

05-18-2001



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FORM PTO-1618A
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OMB 0651-0027

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

JUN 15 2001

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger
 - Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

- Individual General Partnership Limited Partnership Corporation Association
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 002298 FRAME: 0045

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

John E. Ottaviani

May 2, 2001

Name of Person Signing

Signature

Date Signed

ASSIGNMENT FOR SECURITY

(TRADEMARKS)

WHEREAS, Kae-Tech Inc., a corporation organized and existing under the laws of the Province of Ontario (herein referred to as "Assignor"), has adopted, used and is using the trademarks listed on the annexed Schedule 2-A, which trademarks are registered in, or are the subject of pending applications for registration in, the United States Patent and Trademark Office (the "Trademarks").

AND WHEREAS pursuant to the terms and conditions of a credit agreement dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "National Bank Credit Agreement") between the Assignor, National Bank of Canada, as agent thereunder, National Bank of Canada, as lender thereunder, and such other banks, financial institutions and other persons as may become lenders thereunder (the "Senior Lender"), the Assignor is or will become indebted, liable and obligated to the Senior Lender;

AND WHEREAS pursuant to the terms and conditions of a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Mezzanine Debenture"), issued by the Assignor in favour of National Bank of Canada, as mezzanine lender (together with its successors and assigns and any of their successors and assigns, the "Mezzanine Lender"), the Assignor is or will become indebted, liable and obligated to the Mezzanine Lender;

AND WHEREAS pursuant to the terms and conditions of a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "NB Equity Debenture"), issued by the Assignor in favour of NB Capital Equity Partners Inc. (together with its successors and assigns and any of their successors and assigns, "NB Equity"), the Assignor is or will become indebted, liable and obligated to NB Equity;

AND WHEREAS pursuant to the terms and conditions of a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "CCC Debenture"), issued by the Assignor in favour of Cameron Capital Corporation, (together with its successors and assigns and any of their successors and assigns, "CCC"), the Assignor is or will become indebted, liable and obligated to CCC;

AND WHEREAS pursuant to the terms and conditions of the Credit Documents (as hereinafter defined), the Assignor has entered into certain agreements including, without limitation, a demand debenture, a share pledge agreement, conditional assignments of trademarks, assignments of patents and an assignment of payments and security, (collectively, as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Security Documents") to secure the obligations of the Assignor to the Lenders (as hereinafter defined);

AND WHEREAS pursuant to the terms of subscription agreements dated as of the date hereof, the Assignor has issued warrants (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Warrants") to each of the Mezzanine Lender, NB Equity and CCC;

AND WHEREAS the Assignor is a party to the unanimous securityholders' agreement (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Securityholders' Agreement") dated as of the date hereof between all of the holders of the securities of the Assignor;

AND WHEREAS pursuant to the terms and conditions of an intercreditor agreement (the "Intercreditor Agreement") dated as of the date hereof among the Assignor, the National Bank of Canada as Security Agent (the "Assignee"), the Senior Lender, the Mezzanine Lender, NB Equity, CCC, Kae-Tech USA, Inc., Hair Club for Men Ltd., Inc., HCM Industries, Inc., Syam Enterprises, Ltd., First Lady International Corporation and Emperor (Far East) Limited, the Assignee has agreed to act as security agent for and on behalf of the Senior Lender, the Mezzanine Lender, NB Equity and CCC (collectively, the "Lenders");

AND WHEREAS pursuant to the terms and conditions of the National Bank Credit Agreement, the Mezzanine Debenture the NB Equity Debenture and the CCC Debenture (collectively, the "Credit Documents") the Assignor has agreed to execute and deliver this Agreement to and in favour of the Assignee for and on behalf of the Lenders, as continuing security for the due, prompt and complete payment, performance and satisfaction of all indebtedness, obligations and liabilities (including all interest thereon and any fees or expenses payable in connection therewith), now or hereafter owed by the Assignor to any of the Lenders including, but not limited to, such obligations as may be owing under any of the Credit Documents, the Security Documents, the Warrants and the Securityholders' Agreement (collectively, the "Secured Obligations");

