

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
-------------------------	----------------

NATURE OF CONVEYANCE:	Security Interest Under the U.S. ABL Agreement
------------------------------	--

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Beauty Holding LLC		07/09/2007	CORPORATION:

RECEIVING PARTY DATA

Name:	Merrill Lynch Capital
Street Address:	4 World Financial Center
Internal Address:	250 Vesey Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10080
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
Registration Number:	3091684	AMERICAN CLASSIC
Registration Number:	3166170	TANWISE
Serial Number:	78623716	SMOOTH MIST
Serial Number:	78978089	GET'N WAVES
Serial Number:	78978136	STYLE IT UP
Serial Number:	78833083	HIDE RIDGES

CORRESPONDENCE DATA

Fax Number: (202)639-7003
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 202-639-7352
 Email: davidmi@friedfrank.com
 Correspondent Name: Michael David c/o Fried Frank
 Address Line 1: 1001 Pennsylvania Avenue, NW
 Address Line 2: Suite 800

CH \$165.00 3091684

Address Line 4: Washington, DISTRICT OF COLUMBIA 20004

NAME OF SUBMITTER: Michael David

Signature: /md/

Date: 07/16/2007

Total Attachments: 5
source=USABL#page1.tif
source=USABL#page2.tif
source=USABL#page3.tif
source=USABL#page4.tif
source=USABL#page5.tif

SUPPLEMENTAL TRADEMARK SECURITY AGREEMENT

This **SUPPLEMENTAL TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of July 9, 2007 is entered into by each of the undersigned (each, a "Grantor") in favor of **MERRILL LYNCH CAPITAL, a division of Merrill Lynch Business Financial Services Inc. ("MLC")**, as Administrative Agent and Collateral Agent for the Lenders.

WHEREAS, Sally Holdings LLC, Beauty Systems Group LLC, Sally Beauty Supply LLC, the Canadian Borrowers from time to time party to the Credit Agreement, the several banks and other financial institutions from time to time parties thereto (the "Lenders"), and MLC as Administrative Agent and as Collateral Agent for the Lenders, have entered into a Credit Agreement, dated November 16, 2006 as amended, supplemented, replaced or otherwise modified from time to time, (the "ABL Credit Agreement");

WHEREAS, the Granting Parties have executed and delivered that certain U.S. Guarantee and Collateral Agreement, dated November 16, 2006, in favor of the Administrative Agent and the Collateral Agent (as amended, supplemented, replaced or otherwise modified from time to time, the "ABL Guarantee and Collateral Agreement"); and

WHEREAS, under the terms of the ABL Guarantee and Collateral Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Trademarks of the Grantors to the Administrative Agent and Collateral Agent for the ratable benefit of the Secured Parties, have as a condition thereof have executed a Trademark Security Agreement dated November 16, 2006, and have agreed to execute this Supplemental Trademark Security Agreement, dated July 9, 2007, for recording with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Grantor and the Secured Parties hereby agree as follows:

SECTION 1. DEFINED TERMS.

Capitalized terms not otherwise defined herein have the meanings set forth in the ABL Credit Agreement or the ABL Guarantee and Collateral Agreement, as applicable.

SECTION 2. GRANT OF SECURITY INTEREST IN TRADEMARKS.

Subject to the terms of the ABL Credit Agreement and the ABL Guarantee and Collateral Agreement, each Grantor granted, subject to the existing licenses to use the Trademarks

granted by such Grantor in the ordinary course of its business, to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in all of the Trademarks of such Grantor, including, without limitation, the Trademarks listed on Schedule A hereto by such Grantor's name, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of such Grantor, except as provided in subsection 3.3 of the ABL Guarantee and Collateral Agreement.

SECTION 3. CONFIRMATION AND ACKNOWLEDGMENT. Each Grantor does hereby confirm the grant of the security interest in the ABL Guarantee and Collateral Agreement and further acknowledges and affirms that the rights and remedies of the Secured Parties with respect to the security interest in the Trademarks are more fully set forth in the ABL Guarantee and Collateral Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 4. RECORDATION. Each Grantor authorizes and requests that the Commissioner of Patents and Trademarks and any other applicable government officer record this Agreement.

SECTION 5. MODIFICATION OF AGREEMENT. This Agreement or any provision hereof may not be changed, waived, or terminated except in accordance with the provisions of the ABL Guarantee and Collateral Agreement.

SECTION 6. GENERAL.

(a) Governing Law. **THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND ANY CLAIM OR CONTROVERSY RELATING HERETO SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**


(b) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Secured Parties and each Grantor and their respective successors and assigns. No Grantor shall, without the prior written consent of the Collateral Agent given in accordance with the ABL Guarantee and Collateral Agreement, assign any right, duty or obligation hereunder.

(c) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

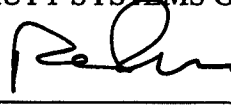
BEAUTY HOLDING LLC

By: 

Name: Raal Roos

Title: Senior Vice President & Secretary

BEAUTY SYSTEMS GROUP LLC

By: 

Name: Raal Roos

Title: Senior Vice President & Secretary

SALLY BEAUTY SUPPLY LLC

By: 

Name: Raal Roos

Title: Senior Vice President & Secretary

S.O.

SCHEDULE A

U.S. Trademark Registrations

<u>Trademark</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Owner</u>
AMERICAN CLASSIC	3091684	05-09-2006	Beauty Holding LLC
TANWISE	3166170	10-31-2006	Beauty Holding LLC
SALON RESOURCE	2382089	09-05-2000	Beauty Systems Group LLC
VICTORY	2763114	9-16-2003	Beauty Systems Group LLC
BEAUTY SECRETS	NA, State of Louisiana	02-23-1985	Sally Beauty Supply LLC

U.S. Trademark Applications

<u>Trademark</u>	<u>Application Number</u>	<u>Application Date</u>	<u>Owner</u>
SMOOTH MIST	78623716	05-05-2005	Beauty Holding LLC
GET 'N WAVES	78978089	12-31-2003	Beauty Holding LLC
STYLE IT UP	78978136	12-31-2003	Beauty Holding LLC
HIDE RIDGES	78833083	03-9-2006	Beauty Holding LLC

ffd02\dauidmi\612128.4