

SECURITY AGREEMENT
(Trademarks)

THIS SECURITY AGREEMENT (Trademarks) (the "Trademark Security Agreement") is made and dated this 7th day of September, 2001 by and between JOICO LABORATORIES, INC., a California corporation ("Debtor"), and UNITED CALIFORNIA BANK, a California banking corporation ("Secured Party").

RECITALS

A. Pursuant to that certain Credit Agreement dated as of September 1st, 2001 among Secured Party and Debtor (as amended, modified or waived, the "Agreement"), Secured Party extended or agreed to extend credit to or for the benefit of Debtor on the terms and conditions and subject to the conditions set forth therein.

B. In connection therewith, Debtor agreed, among other things, to execute and deliver in favor of Secured Party this Trademark Security Agreement.

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Grant of Security Interest Debtor hereby mortgages, assigns, grants and conveys to the Secured Party, a security interest, pledge, assignment and mortgage in all of Debtor's right, title and interest in the following (the "Trademark Collateral"):

(a) All now existing or hereafter created or acquired, trademarks, service marks, unregistered marks, logos, indicia, tradenames, tradestyles, other business identifiers and rights and works protectible by trademark whether now owned or hereafter, and, except to the extent prohibited by the terms thereof or by law, all agreements in respect of Trademarks owned by third parties, including, without limitation, the Trademarks specifically described on Schedule I attached hereto, as the same may be amended or replaced from time to time;

(b) All now existing and hereafter arising registrations and applications for registration relating to any of the foregoing, all renewals and extensions thereof throughout the world in perpetuity, and all rights to make such applications and to renew and extend the same;

(c) All now existing and hereafter arising right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation;

(d) All now existing and hereafter arising rights, claims and interests under licensing or other contracts pertaining to any of the foregoing;

(e) All now existing and hereafter arising goodwill symbolized by or associated with any of the foregoing;

(f) All now existing and hereafter arising right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of Secured Party for past, present and future infringements of any of the foregoing; and

(g) All products and proceeds of any of the foregoing.

2. Additional Representation and Warranty and Covenant. In addition to all representations and warranties, covenants and agreements set forth in the Agreement and any other documents, Debtor hereby:

(a) Represents and warrants that Schedule I attached hereto sets forth an accurate and complete list of all trademarks owned by Debtor which are registered with the United States Patent and Trademark Office (any and all trademarks so registered being the "Trademarks"); and

(b) Agrees promptly to notify Secured Party in writing of any additional Trademarks of which Debtor becomes the owner, and to deliver to Secured Party an amended Schedule I reflecting such additional Trademarks. Secured Party is hereby authorized to cause such amended Schedule I to be filed and recorded in an amendment of this Trademark Security Agreement.

3. No Present Assignment. Neither the Agreement, this Trademark Security Agreement, nor any other document, instrument or agreement creates or is intended to create a present assignment of the Trademark Collateral. Subject to the rights of Secured Party, it is the intention of the parties hereto that Debtor continue to own the Trademark Collateral.

4. Relationship to Other Documents. The Trademark Collateral shall constitute Collateral for all purposes of the Agreement and the other documents executed in connection therewith and Secured Party shall have all rights, powers and remedies with respect to the Trademark Collateral to the same extent as it has with respect to other collateral pursuant to the Agreement and the other documents executed in connection therewith, including, without limitation, the right upon the occurrence of an Event of Default under the Agreement to dispose of the Trademark Collateral in accordance with the provisions of the California Uniform Commercial Code.

5. Miscellaneous.

(a) All covenants and other agreements contained in this Trademark Security Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns.

(b) Any provision of this Trademark Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and

any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

(c) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any person, or which such person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such person.

(d) This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

(e) This Trademark Security Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of California excluding choice-of-law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

SCHEDULE I
TO TRADEMARK SECURITY AGREEMENT

(Description of Trademark Collateral)

SEE ATTACHED LIST OF PENDING AND REGISTERED U.S. TRADEMARKS

JUL-09-2001 09:20

JOICO LABORATORIES, INC. LIST OF U.S. TRADEMARKS
PENDING & REGISTERED (07/09/01)

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<u>Dkt No.</u>	<u>Mark</u>	<u>App./Reg. No.</u>	<u>Reg. Date</u>
1036	AMBER BOOK PUBLISHING	75/524,383	
1006	ALTERNATIVE-EFX	2,362,860	06/27/00
1350	ASSERTION	76/266,459	
000	BIOJOBA	1,246,161	07/26/83
208	CHEMICAL ENHANCER	1,616,344	10/09/90
1196	COLOR ENDURANCE	76/024,964	
1188	COLOUR BEADS	76/014,697	
1322	CON-TEXT	76/266,457	
1326	CONVERSION	76/266,455	
146	COOL MIST	1,460,547	10/13/87
402	ECO	1,786,064	08/03/93
738	FORMING I.C.E.	2,104,265	10/07/97
000	HEXAGON LOGO	1,278,573	05/22/84
1144	HI-RISE HAIR	75/842,519	
930	ICE AMPLIFIER	2,222,007	02/02/99
696	ICE CAP	1,928,786	10/24/95
926	ICE CONTROLLER	2,222,005	02/02/99
584	ICE CREAM	1,491,822	06/14/88
878	ICE & Design	75/491,286	
928	ICE FINISHER	2,222,006	02/02/99
976	ICE FIXER	2,237,787	04/06/99
1128	ICE GELATO	75/797,104	
1198	ICE GRAFFITI STIX	76/024,963	
1238	ICE HAIR	76/116,286	
938	ICE HYDRATOR	2,222,009	02/02/99
934	ICE MOLDER	2,237,493	04/06/99
1210	ICE POWER SMOOTHIE	76/033,092	
936	ICE SLICKER	2,222,010	02/02/99
982	ICE SMOOTHER	75/386,060	
1096	ICE SPIKER	2,453,761	05/22/01
940	ICE WASHER	2,222,011	02/02/99
000	I.C.E.	1,379,962	01/28/86
238	I.C.E. GEL	1,655,191	09/03/91
240	I.C.E. MIST	1,645,749	05/28/91
606	I.C.E. WHIP	1,981,701	06/18/96
196	INTEGRITY	1,530,487	03/21/89
000	JOICO (Classes 3 & 41)	1,542,172	06/05/89
444	JOICO (Class 25)	1,741,430	12/22/92
444	JOICO (Classes 3,18,21,25)	2,186,915	09/01/98
711	JOICO (Classes 8,9,11,26)	2,455,570	05/29/01

