice delivered to the other parties hereto:

If to JPMorgan:

JPMorgan Chase Bank
1166 Avenue of the Americas
16th Floor
New York, New York 10036
Attention: CEI Account Executive
Telephone: (212) 899-1199
Facsimile: (212) 899-2926

With a copy to:

Kaye Scholer LLP
425 Park Avenue
New York, New York 10022
Attention: Jeffrey Epstein
Telephone: (212) 836-8048
Facsimile: (212) 836-6475

If to MCFLLC:

Madison Capital Funding
303 West Madison Street
Suite 1200
Chicago, Illinois 60606
Attention: CEI Account Manager
Telephone: (312) 596-6900
Facsimile: (312) 596-6950

7.2. Headings. Section and subsection headings included herein are for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

7.3. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

7.4. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have executed this Agreement to be effective as of the Effective Date. Each person signing below represents that he or she is authorized to execute and deliver this Agreement on behalf of the party for whom he or she has signed.

COSMETIC ESSENCE, INC.

By: [Signature]
Name: Richard J. Wandoff
Title: Vice President

CEI-ROANOKE, INC.

By: [Signature]
Name: Richard J. Wandoff
Title: Vice President

CEI COSMETIC GROUP, L.L.C.

By: [Signature]
Name: Richard J. Wandoff
Title: Vice President

CEI-KIDS, LLC

By: [Signature]
Name: Richard J. Wandoff
Title: Vice President

[Signatures Continued on Next Page]

JPMORGAN CHASE BANK, as Retiring Agent

By: [Signature]
Name: Angela Capron
Title: VP

MADISON CAPITAL FUNDING LLC, as
Successor Agent and as a Lender

By: _____
Name: _____
Title: _____

HELLER FINANCIAL, INC., as a Lender

By: _____
Name: _____
Title: _____

ANTARES CAPITAL CORPORATION, as a
Lender

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, as Trustee of the
Antares Funding Trust created under the Trust
Agreement dated as of November 30, 1999, as a
Lender

By: _____
Name: _____
Title: _____

[Signatures Continued on Next Page]

JPMORGAN CHASE BANK, as Retiring Agent

By: _____
Name: _____
Title: _____

MADISON CAPITAL FUNDING LLC, as
Successor Agent and as a Lender

By: Trevor J. Clark
Name: Trevor J. Clark
Title: Managing Director

HELLER FINANCIAL, INC., as a Lender

By: _____
Name: _____
Title: _____

ANTARES CAPITAL CORPORATION, as a
Lender

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, as Trustee of the
Antares Funding Trust created under the Trust
Agreement dated as of November 30, 1999, as a
Lender

By: _____
Name: _____
Title: _____

[Signatures Continued on Next Page]

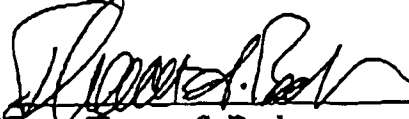
JPMORGAN CHASE BANK, as Retiring Agent

By: _____
Name: _____
Title: _____

MADISON CAPITAL FUNDING LLC, as
Successor Agent and as a Lender

By: _____
Name: _____
Title: _____

HELLER FINANCIAL, INC., as a Lender

By:  _____
Name: Thomas S. Beck
Title: Its Duly Authorized Signatory

ANTARES CAPITAL CORPORATION, as a
Lender

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, as Trustee of the
Antares Funding Trust created under the Trust
Agreement dated as of November 30, 1999, as a
Lender

By: _____
Name: _____
Title: _____

[Signatures Continued on Next Page]

[Successor Agency Appointment Agreement]
Signature Page 2 of 3

JPMORGAN CHASE BANK, as Retiring Agent

By: _____
Name: _____
Title: _____


MADISON CAPITAL FUNDING LLC, as
Successor Agent and as a Lender

By: _____
Name: _____
Title: _____

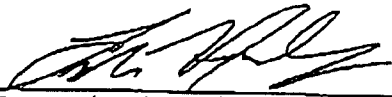
HELLER FINANCIAL, INC., as a Lender

By: _____
Name: _____
Title: _____

ANTARES CAPITAL CORPORATION, as a
Lender

By:  _____
Name: Orlinda
Title: PMAN


JPMORGAN CHASE BANK, as Trustee of the
Antares Funding Trust created under the Trust
Agreement dated as of November 30, 1999, as a
Lender

By:  _____
Name: Leslie Hundley
Title: Officer

[Signatures Continued on Next Page]

[Successor Agency Appointment Agreement]
Signature Page 2 of 3

COMERICA BANK, as a Lender

By: 
Name: MARC D. ADAMS
Title: ASSOCIATE
COMERICA BANK
MARINER CDO 2002 ~~ELIJAH~~ ~~AS A GROUP~~

By: _____
Name: _____
Title: _____

COMERICA BANK, as a Lender

By: _____
Name: _____
Title: _____

MARINER CDO 2002, LTD., as a Lender

By: David Mahon
Name: _____
Title: David Mahon
Vice President

(Successor Agency Appointment Agreement)
Signature Page 3 of 3