

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
SEXY HAIR CONCEPTS, LLC		03/09/2006	LIMITED LIABILITY COMPANY: CALIFORNIA

RECEIVING PARTY DATA

Name:	U.S. BANK NATIONAL ASSOCIATION, AS AGENT
Street Address:	One US Bank Plaza
Internal Address:	12th Floor
City:	St. Louis
State/Country:	MISSOURI
Postal Code:	63101
Entity Type:	A NATIONAL BANKING ASSOCIATION: UNITED STATES

PROPERTY NUMBERS Total: 28

Property Type	Number	Word Mark
Registration Number:	2614429	AERO COLOR
Registration Number:	2634449	AERO TAN
Registration Number:	2592173	CURE4
Registration Number:	2530633	CURL POWER
Registration Number:	1866675	ECOLY
Registration Number:	2472793	FORMULAS BY ECOLY BIG SEXY HAIR
Registration Number:	2935449	FRESH CONCEPTS
Registration Number:	2394047	FUNKTIONAL HAIR WARE
Registration Number:	2530630	HOT CURL
Registration Number:	2553996	HOT SEXY HIGHLIGHTS
Registration Number:	2646108	MAKE BELIEVE CONCEPTS
Registration Number:	2369077	PSY COLOR GY
Registration Number:	2823999	SEXYBATH&BODY

CH \$715.00 2614429

Registration Number:	2306447	SEA CRITTERS
Registration Number:	2636664	SEXSYMBOL
Registration Number:	2486702	SEXY HAIR
Registration Number:	2757856	SEXY HAIR CONCEPTS
Registration Number:	2403396	SEXY HAIR
Registration Number:	2608579	STAY PUT
Registration Number:	2438970	THINGS STRETCH
Registration Number:	2394046	THINGS
Registration Number:	2593853	U.S. RUMBLE BOYS
Registration Number:	2707751	WILD SEXY HAIR
Registration Number:	2785586	W.M.N.
Serial Number:	76617948	SEXY BLONDES
Serial Number:	76369705	SEXY HANDS
Serial Number:	76374826	SEXY SKIN
Serial Number:	78132674	SOFTSEXY

CORRESPONDENCE DATA

Fax Number: (314)552-7000
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 314-552-6000
Email: ipdocket@thompsoncoburn.com
Correspondent Name: Thompson Coburn LLP
Address Line 1: One US Bank Plaza
Address Line 4: St. Louis, ILLINOIS 63101

ATTORNEY DOCKET NUMBER:	299-43728
NAME OF SUBMITTER:	Clyde L. Smith
Signature:	/Clyde L. Smith/
Date:	04/03/2006

Total Attachments: 13

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PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT

Reference is hereby made to that certain Loan Agreement dated as of the date hereof by and among Sexy Hair Concepts, LLC, a California limited liability company (the "Debtor"), the Lenders from time to time party thereto and U.S. Bank National Association as the L/C Issuer and the Agent, as the same may from time to time be amended, modified, extended, renewed or restated (the "Loan Agreement"). All capitalized terms used and not otherwise defined in this Patent, Trademark and License Security Agreement (this "Agreement") shall have the respective meanings ascribed to them in the Loan Agreement.

This Agreement is made as of the 9th day of March, 2006, by the Debtor in favor of the Agent for the benefit of the Agent, the L/C Issuer and the Lenders.

WITNESSETH:

WHEREAS, the Debtor, the Agent, the L/C Issuer and the Lenders are herewith entering into the Loan Agreement; and

WHEREAS, as a condition precedent to the Agent, the L/C Issuer and the Lenders entering into the Loan Agreement, the Agent, the L/C Issuer and the Lenders have required that the Debtor execute and deliver this Agreement to the Agent for the benefit of the Agent, the L/C Issuer and the Lenders; and

WHEREAS, in order to induce the Agent, the L/C Issuer and the Lenders to enter into the Loan Agreement, the Debtor has agreed to execute and deliver this Agreement to the Agent for the benefit of the Agent, the L/C Issuer and the Lenders; and