JOICO LABORATORIES, INC. LIST OF U.S. TRADEMARKS
PENDING & REGISTERED (07/09/01)

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<u>Dkt No.</u>	<u>Mark</u>	<u>App./Reg. No.</u>	<u>Reg. Date</u>
671	JOICO ALTIMA	75/115,587	
422	ECO	1,786,064	08/03/93
634	JOICO VISION SALONS	2,178,761	08/04/98
514	JOIGEL	1,814,645	01/04/94
580	JOIMIST	1,904,887	07/11/95
000	K-PAK	1,338,687	06/04/85
000	KERAPRO	1,229,131	03/08/83
000	LAVEI	1,537,138	5/2/89
1138	LIQUID ICE	1,825,703	03/08/94
216	NU BODY	1,569,117	12/05/89
412	NU DERMA	1,284,844	7/10/84
1324	ORIENTATION	76/266,457 <i>Le</i>	
990	PEQS	75/667,448	
370	PERM ENDURANCE	1,745,031	01/05/93
000	PHINE	1,223,837	01/18/83
1148	PROKERA & Design	1,794,588	09/28/93
1332	PROTEXTURE	76/266,460	
194	RESOLVE	1,538,789	05/16/89
414	SELLUTIONS	1,727,549	10/27/92
974	SHADE ENDURANCE	2,248,303	05/25/99
244	SINE WAVE	1,626,570	12/11/90
246	SOLAR SYSTEM	1,636,617	03/05/91
1312	SPIKER COLORZ	76/232,393	
322	STEFANO	1,651,854	07/23/91
886	STRAIGHT EDGE	2,186,638	09/01/98
636	STRAIGHT TALK (Class 16)	2,043,873	03/11/97
784	STRAIGHT TALK (Class 35)	2,043,856	03/11/97
242	TETRA S.T.A.R.	1,626,569	12/11/90
692	THERMAL ICE	1,641,851	04/23/91
232	TRANSFORMATIONS	1,673,814	01/28/92
212	TRAVALLO	1,559,498	10/10/89
1104	TRIACTIVE AC	76/236,344	
860	TRIACTIVE HP	2,118,500	12/02/97
1032	TRIACTIVE NT	2,358,436	06/13/00
736	TRIACTIVES	2,065,346	05/27/97
504	TRIAGE	1,823,553	02/22/94
230	TRIAMINE COMPLEX	1,637,331	05/12/91

JOICO LABORATORIES, INC. LIST OF U.S. TRADEMARKS
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<u>Dkt.No.</u>	<u>Mark</u>	<u>App./Reg. No.</u>	<u>Reg. Date</u>
1328	VARIATION	76/256,458	
964	VEROCHROME	2,243,643	05/04/99
286	VEROCOLOR	1,634,618	02/12/91
1134	VEROCOLOR FASHION	75/786,831	
1126	VERO CSR	2,458,417	06/05/01
426	VERO GLAZE	1,747,657	01/19/93
806	VEROLIFT	2,124,380	12/23/97
252	VERO LIGHT	1,662,895	10/29/91
274	VEROXIDE	1,680,755	03/24/92
978	VOLISSIMA	2,324,331	02/29/00

IN WITNESS WHEREOF, the parties hereto have caused this Trademark Security Agreement to be executed on and as of the day and year first above written.

DEBTOR:

JOICO LABORATORIES, INC.

By: [Signature]
Name: ZOHAR ZIV
Title: VP / CFO

SECURED PARTY:

UNITED CALIFORNIA BANK

By: [Signature]
Name: Jeanne Woerne
Title: VICE PRESIDENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On Sept 14, 2001, before me, the undersigned notary public in and for said County and State, personally appeared Zohar Ziv + Joanne Woerner personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he~~ ~~she~~ they executed the same in ~~his~~ ~~her~~ their authorized capacity(ies) and that, by ~~his~~ ~~her~~ their signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.



[Signature]
My commission expires on Aug 19 2005

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER
Title(s) _____
- PARTNER(S)
 ___ Limited ___ General
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

Title or Type of Document

Signer(s) Other Than Named Above

Date of Document: _____

Number of Pages: _____

SIGNER IS REPRESENTING:

