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
Physicians Formula Cosmetics, Inc.		11/06/2009	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Mill Road Capital, L.P.
Street Address:	Two Sound View Drive
City:	Greenwich
State/Country:	CONNECTICUT
Postal Code:	06830
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

PROPERTY NUMBERS Total: 62

Property Type	Number	Word Mark
Registration Number:	3263481	BAKED BLUSH
Registration Number:	2801528	BAKED BRONZER
Registration Number:	2953835	BAKED COLLECTION
Registration Number:	2352779	BEAUTY SPIRAL
Registration Number:	2547162	BEAUTY SPIRAL
Registration Number:	2598217	BLUSH PALETTE
Registration Number:	2841745	BRIGHT COLLECTION
Registration Number:	2384341	BROW CORRECTOR
Registration Number:	2803685	CHAR-KOHL
Registration Number:	2852080	CONCEALER 101
Registration Number:	2398555	CONCEALER TWINS
Registration Number:	2384357	CORRECT & COVER
Registration Number:	3083611	CRYSTAL BALL
Registration Number:	2942286	DROPS OF CRYSTAL

OP $1565.00 3263481

Registration Number:	2735561	EYE-TECH
Registration Number:	2288310	EYEBRIGHTENER
Registration Number:	2441239	EYEBRIGHTENER
Registration Number:	2852079	FACE LACE
Registration Number:	2277124	FINELINE
Registration Number:	2230761	GENTLE COVER
Registration Number:	2670304	HEARTBREAKER
Registration Number:	3115027	HIDE OUT
Registration Number:	3033073	INSTANT MAKEOVER TOOL
Registration Number:	2709526	JUNGLE FEVER
Registration Number:	2770397	LASH-IN-A-TUBE
Registration Number:	1949213	LE VELVET
Registration Number:	1122628	LE VELVET FILM
Registration Number:	2818418	LOOSE-TO-GO
Registration Number:	2846865	MAGIC CUBE
Registration Number:	3644714	MINERAL BRONZEBRIGHTENER
Registration Number:	2459896	MINI DOSE
Registration Number:	2408984	MONTH 2 MONTH
Registration Number:	2633330	MOONGLOW
Registration Number:	2691072	ONLY FROM PHYSICIANS FORMULA!
Registration Number:	2874954	P
Registration Number:	2973126	P
Registration Number:	1735589	P PHYSICIANS FORMULA INTENSIVE THERAPY MOISTURE CREAM
Registration Number:	1759042	P PHYSICIANS FORMULA INTENSIVE THERAPY MOISTURE LOTION
Registration Number:	2228941	PEACH-TO-GLOW
Registration Number:	2460119	PEARLS OF PERFECTION
Registration Number:	1187307	PHYSICIANS FORMULA
Registration Number:	3204345	PHYSICIANS FORMULA
Registration Number:	2596062	PLANET BLUSH
Registration Number:	2489120	PLANET EYES
Registration Number:	2003717	PLENTIFULL
Registration Number:	3326684	PLENTIFUL LIP PALETTE
Registration Number:	3074502	PLUMP PALETTE

Registration Number:	2400377	POWDER PALETTE
Registration Number:	2664520	RETRO GLOW
Registration Number:	2622305	SEDUCER
Registration Number:	2475987	SELF DEFENSE
Registration Number:	2583857	SENSITIVE SKIN ? BE SENSIBLE !
Registration Number:	2852078	STAR PERFECTION
Registration Number:	2721774	SUMMER ECLIPSE
Registration Number:	1257282	SUN SHIELD
Registration Number:	2070859	TO ANY LENGTHS
Registration Number:	2526119	VIRTUAL EYES
Registration Number:	2805872	VIRTUAL FACE POWDER
Registration Number:	2741925	VIRTUAL LIPS
Registration Number:	2719467	VITAL LASH
Registration Number:	2833112	WANDERFUL WAND
Registration Number:	2830906	YOUR EYES WON'T BELIEVE YOUR FACE

CORRESPONDENCE DATA

Fax Number: (617)832-7000

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 617.832.3030

Email: ustrademark@foleyhoag.com

Correspondent Name: Jessica Low, Associate, Foley Hoag LLP

Address Line 1: 155 Seaport Boulevard

Address Line 4: Boston, MASSACHUSETTS 02210

ATTORNEY DOCKET NUMBER:	24848-00028
NAME OF SUBMITTER:	Linda Casey
Signature:	/Linda Casey/
Date:	11/09/2009

Total Attachments: 18

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Execution Version

PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of November 6, 2009, is made by and between PHYSICIANS FORMULA COSMETICS, INC., a Delaware corporation having a business location at the address set forth below next to its signature (the "Debtor"), and Mill Road Capital, L.P., a Delaware Limited Partnership (the "Secured Party"), having a business location at the address set forth below next to its signature.

Recitals

Physicians Formula, Inc. (the "Company"), an Affiliate of the Debtor, the Debtor, the other Guarantors party thereto and the Secured Party are parties to that certain Senior Subordinated Note Purchase and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Purchase Agreement") setting forth the terms on which the Secured Party shall purchase notes from the Company.

As a condition to the Secured Party's obligation to purchase notes, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Operative Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Purchase Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect thereto, and including without limitation the right to sue for past, present and future infringement and damages therefor, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

"Security Interest" has the meaning given in Section 2 below.

"Trademarks" means all of the Debtor's right, title and interest in and to: (i) trademarks, service marks, registrations and applications for registration therefor, and the respective goodwill associated therewith, (ii) fees or royalties with respect thereto, and (iii) the right to sue for past, present and future infringement, dilution and damages therefor, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

2. Security Interest. The Debtor hereby pledges, collaterally assigns and grants to the Secured Party a Lien and security interest (collectively referred to as the "Security Interest") in the Patents and in the Trademarks, as security for the payment and performance of all Obligations; provided, however, notwithstanding the foregoing, no Lien is hereby granted on any Excluded Property, and such Excluded Property shall not be deemed to be "Collateral"; provided further, that if and when any property shall cease to be Excluded Property, a Lien on and security

TRADEMARK
REEL: 004092 FRAME: 0969

interest in such property shall be deemed granted therein and such property shall be deemed to be "Collateral." As set forth in the Purchase Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any Trademarks owned by the Debtor and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use Trademark applications owned by the Debtor, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Debtor.

(b) **Patents.** Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof, or to which the Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall provide written notice to the Secured Party with a replacement Exhibit A in accordance with Section 7.1(i) of the Purchase Agreement, which upon acceptance by the Secured Party shall become part of this Agreement.

(c) **Trademarks.** Exhibit B accurately lists all Trademarks (excluding "intent-to-use" Trademark applications as described in the definition of "Collateral" in the Purchase Agreement") owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit B need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to the Debtor's or any Affiliate's business(es). If after the date hereof, the Debtor owns or controls any Trademarks (excluding "intent-to-use" Trademark applications as described in the definition of "Collateral" in the Purchase Agreement") not listed on Exhibit B (other than common law marks which are not material to the Debtor's or any Affiliate's business(es)), or if Exhibit B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall provide written notice to the Secured Party with a replacement Exhibit B in accordance with Section 7.1(i) of the Purchase Agreement, which upon acceptance by the Secured Party shall become part of this Agreement.

(d) **Third Parties**. As of the date hereof, (i) neither Physicians Formula Holdings, Inc., nor any of its Subsidiaries (other than Physicians Formula, Inc.) owns, controls, or has a right to have assigned to it any items that would, if such item were owned by the Debtor, constitute Patents or Trademarks and (ii) no other third party owns, controls, or has a right to have assigned to it any items that would constitute Patents or Trademarks used by the Company

or the Debtor in its business operations other than licenses of Patents and Trademarks granted to third parties in the ordinary course of business, copies of which have been provided to Secured Party. If after the date hereof any such party owns, controls, or has a right to have assigned to it any such items, then the Company and the Debtor shall promptly either: (x) cause such third party to assign all of its rights in such item(s) to the Company or the Debtor as applicable; or (y) notify the Secured Party of such item(s) and cause such third party to execute and deliver to the Secured Party a patent and trademark security agreement substantially in the form of this Agreement.

(e) **Title.** The Debtor has good and marketable title to each Patent and each Trademark listed on Exhibit A and Exhibit B, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any Patents or Trademarks hereafter arising, good and marketable title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** Except as permitted in the Purchase Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.

(g) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(h) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent legally permissible and to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least thirty (30) days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) **Secured Party's Right to Take Action** . If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions

TRADEMARK
REEL: 004092 FRAME: 0971

which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 5, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.

(k) **Power of Attorney**. To facilitate the Secured Party's taking action under subsection (i) and exercising its rights under Section 5, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, upon the occurrence and during the continuation of an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Purchase Agreement as provided therein and the payment and performance of all Obligations.

4. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Purchase Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made except if made as of an earlier date, in which case, on such date.

5. Remedies. Upon the occurrence and continuance of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Purchase Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks in accordance with this Agreement.

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the

Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

6. Purchase Agreement. The Debtor hereby acknowledges and affirms that the rights and remedies with respect to the Patents and Trademarks are more fully set forth in the Purchase Agreement, the terms and provisions of which are hereby incorporated by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the terms of the Purchase Agreement, the terms of the Purchase Agreement shall govern.

7. Termination. This Agreement and the Security Interest granted hereby shall terminate in full as set forth in Section 2.6 of the Purchase Agreement. In connection with any termination or release pursuant to Section 2.6 of the Purchase Agreement, the Secured Party shall promptly execute and deliver to the Debtor all documents that the Debtor shall reasonably request to evidence such termination or release.

8. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to the Debtor under this Agreement shall be given in the manner and with the effect provided in the Purchase Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by and construed in accordance with the substantive laws (other than conflict laws)of the State of New York. Any provision of this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining terms of this Agreement. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

9. Arbitration. The parties hereto agree, upon demand by any party, to submit to binding arbitration all claims, disputes and controversies between or among them (and their respective employees, officers, directors, attorneys, and other agents), whether in tort, contract or otherwise arising out of or relating to in any way this Agreement and its negotiation, execution,

collateralization, administration, repayment, modification, extension, substitution, formation, inducement, enforcement, default or termination.

(a) Governing Rules. Any arbitration proceeding will (i) proceed in a location in New York, New York selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least $1,000,000.00 exclusive of claimed interest, arbitration fees and costs in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial disputes to be referred to, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any dispute. Nothing contained herein shall be deemed to be a waiver by any party that is a bank of the protections afforded to it under 12 U.S.C. §91 or any similar applicable state law.

(b) No Waiver of Provisional Remedies; Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party (if not otherwise restricted by the terms and conditions of this Agreement) to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

(c) Arbitrator Qualifications and Powers. Any arbitration proceeding in which the amount in controversy is $5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than $5,000,000.00. Any dispute in which the amount in controversy exceeds $5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. The arbitrator will be a neutral attorney licensed in the State of New York or a neutral retired judge of the state or federal judiciary of New York, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the dispute to be arbitrated. The arbitrator will determine whether or not an issue is arbitratable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of New York and may grant any remedy or relief that a court of such state could order or grant within the scope hereof

TRADEMARK
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and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the New York Rules of Civil Procedure or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(d) Discovery. In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the dispute being arbitrated and must be completed no later than 20 days before the hearing date and within 180 days of the filing of the dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(e) Class Proceedings and Consolidations. The resolution of any dispute arising pursuant to the terms of this Agreement shall be determined by a separate arbitration proceeding and such dispute shall not be consolidated with other disputes or included in any class proceeding.

(f) Payment of Arbitration Costs and Fees. The arbitrator shall award all costs and expenses of the arbitration proceeding.

(g) Miscellaneous. To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a dispute, the arbitration provision most directly related to the Operative Documents or the subject matter of the dispute shall control. This arbitration provision shall survive termination, amendment or expiration of any of the Operative Documents or any relationship between the parties.

[Signatures on next page]

TRADEMARK
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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

Physicians Formula Cosmetics, Inc.
1055 West 8th Street
Azusa, California 91702
Attention: Jeff Berry

PHYSICIANS FORMULA COSMETICS, INC.

By: _____
Name: Ingrid Jackel
Title: Chief Executive Officer

Mill Road Capital, L.P.
Two Sound View Drive
Greenwich, CT 06830
Fax: 203-621-3280
Attention: Thomas Lynch, Managing Director

MILL ROAD CAPITAL, L.P.

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO PATENT AND TRADEMARK SECURITY AGREEMENT]

STATE OF CALIF)
)
COUNTY OF LA)

On this 2 day of NOVEMBER 2009, before me, Lucylee E Steelman, Notary Public, personally appeared Ingrid Jackel, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity on behalf of which the person acted, executed this instrument. I certify under penalty of perjury under the laws of the State of _____ that the foregoing is true and correct.

Witness my hand and official seal

Lucylee E Steelman

LUCYLEE E. STEELMAN
Commission # 1769690
Notary Public - California
Los Angeles County
My Comm. Expires Oct 19, 2011

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

Physicians Formula Cosmetics, Inc.
1055 West 8th Street
Azusa, California 91702
Attention: Jeff Berry

PHYSICIANS FORMULA COSMETICS, INC.

By: _____
Name: _____
Title: _____

Mill Road Capital, L.P.
Two Sound View Drive
Greenwich, CT 06830
Fax: 203-621-3280
Attention: Thomas Lynch, Managing Director

MILL ROAD CAPITAL, L.P.

By: _____
Name: Charles Goldman
Title: Managing Director

[SIGNATURE PAGE TO PATENT AND TRADEMARK SECURITY AGREEMENT]

STATE OF Connecticut)
)
COUNTY OF Fairfield)

On this 5 day of November 2009, before me, Theresa C. Engh, Notary Public, personally appeared Charles Goldman, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity on behalf of which the person acted, executed this instrument. I certify under penalty of perjury under the laws of the State of Connecticut that the foregoing is true and correct.

Witness my hand and official seal

Theresa C. Engh

THERESA C. ENGH
NOTARY PUBLIC
MY COMMISSION EXPIRES MAY 31, 2010

EXHIBIT A
UNITED STATES ISSUED PATENTS

PATENTS OWNED

Item	**Patent Number**
Jungle Fever – Leopard powder design	D466,249
Jungle Fever – Tiger powder design	D465,609
Jungle Fever – Tiger Bronzing Cream	D472,014
Jungle Fever – Leopard Bronzing Cream	D471,666
LB FancyPansy – Pansy Pan	D471,317
Camouflage – Sergeant Shadow	D470,973
Camouflage – Corporal Cream Bronzer	D478,686
LB SunnyBuddy – Sunflower Pan	D480,507
LB OopsiDaisy – Daisy Pan	D480,508
Virtual Face Powder – Pan	D495,446
Retro Glow – Round Compact	D482,496
Retro Glow – Oval Compact	D482,495
Loose-to-Go Pan Design	D508,145
Solar Powder Triangular	D516,742
Sunny Bunch	D516,743
Magic Mosaic	D516,744
Revined	D516,745
Baked Blush	D517,728
Solar Powder 3-D	D518,230
Starlight	D519,241
Cream Blush	D519,240
Face Aid	D521,187
Solar Powder Variation	D522,174
Cosmetic Container	D532,558
Cosmetic Container	D549,393
Carton with Extendable Printable Surface	D567,077
Cosmetic Container	D582,099
Cosmetic Container	D582,100
Lip Butter Paper Compact (with recessed mirror)	D583,505
Paper Compact Container (with mirror)	D583,100
Cosmetic Block	D470,974
Mineral Wear Veil (Cosmetic Brush)	D599,113

FOREIGN PATENTS OWNED

Country	**Patent**	**Patent No.**
Australia	Cosmetic Block – Starlight	306669
	Cosmetic Block – Cream Blush	306595
	Cosmetic Block – Face Aid	306770

Country	Patent	Patent No.
	Cosmetic Container	318469
	Cosmetic Container	311002
	Cosmetic Block	304171
	Flat Mascara Container	309292
	Carton with Extended Printable Surface	317340
	Cosmetic Container	322150
	Cosmetic Block - Magic Mosaic	AU3041715
Canada	Cosmetic Block	111406
	Cosmetic Block	111407
	Cosmetic Block	111408
	Summer Eclipse Bronzing Powder	113194
	Cosmetic Block	113196
	Cosmetic Block	113209
	Cosmetics Container	123138
	Cosmetics Container	117137
	Solar Powder SPF 20 Face Powder	111373
	F.L.A.T. Mascara	116088
	Cosmetic Block – Solar Powder	111372
	Cosmetic Block – Baked Blush	111405
	Cosmetic Block – Solar Powder Design with Triangular Rays	111374
	Cosmetic Block – Solar Powder Design with Embossed SPF	111373
	Lip Butter Paper Compact	126670
	Eye Shadow Paper Compact	126669
	Loose Powder Jar	124009
	Carton with Extendable Printable Surface	122305

UNITED STATES PATENT APPLICATIONS

None.

EXHIBIT B
UNITED STATES TRADEMARKS AND SERVICE MARKS

REGISTRATIONS

Trademarks	**Registration No.**
Baked Blush	3,263,481
Baked Bronzer	2,801,528
Baked Collection	2,953,835
Beauty Spiral	2,352,779
Beauty Spiral	2,547,162
Blush Palette	2,598,217
Bright Collection	2,841,745
Brow Corrector	2,384,341
Char-Kohl	2,803,685
Concealer 101	2,852,080
Concealer Twins	2,398,555
Correct & Cover	2,384,357
Crystal Ball	3,083,611
Drops of Crystal	2,942,286
Eye-Tech	2,735,561
Eyebrightener	2,288,310
Eyebrightener	2,441,239
Face Lace	2,852,079
Fineline	2,277,124
Gentle Cover	2,230,761
Heartbreaker	2,670,304
Hide Out	3,115,027
Instant Makeover Tool	3,033,073
Jungle Fever	2,709,526
Lash-In-A-Tube	2,770,397
Le Velvet	1,949,213
LeVelvet Film	1,122,628
Loose-To-Go	2,818,418
Magic Cube	2,846,865
Mineral Bronzebrightener	3,644,714
Mini Dose	2,459,896
Month 2 Month	2,408,984
Moonglow	2,633,330
Only from Physicians Formula!	2,691,072
P & Design 1 (Block)	2,874,954
P & Design 2 (Retro)	2,973,126
P Physicians Formula Intensive Therapy Moisture Cream & Design	1,735,589

Trademarks	**Registration No.**
P Physicians Formula Intensive Therapy Moisture Lotion & Design	1,759,042
Peach-To-Glow	2,228,941
Pearls of Perfection	2,460,119
Physicians Formula	1,187,307
Physicians Formula Cosmetics & Retro Design	3,204,345
Planet Blush	2,596,062
Planet Eyes	2,489,120
Plentifull	2,003,717
Plentiful Lip Palette	3,326,684
Plump Palette	3,074,502
Powder Palette	2,400,377
Retro Glow	2,664,520
Seducer	2,622,305
Self Defense	2,475,987
Sensitive Skin? Be Sensible!	2,583,857
Star Perfection	2,852,078
Summer Eclipse	2,721,774
Sun Shield	1,257,282
To Any Lengths	2,070,859
Virtual Eyes	2,526,119
Virtual Face Powder	2,805,872
Virtual Lips	2,741,925
Vital Lash	2,719,467
Wanderful Wand	2,833,112
Your Eyes Won't Believe Your Face	2,830,906

APPLICATIONS

Trademarks	**Application No.**
None.	

FOREIGN TRADEMARKS PENDING

Country	**Trademark**	**Application No.**
Australia	ORGANIC WEAR	1198137
Canada	HOW GREEN IS YOUR MAKEUP?	1363748
	MY SECRET FORMULA	1362755
	ORGANIC WEAR	1362685
Philippines	PHYSICIANS FORMULA	42008004618
Italy	P	TO/2007/1021
	PHYSICIANS FORMULA	TO/2006/3383
	PHYSICIANS FORMULA	TO/2005/3850

