

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM772364

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
AMBI Enterprises LLC		12/01/2022	Limited Liability Company: MARYLAND

RECEIVING PARTY DATA

Name:	L'Oréal USA, Inc.
Street Address:	347 10th Ave
Internal Address:	10 Hudson Yards
City:	New York
State/Country:	NEW YORK
Postal Code:	10001
Entity Type:	Corporation: DELAWARE

PROPERTY NUMBERS Total: 11

Property Type	Number	Word Mark
Registration Number:	1034597	AMBI
Registration Number:	1135419	AMBI
Registration Number:	0903176	AMBI
Registration Number:	1898493	AMBI 10
Registration Number:	4321378	
Registration Number:	4131992	
Registration Number:	4321377	
Registration Number:	3617684	CELEBRATE YOUR BEAUTY EVERYDAY
Registration Number:	3760599	EVEN & CLEAR
Registration Number:	3567633	SOFT & EVEN
Serial Number:	97241328	THE SKIN TONE AUTHORITY

CORRESPONDENCE DATA

Fax Number: 7036414340

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Phone: 703-641-4504

Email: cnye@reedsmith.com

Correspondent Name: John A. McWilliams, Reed Smith LLP

TRADEMARK

REEL: 007910 FRAME: 0971

900736418

OP \$290.00 1034597

Address Line 1: 7900 Tysons One Place
Address Line 2: Suite 500
Address Line 4: McLean, VIRGINIA 22102

NAME OF SUBMITTER: John A. McWilliams

SIGNATURE: /John A. McWilliams/

DATE SIGNED: 12/07/2022

Total Attachments: 6

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EXECUTION VERSION**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of December 1, 2022, is made by AMBI Enterprises LLC, a Maryland limited liability company ("Grantor"), in favor of L'Oréal USA, Inc., a Delaware corporation (together with its permitted successors and assigns, "L'Oréal").

WITNESSETH:

WHEREAS, (i) L'Oréal, (ii) a Maryland limited liability company named Baxter of California LLC ("Purchaser"), (iii) Grantor, (iv) a Maryland limited liability company named AcneFree LLC and (v) an individual named Joe Wong, have entered into that certain Asset Purchase Agreement (the "Purchase Agreement"), dated as of December 1, 2022;

WHEREAS, Grantor, AcneFree LLC and Joe Wong entered into the Purchase Agreement solely for purposes of Section 4.4 thereof;

WHEREAS, pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Purchaser and L'Oréal have entered into that certain Promissory Note (the "Note"), dated of even date herewith; and

WHEREAS, as security for the prompt and complete payment or performance, as the case may be, in full of the obligations of Purchaser under the Note, including, but not limited to, payments of the Principal Amount and interest and all other obligations with respect to the Note, Grantor has agreed to pledge, collaterally assign, mortgage, transfer and grants to L'Oréal, its successors and permitted assigns, on behalf of and for the ratable benefit of L'Oréal, a continuing security interest in, to and under all of its right, title and interest in the IP Collateral;

NOW, THEREFORE, in consideration of the premises and to induce L'Oréal to enter into, *inter alia*, the Purchase Agreement and the Note, Grantor hereby agrees with L'Oréal as follows:

Section 1. Defined Terms.

(a) The following terms used herein shall have the following meanings:

"Copyrights" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Applicable Law in or relating to copyrights and all mask work, database and design rights, whether or not registered or published, all registrations and recordings thereof and all applications in connection therewith.

"IP Ancillary Rights" means, with respect to any Intellectual Property, as applicable, all foreign counterparts to, and all divisionals, reversions, continuations, continuations-in-part, reissues, reexaminations, renewals and extensions of, such Intellectual Property and all income, royalties, proceeds and liabilities at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect to such Intellectual Property, including all rights to sue or recover at law or in equity for any past, present or future infringement,

misappropriation, dilution, violation or other impairment thereof, and, in each case, all rights to obtain any other IP Ancillary Right.

"IP License" means all contractual obligations (and all related IP Ancillary Rights), whether written or oral, granting any right, title and interest in or relating to any Intellectual Property.

"Liability" shall have the meaning set forth in the Purchase Agreement.

"Patents" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Applicable Law in or relating to letters patent and applications therefor.

"Trademarks" means all rights, title and interests (and all related IP Ancillary Rights) arising under any Applicable Law of the United States or any State thereof in or relating to trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers and, in each case, all goodwill associated therewith, all registrations and recordations thereof and all applications in connection therewith.

(b) Capitalized terms used herein without definition are used as defined in the Note.