WHEREAS, this Agreement is being executed in connection with and in addition to the Security Agreement dated as of the date hereof and executed by the Debtor in favor of the Agent for the benefit of the Agent, the L/C Issuer and the Lenders pursuant to which the Debtor has granted to the Agent for the benefit of the Agent, the L/C Issuer and the Lenders a security interest in and lien on, among other things, all of the Debtor's accounts, accounts receivable, payment intangibles, inventory, documents, instruments, chattel paper, general intangibles (including, without limitation, goodwill, patents, patent applications, trademarks, trademark applications and licenses), machinery, equipment, investment property, books and records, all whether now owned or hereafter acquired by the Debtor and all cash and non-cash proceeds thereof;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby covenants and agrees with the Agent as follows:

1. Grant of Security Interest. For value received, the Debtor hereby grants the Agent for the benefit of the Agent, the L/C Issuer and the Lenders a security interest in and lien on all of the Debtor's right, title and interest in, to and under the following described property, all whether now owned and existing or hereafter created, acquired or arising (collectively, the "Collateral"):

(a) all patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, each patent and patent application listed on Schedules A and B, respectively, attached hereto and incorporated herein by reference (as the same may be amended pursuant hereto from time to time) and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, damages and payments now and/or hereafter due or payable under or with respect thereto, including, without limitation, license royalties, damages and payments for past or future

infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and patent applications together with the items described in clauses (i) through (iv) of this subsection (a) are hereinafter collectively referred to herein as the "Patents");

(b) all trademarks, service marks, trademark or service mark registrations, trade names, trade styles, trademark or service mark applications and brand names, including, without limitation, common law rights and each mark and application listed on Schedules C and D, respectively, attached hereto and incorporated herein by reference; and (i) renewals or extensions thereof, (ii) all income, damages and payments now and/or hereafter due or payable with respect thereto, including, without limitation, license royalties, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, service marks and applications and registrations thereof together with the items described in clauses (i) through (iv) of this subsection (b) are hereinafter collectively referred to herein as the "Trademarks");

(c) the license(s) listed on Schedule E attached hereto and incorporated herein by reference and all other license agreements (to the extent such license agreements may be assigned without violating the terms of any such license agreement) with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any application or registration thereof or any other trade name or trade style between the Debtor and any other Person, whether the Debtor is licensor or licensee (all of the foregoing license agreements and the Debtor's rights thereunder are hereinafter collectively referred to as the "Licenses");

(d) the goodwill of the Debtor's business connected with and symbolized by the Trademarks; and

(e) all proceeds, including, without limitation, proceeds which constitute property of the types described in (a), (b), (c) and (d) above and any rents and profits of any of the foregoing items, whether cash or noncash, immediate or remote, and insurance proceeds, and all products of (a), (b), (c) and (d) above, and any indemnities, warranties and guaranties payable by reason of loss or damage to or otherwise with respect to any of the foregoing items;

to secure the payment of (i) any and all of the present and future Borrower's Obligations, (ii) any and all present and future indebtedness (principal, interest, fees, collection costs and expenses and other amounts), liabilities and obligations (including, without limitation, guaranty obligations, letter of credit reimbursement obligations and indemnity obligations) of the Debtor to the Agent, the L/C Issuer and/or any Lender evidenced by or arising under or in respect of the Loan Agreement, this Agreement and/or any other Transaction Document and (iii) any and all costs of collection, legal expenses and attorneys' fees and expenses incurred by the Agent, the L/C Issuer and/or any Lender upon the occurrence of any default or event of default under this Agreement, in collecting or enforcing payment of any such indebtedness, liabilities or obligations or in preserving, protecting or realizing on the Collateral hereunder or in representing the Agent, the L/C Issuer and/or any Lender in connection with bankruptcy or insolvency proceedings (hereinafter collectively referred to as the "Secured Obligations").

