

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
New Milani Group, Inc.		10/03/2011	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	Comerica Bank
Street Address:	39200 Six Mile Road
Internal Address:	M/C 7578
City:	Livonia
State/Country:	MICHIGAN
Postal Code:	48152
Entity Type:	: TEXAS

PROPERTY NUMBERS Total: 5

Property Type	Number	Word Mark
Registration Number:	3143492	LOTTALASH
Registration Number:	3272797	GLOSSY TUBES
Registration Number:	3595700	DISTINCT LASH
Registration Number:	3486020	BUILD A LASH
Registration Number:	3641687	MILANI

CORRESPONDENCE DATA

Fax Number: (313)496-8453
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Phone: 313-496-8466
 Email: dford@millercafield.com
 Correspondent Name: David J. Ford
 Address Line 1: 150 West Jefferson
 Address Line 2: Suite 2500
 Address Line 4: Detroit, MICHIGAN 48226

CH \$140.00 3143492

ATTORNEY DOCKET NUMBER:	125055-00344
NAME OF SUBMITTER:	David J. Ford
Signature:	/david j ford/
Date:	04/02/2012

Total Attachments: 11

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "IP Agreement") is signed on September 28, 2011 but effective as of October 3, 2011, ("Effective Date") by and between **New Milani Group, Inc.**, a California corporation, located at 2035 E. 49th Street, Los Angeles, CA 90058 ("Grantor"), and **Comerica Bank**, a Texas banking association, located at 39200 Six Mile Road, Livonia, Michigan 48152, Attention: Commercial Loan Documentation, Mail Code 7578 ("Lender").

A. Lender may make advances of money, loans and extend other financial accommodations to:

(i) Grantor and Jordana Cosmetics Corporation, a California corporation ("JCC"), pursuant to that certain Amended and Restated Loan and Security Agreement dated and effective as of even date herewith among Grantor, JCC, Jordana LLC, Milani LLC and Lender, as amended from time to time (the "Loan Agreement"); and

(ii) 2035 Jordana, LLC ("Jordana LLC") and 2111 Milani, LLC ("Milani LLC", together with Jordana LLC, Grantor and JCC, "Borrowers"), each California limited liability companies, pursuant to that certain Term Note A made by Jordana LLC and Term Note B made by Milani LLC, each dated and effective as of even date herewith, made to the Lender, as each may be amended from time to time (the "Term Notes").

Lender is willing to enter into certain financial accommodations with Borrowers, but only upon the condition, among others, that Grantor shall grant to Lender a security interest in certain Copyrights, Trademarks, Patents, and Mask Works, and other assets, to secure the obligations of Borrowers under the Loan Agreement, the Term Notes and all other Loan Documents. In this IP Agreement, capitalized terms used without separate definition have the meanings given to them in the Loan Agreement and/or Term Notes.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted or has agreed to grant to Lender a security interest in all of Grantor's existing and future right, title, and interest in, to and under all of the Collateral.

For good and valuable consideration, receipt of which is hereby acknowledged and intending to be legally bound, as collateral security for the prompt and complete payment when due of the Indebtedness (as defined below), Grantor represents, warrants, covenants and agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Borrowers' present or future indebtedness, obligations and liabilities to Lender under the Loan Agreement, the Term Notes and the other Loan Documents (collectively, the "Indebtedness"), Grantor hereby grants to Lender a security interest in all of Grantor's right, title and interest in, to and under its registered and unregistered intellectual property collateral (collectively, "Intellectual Property Collateral"), including, without limitation, the following:

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof of Grantor, whether published or unpublished, registered or unregistered, and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on attached Exhibit A (collectively, the "Copyrights");

(b) Any and all trade secret rights, including any rights to unpatented inventions, know-how, operating manuals, license rights and agreements, and confidential information owned by Grantor, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, and created, acquired or owned by Grantor;

(c) Any and all design rights owned by Grantor now or hereafter existing, and created or acquired by Grantor;

(d) All patents, patent applications and like protections owned by Grantor including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on attached Exhibit B (collectively, the "Patents");

(e) Any trademark and service mark rights, slogans, trade dress, and trade names, trade styles, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on attached Exhibit C (collectively, the "Trademarks");

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on attached Exhibit D (collectively, the "Mask Works");

(g) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights, including, without limitation those set forth on attached Exhibit E;

(i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

(j) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Authorization and Request. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks record this IP Agreement, and any amendments thereto, or copies thereof, or any separate instrument Grantor executes and delivers to Lender to evidence the grant of security interest hereunder.

3. Covenants and Warranties. Grantor represents, warrants, covenants and agrees as follows:

(a) Grantor is now the sole owner of the Intellectual Property Collateral, except for nonexclusive licenses granted by Grantor to its customers and resellers in the ordinary course of business.

(b) Performance of this IP Agreement does not conflict with or result in a breach of any material agreement to which Grantor is bound.

(c) During the term of this IP Agreement, Grantor will not transfer or otherwise encumber any interest in the Intellectual Property Collateral, except for non-exclusive licenses granted by Grantor in the ordinary course of business or as set forth in this IP Agreement;

(d) Each of the issued Patents is valid and enforceable, and no part of the Intellectual Property Collateral which had been registered has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party;

(e) Grantor shall promptly advise Lender of any material adverse change in the composition of the Intellectual Property Collateral, including but not limited to any subsequent ownership right of the Grantor in or to any Trademark, Patent, Copyright, or Mask Work specified in this IP Agreement;

(f) Grantor shall use its reasonable efforts to (unless in the judgment of Grantor, it is no longer necessary for the business of the Grantor) (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents, Copyrights, and Mask Works, (ii) detect infringements of the Trademarks, Patents, Copyrights, and Mask Works and promptly advise Lender in writing of material infringements detected and (iii) not allow any Trademarks, Patents, Copyrights, or Mask Works to be abandoned, forfeited or dedicated to the public without the written consent of Lender, which shall not be unreasonably withheld;

(g) Grantor shall take such further actions as Lender may reasonably request from time to time to perfect or continue the perfection of Lender's interest in the Intellectual Property Collateral;

(h) This IP Agreement creates, and in the case of after-acquired Intellectual Property Collateral, this IP Agreement will create at the time Grantor first has rights in such after-acquired Intellectual Property Collateral, in favor of Lender a valid and perfected first priority security interest and collateral assignment in the Intellectual Property Collateral in the United States securing the payment and performance of the Indebtedness;

(i) To its knowledge, except for, and upon, the filing of UCC financing statements, filings with the U.S. Patent and Trademark Office or the U.S. Copyright Office, or other notice filings or notations in appropriate filing offices, if necessary to perfect the security interests created hereunder, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority or U.S. regulatory body is required for the grant by Grantor of the security interest granted hereby, or for the execution, delivery or performance of this IP Agreement by Grantor in the U.S.;

(j) All information heretofore or herein supplied to Lender by or on behalf of Grantor with respect to the Intellectual Property Collateral is accurate and complete in all material respects;

(k) Grantor shall not enter into any agreement that would impair or conflict with Grantor's obligations hereunder;

(l) Grantor will promptly notify Lender in writing of any event that materially adversely affects the value of any Intellectual Property Collateral, the ability of Grantor to dispose of any Intellectual Property Collateral or the rights and remedies of Lender in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

4. Lender's Rights. Lender shall have the right, but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this IP Agreement to take but which Grantor fails to take, after fifteen (15) days' written notice to Grantor. Grantor shall reimburse and indemnify Lender for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 4.

5. Further Assurances; Attorney in Fact.

(a) On a continuing basis, Grantor will, upon the reasonable request by Lender, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such Instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by Lender, to perfect Lender's security interest in all Copyrights, Patents, Trademarks, and Mask Works and otherwise to carry out the intent and purposes of this IP Agreement, or for assuring and confirming to Lender the grant or perfection of a security interest in all Intellectual Property Collateral.

(b) In addition to Section 5(a) above, Grantor shall not register any of its Copyrights or Mask Works with the Register of Copyrights without first executing and simultaneously registering an IP Agreement, in the identical form of this IP Agreement, with the Register of Copyrights, listing such Copyrights(s) on Exhibit A thereto and/or such Mask Works on Exhibit D in order to protect and perfect Lender's security interest in such Copyrights or Mask Works. Promptly after such registration, Grantor shall forward to the Lender, at the address listed above, a copy of, and the original IP Agreement as filed with the Register of Copyrights.

(c) Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Lender or otherwise, from time to time in Lender's discretion, upon Grantor's failure or inability to do so, after written request by Lender, to take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this IP Agreement, including:

(i) To modify, in its sole discretion, without first obtaining Grantor's approval of or signature to such modification, Exhibit A, Exhibit B, Exhibit C, and Exhibit D hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents, Trademarks or Mask Works acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents, Trademarks, or Mask Works in which Grantor no longer has or claims any right, title or interest; and

(ii) To file, in its sole discretion, one or more financing or continuation statements and amendments thereto, or other notice filings or notations in appropriate filing offices, relative to any of the Intellectual Property Collateral, with notice to, but without the consent of, Grantor, with all appropriate jurisdictions, as Lender deems appropriate, in order to further perfect or protect Lender's interest in the Intellectual Property Collateral.

6. Events of Default. The occurrence of any of the following shall constitute an Event of Default under this IP Agreement:

(a) An Event of Default of Default occurs and is continuing under the Loan Agreement, the Term Notes or any of the Loan Documents; or

(b) Grantor breaches any warranty or agreement made by Grantor in this IP Agreement, which breach is not cured within ten (10) days of the occurrence thereof.

7. Remedies. Upon the occurrence and continuance of an Event of Default, Lender shall have the right to exercise all the remedies of a secured party under the California Uniform Commercial Code, including without limitation the right to require Grantor to assemble the Intellectual Property Collateral and any tangible property in which Lender has a security interest and to make it available to Lender at a place designated by Lender. Lender shall have a nonexclusive, royalty free license to use the Copyrights, Patents, Trademarks, and Mask Works to the extent reasonably necessary to permit Lender to exercise its rights and remedies upon the occurrence of an Event of Default. Grantor will pay any expenses (including reasonable attorney's fees) incurred by Lender in connection with the exercise of any of Lender's rights hereunder, including without limitation any expense incurred in disposing of the Intellectual Property Collateral. All of Lender's rights and remedies with respect to the Intellectual Property Collateral shall be cumulative.

8. Indemnity. Grantor will indemnify, defend and hold harmless Lender and its officers, employees, and agents against: (a) obligations, demands, claims, and liabilities asserted by any other party in connection with the transactions contemplated by this IP Agreement; and (b) losses or expenses incurred, or paid by Lender from or consequential to transactions between Lender and Grantor (including reasonable attorneys fees and expenses), except for losses caused by Lender's gross negligence or willful misconduct.

9. Termination. At such time as Grantor shall completely satisfy all of the obligations secured hereunder, Lender shall execute and deliver to Grantor and the appropriate registration/recording authorities, all releases, terminations, and other instruments as may be necessary or proper to release the security interest hereunder.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California, without regard to conflict of laws principles.

11. Course of Dealing. No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

12. Amendments. This IP Agreement may be amended only by a written instrument signed by both parties hereto.

13. Counterparts. This IP Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

14. California Law and Jurisdiction; Jury Waiver. This IP Agreement shall be governed by the laws of the State of California, without regard for choice of law provisions. Grantor and Lender consent to the exclusive jurisdiction of any state or federal court located in Santa Clara County, California. GRANTOR AND LENDER EACH WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE LOAN DOCUMENTS, THIS AGREEMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

[End of Document – Signature Page Follows]

This Intellectual Property Security Agreement is dated and effective as of the Effective Date.

Address of Grantor:

2035 E. 49th Street
Los Angeles, CA 90058

Grantor:

New Milani Group, Inc.

By: Ralph S. Bijou
Name: RALPH S. BIJOU
Title: CEO

Exhibit "A" to the Intellectual Property Security Agreement signed on September 28, 2011 but effective October 3, 2011.

EXHIBIT "A" -- COPYRIGHTS

None.

Exhibit "B" to the Intellectual Property Security Agreement signed on September 28, 2011 but effective October 3, 2011.

EXHIBIT "B" -- PATENTS

None.

Exhibit "C" to the Intellectual Property Security Agreement signed on September 28, 2011 but effective October 3, 2011.

EXHIBIT "C" -- TRADEMARKS

Trademark	Serial/Reg. No.	Owner
LOTTALASH	3143492	New Milani Group, Inc.
GLOSSY TUBES	3272797	New Milani Group, Inc. dba Milani Corporation
DISTINCT LASH	3595700	New Milani Group, Inc.
BUILD -A- LASH	3486020	New Milani Group, Inc.
MILANI	3641687	New Milani Group, Inc.

Exhibit "D" to the Intellectual Property Security Agreement signed on September 28, 2011 but effective October 3, 2011.

EXHIBIT "D" -- MASK WORKS

None.

Exhibit "E" to the Intellectual Property Security Agreement signed on September 28, 2011 but effective October 3, 2011.

EXHIBIT "E" -- LICENSES

None.