

06-20-2000



U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

RE

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MPD 5-30-00

101385303

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

Name of conveying party(ies): ELIZABETH ARDEN SALONS, INC. Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> yes <input checked="" type="checkbox"/> no	2. Name and address of receiving party(ies): (2a.) Name: <u>BANKERS TRUST COMPANY</u> Address: <u>130 Liberty Street, New York, NY 10006</u>
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3. Name of Conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: <u>Grant of Trademark Security Interest</u> Execution Date: <u>May 12, 2000</u>	(2b.) Name: _____ Address: _____ Additional name(s) & address(es) attached? <input type="checkbox"/> yes <input checked="" type="checkbox"/> no
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4. Application number(s) or patent number(s):

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

A. Trademark Application No.(s): <u>74/688,983; 75/811,652; 75/811,142; 75/873,592; 75/873,591; 75/873,593</u>	B. Trademark Registration No.(s): <u>2,249,906</u>
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Additional numbers attached yes no

5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Melissa Clemens</u> Internal Address: <u>O'MELVENY & MYERS LLP</u> Street Address: <u>400 South Hope Street</u> City: <u>Los Angeles</u> State: <u>CA</u> ZIP: <u>90071-2899</u>	6. Total number of applications and patents involved: <u>one</u> 7. Total fee (37 CFR 3.41):.....\$ <u>280.00</u> <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: <u>50-0639</u>
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06/15/2000 ASCOTT 00000123 74688983

01 FC:481 40.00 OP
02 FC:482 150.00 OP

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.

Brian M. Berliner [Signature] May 24, 2000
 Name of Person Signing Signature Date

Total number of pages comprising cover sheet, attachments and documents: 5

06/19/2000 DNGUYEN 00000196 74688983

01 FC:481 40.00 OP
02 FC:482 150.00 OP

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

Doc. No. 5104657
 Name/Number: 74688983
 FC: 704

Refund Ref: 06/19/2000 DNGUYEN 00000196
 CHECK Refund Total: \$90.00
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 Repl'n. Ref: 06/15/2000 ASCOTT 001100198
 DA#: 500639 Name/Number: 74688983
 FC: 704

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, ELIZABETH ARDEN SALONS, INC., a Delaware corporation ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Elizabeth Arden Spas, L.L.C., a Delaware limited liability company ("**Company**"), has entered into a Credit Agreement dated as of May 12, 2000 (said Credit Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Credit Agreement**") with Elizabeth Arden Salon-Holdings, Inc., a Delaware corporation ("**Holdings**"), the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the "**Lenders**"), and Bankers Trust Company, as Administrative Agent for the Lenders (in such capacity, "**Secured Party**") pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Company; and

WHEREAS, Company may from time to time enter, or may from time to time have entered, into one or more Interest Rate Agreements (collectively, the "**Lender Interest Rate Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Interest Rate Agreements are entered into (in such capacity, collectively, "**Interest Rate Exchangers**"); and

WHEREAS, Grantor has executed and delivered that certain Subsidiary Guaranty dated as of May 12, 2000 (said Subsidiary Guaranty, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "**Guaranty**") in favor of Secured Party for the benefit of Lenders and any Interest Rate Exchangers, pursuant to which Grantor has guaranteed the prompt payment and performance when due of all obligations of Company under the Credit Agreement and the other Loan Documents and all obligations of Company under the Lender Interest Rate Agreements, including without limitation the obligation of Company to make payments thereunder in the event of early termination thereof; and]

WHEREAS, pursuant to the terms of a Security Agreement dated as of May 12, 2000 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use)

in and to all trademarks, service marks, designs, logos, indicia, trade names, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the “**Trademarks**”), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the “**Trademark Registrations**”), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries including without limitation the right, exercisable only upon the occurrence and during the continuation of an Event of Default, to sue for past, present and future infringements in the name of such Grantor or in the name of Secured Party or Lenders (the “**Trademark Rights**”), and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith (the “**Associated Goodwill**”); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term “**proceeds**” includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor’s rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Trademark Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral 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.

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IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 12th day of May, 2000.

ELIZABETH ARDEN SALONS, INC.

By: *R L Broadhead*

Name: ROBERT L. BROADHEAD

Title: EVP & CEO

SCHEDULE A TO**GRANT OF TRADEMARK SECURITY INTEREST****Trademarks:**

Registered Owner	Trademark Description	Registration Number	Issue Date
Elizabeth Arden Salons, Inc.	SALON WORKS (words)	2,249,906	06/01/1999

Trademark Applications:

Applicant	Serial Number	File Date	Description
Elizabeth Arden Salons, Inc.	688,983 (74/)	06/15/1995	SALON WORKS
Elizabeth Arden Salons, Inc.	811,652 (75/)	09/30/1999	SPA 752
Elizabeth Arden Salons, Inc.	811,142 (75/)	09/30/1999	E-SPA
Elizabeth Arden Salons, Inc.	873,592 (75/)	12/16/1999	VILLA FLORIANI
Elizabeth Arden Salons, Inc.	873,591 (75/)	12/16/1999	PURA FLORIANI
Elizabeth Arden Salons, Inc.	873,593 (75/)	12/16/1999	E-SOLUTIONS

NY1:746816

RECORDED: 05/30/2000**TRADEMARK
REEL: 002089 FRAME: 0664**