2. Representations, Warranties and Covenants of the Debtor. The Debtor hereby represents and warrants to the Agent, and covenants and agrees with the Agent, that:

(a) all of the Patents, Trademarks and Licenses are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and are not at this time the subject of any challenge to their validity or enforceability;

(b) to the best of the Debtor's knowledge, each of the Patents, Trademarks and Licenses is valid and enforceable;

(c) (i) no claim has been made that the use of any of the Patents, Trademarks or Licenses does or may violate the rights of any third person, (ii) no claims for patent infringement have been commenced in connection with any of the Patents and (iii) no claims for trademark infringement have been commenced in connection with any of the Trademarks;

(d) the Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Licenses, free and clear of any and all Liens, charges and encumbrances, including, without limitation, any and all pledges, assignments, licenses, registered user agreements, shop rights and covenants by the Debtor not to sue third persons;

(e) the Debtor has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(f) the Debtor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the registered Patents and Trademarks;

(g) the Debtor has the exclusive, royalty-free right and license to use the Patents, Trademarks and Licenses and agrees not to transfer any rights or interest in any of the Patents, Trademarks and/or Licenses during the term of this Agreement; and

(h) the Debtor has no notice of any suits or actions commenced or threatened with reference to any of the Patents, Trademarks and/or Licenses.

3. Inspection Rights: Product Quality. The Debtor will permit inspection of the Debtor's facilities which manufacture, inspect or store products sold under any of the Patents, Trademarks and/or Licenses and inspection of the products and records relating thereto by the Agent, the L/C Issuer and/or any Lender during normal business hours and at other reasonable times. The Debtor will reimburse the Agent, the L/C Issuer and each Lender upon demand for all costs and expenses incurred by the Agent, the L/C Issuer and/or any Lender in connection with any such inspection conducted by the Agent, the L/C Issuer and/or any Lender while any Default or Event of Default under the Loan Agreement has occurred and is continuing. The Debtor agrees (a) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable practices and (b) to provide the Agent, upon the Agent's reasonable request from time to time, with a certificate of an officer of the Debtor certifying the Debtor's compliance with the foregoing.

4. Further Assurances. The Debtor hereby agrees that, unless and until (a) all of the Secured Obligations shall have been fully, finally and indefeasibly paid in cash, (b) there shall be no remaining commitment or obligation of the Agent, the L/C Issuer and/or any Lender to advance funds, make loans or extend credit to, and/or issue letters of credit for the account of, the Debtor under the Loan Agreement and/or any other Loan Document, (c) no Letters of Credit shall remain outstanding, (d) no Swap Contracts between the Debtor and any Lender shall remain outstanding and (e) the Loan Agreement shall have expired or been terminated in accordance with its terms, it will not, without the prior written consent of the Required Lenders, enter into any agreement (for example, a license or sublicense agreement) which is inconsistent with the Debtor's obligations under this Agreement, the Loan Agreement and/or any other Transaction Document and the Debtor agrees that it will not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to the Agent under this Agreement. The Debtor further agrees that at any time and from time to time, at the expense of the Debtor, the Debtor will promptly execute and deliver to the Agent any and all further instruments and documents and take any and all further action that the Agent may request in good

faith in order to perfect and protect the security interest granted by he Debtor to the Agent pursuant to this Agreement with respect to the Patents, Trademarks and Licenses or to enable the Agent to exercise its rights and remedies under this Agreement with respect to the same.

5. Additional Patents, Trademarks and Licenses. If the Debtor (a) becomes aware of any existing Patents, Trademarks or Licenses of which the Debtor has not previously informed the Agent, (b) obtains rights to any new patentable inventions, Patents, Trademarks and/or Licenses or (c) becomes entitled to the benefit of any Patents, Trademarks and/or Licenses which benefit is not in existence on the date of this Agreement, the provisions of this Agreement shall automatically apply thereto and the Debtor shall give the Agent prompt written notice thereof.

6. Modification by the Agent. The Debtor hereby irrevocably authorizes the Agent to modify this Agreement by amending Schedules A, B, C, D and/or E to include any future patents, patent applications, trademarks, trademark applications, service marks, service mark applications, service mark registrations, trade names and/or licenses, covered by Paragraphs 1 and 5 hereof, without the signature of the Debtor if permitted by applicable law.

7. Use of Patents, Trademarks and Licenses. So long as no Event of Default under the Loan Agreement has occurred and is continuing, the Debtor may use the Patents and Trademarks and exercise its rights under the Licenses in any lawful manner not inconsistent with this Agreement on and in connection with products sold by the Debtor, for the Debtor's own benefit and account and for none other.

8. Default. If any Event of Default under the Loan Agreement shall have occurred and be continuing, the Agent shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code and/or other applicable law as enacted in any jurisdiction in which any of the Patents, Trademarks and/or Licenses may be located and, without limiting the generality of the foregoing, the Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Debtor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Patents, Trademarks (together with the goodwill of the Debtor associated therewith) and/or Licenses, or any interest which the Debtor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents, Trademarks or Licenses all expenses (including, without limitation, all expenses for brokers' fees and reasonable attorney's fees and expenses), shall apply the residue of such proceeds toward the payment of the Secured Obligations in the manner and order set forth in the Loan Agreement. Notice of any sale or other disposition of any of the Patents, Trademarks and/or Licenses shall be given to the Debtor at least five (5) Business Days before the time of any intended public or private sale or other disposition of such Patents, Trademarks and/or Licenses is to be made, which the Debtor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Agent, the L/C Issuer, any Lender and/or any holder of any of the Secured Obligations may, to the extent permissible under applicable law, purchase the whole or any part of the Patents, Trademarks and/or Licenses sold, free from any right of redemption on the part of the Debtor, which right is hereby waived and released. The Debtor agrees that upon the occurrence and continuance of any Event of Default under the Loan Agreement, the use by the Agent, the L/C Issuer and/or any Lender of the Patents, Trademarks and Licenses shall be worldwide, and without any liability for royalties or other related charges from the Agent, the L/C Issuer and/or any Lender to the Debtor. If an Event of Default under the Loan Agreement shall occur and be continuing, the Agent shall have the right, but shall in no way be obligated, to bring suit in its own name (for the benefit of itself) to enforce any and all of the Patents, Trademarks and Licenses, and, if the Agent shall commence any such suit, the Debtor shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents required by the Agent in aid of such enforcement and the Debtor shall promptly, upon demand, reimburse and indemnify the Agent for all costs and expenses incurred by the Agent in the exercise of its rights and remedies under this Agreement. All of the Agent's rights and remedies

with respect to the Patents, Trademarks and Licenses, whether established hereby, by the Security Agreement or by any other agreement or by law shall be cumulative and may be exercised singularly or concurrently.

9. Termination of Agreement. At such time as (a) all of the Secured Obligations shall have been fully, finally and indefeasibly paid in cash, (b) there shall be no remaining commitment or obligation of the Agent, the L/C Issuer and/or any Lender to advance funds, make loans or extend credit to, and/or issue letters of credit for the account of, the Debtor under the Loan Agreement and/or any other Transaction Document, (c) no Letters of Credit shall remain outstanding, (d) no Swap Contracts between the Debtor and any Lender shall remain outstanding and (e) the Loan Agreement shall have expired or been terminated in accordance with its terms, this Agreement shall terminate and, upon the Debtor's written request, the Agent shall execute and deliver to the Debtor all instruments as may be necessary or proper to extinguish the Agent's security interest in the Collateral, subject to any disposition thereof which may have been made by the Agent pursuant to this Agreement. If claim is ever made on the Agent, the L/C Issuer and/or any Lender for repayment or recovery of any amount or amounts received by the Agent, the L/C Issuer and/or any Lender in payment or on account of any of the Secured Obligations (including payment under a guaranty or from application of collateral) and the Agent, the L/C Issuer and/or any Lender repays all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over the Agent, the L/C Issuer and/or any Lender or any property or assets of the Agent, the L/C Issuer and/or any Lender or (b) any settlement or compromise of any such claim effected by the Agent, the L/C Issuer and/or any Lender with any such claimant (including, without limitation, the Debtor), then and in such event the Debtor agrees that any such judgment, decree, order, settlement or compromise shall be binding on the Debtor, notwithstanding any cancellation of any note or other instrument or agreement evidencing such Secured Obligations or of this Agreement, and this Agreement shall continue to be effective or be reinstated, as the case may be, and shall secure the payment of the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Agent, the L/C Issuer and/or any Lender. This Agreement shall continue to be effective or be reinstated, as the case may be, if (a) at any time any payment of any of the Secured Obligations is rescinded or must otherwise be returned by the Agent, the L/C Issuer and/or any Lender upon the insolvency, bankruptcy or reorganization of the Debtor or otherwise, all as though such payment had not been made or (b) this Agreement is released in consideration of a payment of money or transfer of property or grant of a security interest by the Debtor or any other Person and such payment, transfer or grant is rescinded or must otherwise be returned by the Agent, the L/C Issuer and/or any Lender upon the insolvency, bankruptcy or reorganization of such Person or otherwise, all as though such payment, transfer or grant had not been made.

10. Expenses. Any and all fees, costs and expenses of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and expenses incurred by the Agent in connection with the preparation, negotiation, administration and/or enforcement 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 other amounts in connection with protecting, maintaining or preserving the Patents, Trademarks and/or Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks and/or Licenses, shall be borne and paid by the Debtor on demand by the Agent and until so paid shall be added to the principal amount of the Secured Obligations and shall bear interest at a rate per annum equal to the lesser of Two Percent (2%) over and above the Adjusted Base Rate (which interest rate shall fluctuate as and when the Adjusted Base Rate shall change) or the highest rate of interest allowed by law from the date incurred until reimbursed by the Debtor.

11. Preservation of Patents, Trademarks and Licenses. The Debtor shall have the duty (a) to file and prosecute diligently any patent, trademark or service mark applications pending as of the date hereof or hereafter, (b) to make application on unpatented but patentable inventions and on

trademarks and service marks, as commercially reasonable and (c) to preserve and maintain all rights in the Patents, Trademarks and Licenses, as commercially reasonable. Any expenses incurred in connection with the Debtor's obligations under this Section 11 shall be borne by the Debtor.

12. Agent Appointed Attorney-In-Fact. If any Event of Default under the Loan Agreement shall have occurred and be continuing, the Debtor hereby authorizes and empowers the Agent to make, constitute and appoint any officer, employee or agent of the Agent as the Agent may select, in its sole discretion, as the Debtor's true and lawful agent and attorney-in-fact, with the power to endorse the Debtor's name on all applications, documents, papers and instruments necessary for the Agent to use the Patents, Trademarks and Licenses, or to grant or issue any exclusive or non-exclusive license under the Patents, Trademarks and Licenses to anyone else, or necessary for the Agent to assign, pledge, convey or otherwise transfer title to or dispose of the Patents, Trademarks and Licenses to anyone else. The Debtor hereby ratifies all that such agent or attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Agreement.

13. No Waiver. No course of dealing between the Debtor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

14. Severability. 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.

15. Amendments. This Agreement is subject to amendment or modification only by a writing signed by Debtor and the Agent and consented to by the Required Lenders, except as provided in Paragraph 6 above.

16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, except that Debtor may not assign, transfer or delegate any of its rights, obligations or duties under this Agreement without the prior written consent of the Agent, the L/C Issuer and each Lender.

17. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the substantive laws of the United States of America and the State of Missouri (without reference to conflict of law principles); provided, however, that the perfection, the effect of the perfection or non-perfection and the priority of the security interests and liens created by this Agreement shall in all respects be governed, construed, applied and enforced in accordance with the substantive laws of the applicable jurisdiction.