FOREIGN TRADEMARKS REGISTERED

Country	Trademark	Registration No.
Africa (African Intellectual Property Organization)	P PHYSICIANS FORMULA & Design 1	37907
Andorra	PHYSICIANS FORMULA	11299
Argentina	PHYSICIANS FORMULA	1771530
Australia	P PHYSICIANS FORMULA & Design 2	B461391
	P PHYSICIANS FORMULA & Design 2	B500912
	HOW GREEN IS YOUR MAKEUP?	1199306
	MY SECRET FORMULA	1199305
	P PHYSICIANS FORMULA & Design 2	B500912
Austria	P PHYSICIANS FORMULA & Design 1	116867
Benelux	P & Design 1 (Block)	428208
	PHYSICIANS FORMULA	416285
Bophuthatswana	P PHYSICIANS FORMULA & Design 2	86/0646
Brazil	P & Design 1 (Block)	813179939
	PHYSICIANS FORMULA	812952413
Cambodia	P PHYSICIANS FORMULA & Design 1	7594
Canada	P & Design 1 (Block)	385353
	P PHYSICIANS FORMULA & Design 1	477948
	PHYSICIANS FORMULA	442028
China	PHYSICIANS FORMULA (Chinese Characters)	876087
Denmark	P & Design 1 (Block)	198907206
	PHYSICIANS FORMULA	470/1988
Egypt	P & Design 1 (Block)	68514
	PHYSICIANS FORMULA	67193
	PHYSICIANS FORMULA	73879
European Community	MINERAL WEAR	006415541
	ORGANIC WEAR	006415582
Finland	P PHYSICIANS FORMULA & Design 2	118585
France	P & Design 1 (Block)	1396090
	PHYSICIANS FORMULA	1427439
Germany	P PHYSICIANS FORMULA & Design 1	2908932
Greece	P PHYSICIANS FORMULA & Design 1	86096
Hong Kong	P PHYSICIANS FORMULA & Design 1	B11441
	PHYSICIANS FORMULA (Chinese Characters)	741/96
India	P & Design 1 (Block)	469868B
	P PHYSICIANS FORMULA & Design 2	469867B
Indonesia	P PHYSICIANS FORMULA & Design 1	329032
	PHYSICIANS FORMULA	238829
Israel	P & Design 1 (Block)	65538

FOREIGN TRADEMARKS REGISTERED

Country	Trademark	Registration No.
Africa (African Intellectual Property Organization)	P PHYSICIANS FORMULA & Design 1	37907
	PHYSICIANS FORMULA	63739
Italy	P & Design 1 (Block)	793102
	PHYSICIANS FORMULA	TO96000025
	PHYSICIANS FORMULA	753792
Japan	P & Design 1 (Block)	2146936
	PHYSICIANS FORMULA	2709460
Korea, South	P PHYSICIANS FORMULA & Design 1	422210
	P PHYSICIANS FORMULA & Design 1	414698
Laos	P PHYSICIANS FORMULA & Design 1	5133
Malaysia	P PHYSICIANS FORMULA & Design 1	93009145
	PHYSICIANS FORMULA (Chinese Characters)	94007530
Mexico	P & Design 1 (Block)	402173
	PHYSICIANS FORMULA	402221
Morocco	P & Design 1 (Block)	38669
	PHYSICIANS FORMULA	37615
Namibia	P PHYSICIANS FORMULA & Design 2	86/0668
New Zealand	P PHYSICIANS FORMULA & Design 1	B170325
	P PHYSICIANS FORMULA & Design 1	B170326
Norway	P PHYSICIANS FORMULA & Design 2	148730
Philippines	PHYSICIANS FORMULA	4-1997-12636
Portugal	P PHYSICIANS FORMULA & Design 1	239846
	P PHYSICIANS FORMULA & Design 1	239847
Puerto Rico	PHYSICIANS FORMULA	27785
Russian Federation	PHYSICIANS FORMULA	87586
Saudi Arabia	P & Design 1 (Block)	178/66
	PHYSICIANS FORMULA	166/52
Singapore	P PHYSICIANS FORMULA & Design 1	B3648/93
	PHYSICIANS FORMULA (Chinese Characters)	7209/94
South Africa	P PHYSICIANS FORMULA & Design 1	86/4294
	P PHYSICIANS FORMULA & Design 1	88/2372
Spain	P & Design 1 (Block)	1175699
	P & Design 1 (Block)	1175700
	PHYSICIANS FORMULA	1155597
	PHYSICIANS FORMULA	1175196BIS
Sweden	P PHYSICIANS FORMULA & Design 1	222774
Switzerland	P PHYSICIANS FORMULA & Design 1	357102
Taiwan	P PHYSICIANS FORMULA & Design	649964
Turkey	P PHYSICIANS FORMULA & Design 1	106028
United Kingdom	P PHYSICIANS FORMULA & Design 1	B1301801

FOREIGN TRADEMARKS REGISTERED

Country	Trademark	Registration No.
Africa (African Intellectual Property Organization)	P PHYSICIANS FORMULA & Design 1	37907
	P PHYSICIANS FORMULA & Design 1	B1301802
Vietnam	P PHYSICIANS FORMULA & Design 1	16618