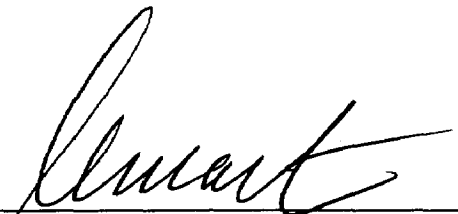
NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby grant to Assignee a security interest in, and mortgage on all right, title and interest of Assignor in and to the Trademarks, together with any reissue, continuation, continuation-in-part or extension thereof, and all proceeds thereof, including without limitation, any and all causes of action which may exist by reason of infringement thereof for the full term of the Trademarks (the "Collateral"), to secure the prompt payment and performance of the Secured Obligations.

Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the security interest in and mortgage on the Collateral made and granted hereby are more fully set forth in the Credit Documents, the Security Documents, the Warrants and the Securityholders' Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Assignee's address National Bank Building
150 York Street, Suite 200
Toronto, Ontario
M5H 3S5

IN WITNESS WHEREOF, Assignor has caused this Assignment for Security to
be duly executed by its officer thereunto duly authorized as of the 18 day of May, 2000.

KAE-TECH INC.

By: 

Name: LESLIE E. MARTIN

Title: PRESIDENT

Address: 5827 Corporate Way
West Palm Beach
Florida 33407

SCHEDULE 2-A TO ASSIGNMENT FOR SECURITY**TRADEMARKS**

TRADEMARK	REGN./Apn.	REGN. DATE/<i>Filing Date</i>
HAIR FOR LIFE HFL	1,784,236	July 27, 1993
HUMALON HAIR	75/753,993	<i>July 15, 1999</i>
PERMA GROWTH HAIR	2,083,518	October 5, 1999
PERMANENT PROCESS	1,560,357	October 17, 1989

G23\VANDERJL\2421821

SPECIAL POWER OF ATTORNEY

STATE OF)

)ss.:

COUNTY OF)

KNOWN ALL MEN BY THESE PRESENTS, THAT Kae-Tech Inc. a corporation organized and existing under the laws of the Province of Ontario with its principal office at 5827 Corporate Way, West Palm Beach, Florida 33407 (hereinafter called "Assignor"), hereby appoints and constitutes National Bank of Canada, a Canadian chartered bank, as security agent (referred to herein as the "Assignee") for itself as senior and mezzanine lender, NB Capital Equity Partners Inc. and Cameron Capital Corporation (collectively, the "Lenders") its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Assignor:

1. For the purpose of assigning, selling, licensing or otherwise disposing of all right, title and interest of Assignor in and to any letters patent of the United States or any other country or political subdivision thereof, and all registrations, recordings, reissues, continuations, continuations-in-part and extensions thereof, and all pending applications therefor, and for the purpose of the recording registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreement, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;
2. For the purpose of assigning, selling, licensing or otherwise disposing of all right, title and interest of Assignor in and to any trademarks, trade names, trade styles and service marks, and all registrations, recordings, reissues, extensions and renewals thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;
3. For the purpose of assigning, selling, licensing or otherwise disposing of all right, title and interest of Assignor in and to any copyrights, and all registrations, recordings, reissues, extensions and renewals thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;
4. To execute any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Assignee may in its sole discretion determine.