18. Consent to Jurisdiction; Waiver of Jury Trial. DEBTOR HEREBY IRREVOCABLY (A) SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY MISSOURI STATE COURT SITTING IN THE CITY OR COUNTY OF ST. LOUIS, MISSOURI OR ANY UNITED STATES OF AMERICA COURT SITTING IN THE EASTERN DISTRICT OF MISSOURI, EASTERN DIVISION, AS THE AGENT MAY ELECT, IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, (B) AGREES THAT ALL CLAIMS IN RESPECT TO SUCH SUIT, ACTION OR PROCEEDING MAY BE HELD AND DETERMINED IN ANY OF SUCH COURTS, (C) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH DEBTOR MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT, (D) WAIVES ANY CLAIM THAT SUCH SUIT, ACTION OR

PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM AND (E) WAIVES ALL RIGHTS OF ANY OTHER JURISDICTION WHICH THE DEBTOR MAY NOW OR HEREAFTER HAVE BY REASON OF ITS PRESENT OR SUBSEQUENT DOMICILES. THE DEBTOR AND THE AGENT HEREBY IRREVOCABLY WAIVE THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION IN WHICH THE DEBTOR AND THE AGENT ARE PARTIES RELATING TO OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

19. California Judicial Reference Agreement. Each of the Debtor and the Agent hereby irrevocably agrees that:

(a) any and all disputes, claims and/or controversies arising out of this Agreement and/or any other Transaction Document or the transactions contemplated hereby or thereby (including, but not limited to, actions arising in contract or tort) (individually, a "Dispute") that are brought before a forum in which pre-dispute waivers of the right to trial by jury are invalid under applicable law shall be subject to the terms of this Section in lieu of the jury trial waivers otherwise provided in the Transaction Documents;

(b) any and all Disputes shall be heard by a referee and resolved by judicial reference pursuant to California Code of Civil Procedure Sections 638 et seq.;

(c) the referee shall be a retired California state court judge or an attorney licensed to practice law in the State of California with at least ten (10) years' experience practicing commercial law. Neither party shall seek to appoint a referee that may be disqualified pursuant to California Code of Civil Procedure Section 641 or 641.2 without the prior written consent of the other party;

(d) if the parties are unable to agree upon a referee within ten (10) calendar days after a party serves a written notice of intent for judicial reference upon the other party, then the referee will be selected by the court in accordance with California Code of Civil Procedure Section 640(b);

(e) the referee shall render a written statement of decision and shall conduct the proceedings in accordance with the California Code of Civil Procedure, the Rules of Court and California Evidence Code, except as otherwise specifically agreed by the parties and approved by the referee. The referee's statement of decision shall set forth findings of fact and conclusions of law. The decision of the referee shall be entered as a judgment in the court in accordance with the provisions of California Code of Civil Procedure Sections 644 and 645. The decision of the referee shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the superior court;

(f) nothing in this Section shall be deemed to apply to or limit the right of the Agent, the L/C Issuer or any Lender to (i) exercise self help remedies such as (but not limited to) setoff, (ii) foreclose judicially or nonjudicially against any real or personal property collateral or to exercise judicial or nonjudicial power of sale rights, (iii) obtain from a court provisional or ancillary remedies (including, but not limited to, injunctive relief, a writ of possession, prejudgment attachment, a protective order or the appointment of a receiver) or (iv) pursue rights against the Debtor or any other Obligor in a third-party proceeding in any action brought against the Agent, the L/C Issuer or any Lender (including actions in bankruptcy court). Each of the Agent, the L/C Issuer and each Lender may exercise the rights set forth in the foregoing clauses (i) through (iv), inclusive, before, during or after the pendency of any judicial reference proceeding. Neither the exercise of self help remedies nor the institution or maintenance of an action for foreclosure or provisional or ancillary remedies or the opposition to any such provisional remedies shall constitute a waiver of the right of any party, including, but not limited to, the claimant in any such action, to require submission to judicial reference the merits of the