This power of attorney is made pursuant to:

- (a) a credit agreement dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "National Bank Credit Agreement") between the Assignor, National Bank of Canada, as agent thereunder, National Bank of Canada, as lender thereunder, and such other banks, financial institutions and other persons as may become lenders thereunder (the "Senior Lender");
- (b) a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Mezzanine Debenture"), issued by the Assignor in favour of National Bank of Canada, as mezzanine lender (together with its successors and assigns and any of their successors and assigns, the "Mezzanine Lender");
- (c) a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "NB Equity Debenture"), issued by the Assignor in favour of NB Capital Equity Partners Inc. (together with its successors and assigns and any of their successors and assigns, "NB Equity");
- (d) a debenture dated as of the date hereof (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "CCC Debenture"), issued by the Assignor in favour of Cameron Capital Corporation, (together with its successors and assigns and any of their successors and assigns, "CCC");
- (e) certain agreements, entered into by the Assignor pursuant to the terms of the National Bank Credit Agreement, the Mezzanine Debenture, the NB Equity Debenture, the CCC Debenture (the "Credit Documents"), including, without limitation, a demand debenture, a share pledge agreement, conditional assignments of trademarks, assignments of patents and an assignment of payments and security, (collectively, as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Security Documents");
- (f) warrants issued by the Assignor (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Warrants") to each of the Mezzanine Lender, NB Equity and CCC; and
- (g) the unanimous securityholders' agreement (as the same may be amended, supplemented, restated, replaced, extended or renewed from time to time, the "Securityholders' Agreement") dated as of the date hereof between all of the holders of the securities of the Assignor;

and takes effect solely in the event of an occurrence of either (i) or (ii):

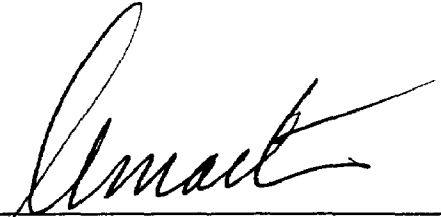
- i. any event which would constitute an Event of Default under any or all of the Credit Documents; or
- ii. the non-payment of the purchase price payable under Section 9.4 of the Securityholders' Agreement and Section 5.4 of the agreements under which the Warrants are issued on the Put Date of Closing (as defined in such agreements);

and may not be revoked until the payment in full of all indebtedness, obligations and liabilities (including all interest thereon and any fees or expenses payable in connection therewith), now or hereafter owed by the Assignor to any of Senior Lender, the Mezzanine Lender, NB Equity and CCC including, but not limited to, such obligations as may be owing under any of the Credit Documents, the Security Documents, the Warrants and the Securityholders' Agreement.

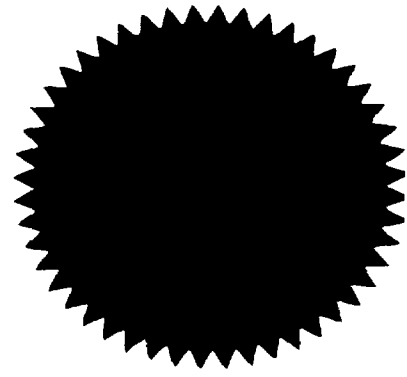
Dated: May 18, 2000

[Corporate Seal]

KAE-TECH INC.

By: 

Name: LESLIE E. MARTIN
Title: PRESIDENT
Address: 2000 ISLINGTON AVE., SUITE 2612
TORONTO, ONTARIO, CANADA

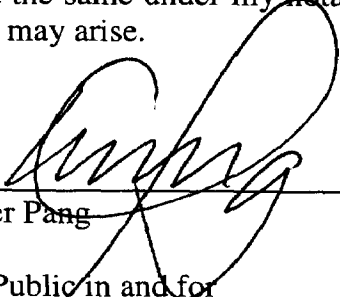


CANADA

PROVINCE OF ONTARIO

On this 18th day of May, 2000, before me personally appeared Leslie E. Martin of 2000 Islington Ave., Suite 2612, Toronto, Ontario, and that he is the President and Chief Executive Officer of Kae-Tech Inc., a corporation existing under the laws of the Province of Ontario, described in and which executed the foregoing instrument; and that he signed his name thereto pursuant to the authority of the Board of Directors of said corporation.

An act whereof being requested, I have granted the same under my notarial form and seal of office to serve and avail as occasion shall or may arise.



Christopher Pang

A Notary Public in and for
the Province of Ontario