Dispute occasioning resort to such remedies. No provision in the Transaction Documents regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in any Transaction Document for judicial reference of any of Dispute;

(g) if a Dispute includes multiple claims, some of which are found not subject to this Section, the parties shall stay the proceedings of the Disputes or part or parts thereof not subject to this Section until all other Disputes or parts thereof are resolved in accordance with this Section. If there are Disputes by or against multiple parties, some of which are not subject to this Section, the parties shall sever the Disputes subject to this Section and resolve them in accordance with this Section;

(h) during the pendency of any Dispute which is submitted to judicial reference in accordance with this Section, each of the parties to such Dispute shall bear equal shares of the fees charged and costs incurred by the referee in performing the services described in this Section. The compensation of the referee shall not exceed the prevailing rate for like services. The prevailing party or parties shall be entitled to reasonable court costs and legal fees, including customary attorney fees, expert witness fees, paralegal fees, the fees of the referee and other reasonable costs and disbursements charged to such party(ies) by its or their counsel, in such amount as is determined by the referee;

(i) in the event of any challenge to the legality or enforceability of this Section, the prevailing party or parties shall be entitled to recover the costs and expenses from the non-prevailing party or parties, including reasonable attorneys' fees, incurred by it or them in connection therewith; and

(j) THIS SECTION CONSTITUTES A "REFERENCE AGREEMENT" BETWEEN OR AMONG THE PARTIES WITHIN THE MEANING OF AND FOR PURPOSES OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638.

IN WITNESS WHEREOF, the Debtor has executed this Patent, Trademark and License Security Agreement as of the 9th day of March, 2006.

SEXY HAIR CONCEPTS, LLC ("Debtor")

By Bruce A. Jesau
Name: BRUCE A. JESAU
Title: VICE PRESIDENT

Accepted and agreed to as of the 9th day of March, 2006.

U.S. BANK NATIONAL ASSOCIATION, as the Agent

By Jason C. Nadler
Name: Jason C. Nadler
Title: Vice President

SCHEDULE A

United States Patents

NONE

1

SCHEDULE B

United States Patent Applications

NONE

SCHEDULE C

United States Trademark Registrations

Country	Mark	Registration No.
United States	AERO COLOR	2,614,429
United States	AEROTAN	2,634,449
United States	CURE4 (Stylized)	2,592,173
United States	CURL POWER	2,530,633
United States	ECOLY (Stylized)	1,866,675
United States	FORMULAS BY ECOLY BIG SEXY HAIR	2,472,793
United States	FRESH CONCEPTS	2,935,449
United States	FUNKTIONAL HAIR WARE	2,394,047
United States	HOT CURL	2,530,630
United States	HOT SEXY HIGHLIGHTS	2,553,996
United States	LIQUID ART	3,036,101
United States	MAKE BELIEVE CONCEPTS	2,646,108
United States	PSY COLOR GY (Stylized)	2,369,077
United States	SEXYBATH&BODY	2,823,999
United States	SEA CRITTERS	2,306,447
United States	SEXYSYMBOL	2,636,664
United States	SEXY HAIR (& Design)	2,486,702
United States	SEXY HAIR CONCEPTS (& Design)	2,757,856
United States	SEXY HAIR	2,403,396
United States	STAY PUT	2,608,579
United States	THINGS STRETCH	2,438,970
United States	THINGS	2,394,046
United States	U.S. RUMBLE BOYS (& Design)	2,593,853
United States	WILD SEXY HAIR	2,707,751
United States	W.M.N. (& Design)	2,785,586

SCHEDULE D

United States Applications For Trademark Registration

Country	Mark	Application No.
United States	HOT ROD	78/690,648
United States	SEXY BLONDES	76/617,948
United States	SEXY HANDS	76/369,705
United States	SEXY LIPS	78/617,215
United States	SEXY SKIN	76/374,826
United States	SOFTSEXY	78/132,674
United States	TRIBES OF STYLE	78/672,936

SCHEDULE E

Licenses

NONE