Section 2. Grant of Security Interest in IP Collateral. Grantor, as security for the prompt and complete payment or performance, as the case may be, in full of the obligations of Purchaser under the Note, including, but not limited to, payments of the Principal Amount and interest and all other obligations with respect to the Note, hereby pledges, collaterally assigns, mortgages, transfers and grants to L'Oréal, its successors and permitted assigns, on behalf of and for the ratable benefit of L'Oréal, a continuing security interest in, to and under all of its right, title and interest in, to and under all of the following Intellectual Property of Grantor (the "IP Collateral"):

(a) all of its Trademarks, including, without limitation, those referred to on Schedule 1 hereto, and (i) all renewals and extensions of the foregoing; (ii) all goodwill of the business connected with the use of, and symbolized by, each such Trademark; and (iii) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof;

(b) all of its Copyrights, including, without limitation, those referred to on Schedule 1 hereto, and (i) all renewals, reversions and extensions of the foregoing, and (ii) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof; and

(c) all of its Patents, including, without limitation, those referred to on Schedule 1 hereto, and (i) all reissues, reexaminations, continuations, continuations-in-part, divisionals,

renewals and extensions of the foregoing, and (ii) all income, royalties, proceeds and liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

Section 3. Covenants.

(a) Within thirty (30) days after any change to the Intellectual Property owned by Grantor, Grantor shall provide L'Oréal notification thereof and any documents that L'Oréal requests with respect thereto.

(b) Grantor shall (and shall cause all its licensees to) (i) (1) continue to use each Trademark in order to maintain such Trademark in full force and effect with respect to each class of goods for which such Trademark is currently used, free from any claim of abandonment for non-use, (2) maintain at least the same standards of quality of products and services offered under such Trademark as are currently maintained, (3) use such Trademark with the appropriate notice of registration and all other notices and legends required by Applicable Law, (4) not adopt or use any other Trademark that is confusingly similar or a colorable imitation of such Trademark unless L'Oréal shall obtain a perfected security interest in such other Trademark pursuant to this Agreement and (ii) not do any act or omit to do any act whereby any Intellectual Property (including any goodwill associated therewith, as applicable) may become destroyed, invalidated, impaired, harmed, forfeited, invalidated, misused, unenforceable, abandoned, as applicable, or dedicated to the public, fall into public domain or become publicly available or otherwise unprotectable, as applicable.

(c) Grantor shall (and shall cause all its licensees to) not do any act or omit to do any act whereby any trade secret may become publicly available or otherwise unprotectable.

(d) Grantor shall notify L'Oréal promptly if it knows, or has reason to know, that any application or registration relating to any Intellectual Property may become forfeited, misused, unenforceable, abandoned or dedicated to the public, or of any adverse determination or development regarding the validity or enforceability or Grantor's ownership of, interest in, right to use, register, own or maintain any Intellectual Property. Grantor shall take all actions that are necessary or reasonably requested by L'Oréal to maintain and pursue each application (and to obtain the relevant registration or recordation) and to maintain each registration and recordation included in the Intellectual Property.

(e) Grantor shall not knowingly do any act or omit to do any act to infringe, misappropriate, dilute, violate or otherwise impair the Intellectual Property of any other Person. In the event that any Intellectual Property of Grantor is or has been infringed, misappropriated, violated, diluted or otherwise impaired by a third party, Grantor shall take such action as it deems appropriate under the circumstances in response thereto, including promptly bringing suit and recovering all damages therefor.

(f) Grantor hereby irrevocably authorizes L'Oréal and its Affiliates, counsel and other representatives, at any time and from time to time, to file or record financing statements, amendments to financing statements and, with notice to the Company, any other filing or recording

documents or instruments with respect to the IP Collateral in such form and in such offices as L'Oréal reasonably determines appropriate to perfect the security interest of L'Oréal under this Agreement. Grantor hereby also authorizes L'Oréal and its Affiliates, counsel and other representatives, at any time and from time to time, to file continuation statements with respect to previously filed financing statements.

(g) L'Oréal is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office), with the signature of each applicable Grantor, such documents as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted hereunder. Grantor shall execute and deliver to L'Oréal in form and substance reasonably acceptable to L'Oréal and suitable for filing in the United States Copyright Office or the United States Patent and Trademark Office, as applicable, any additional intellectual property security agreements (substantially in the form of this Agreement) as may be reasonably required to subject any such owned or subsequently acquired right, title or interest in any Intellectual Property of Grantor to the security interest and perfection created or contemplated hereby or by the Note.

(h) Following an Event of Default, Grantor shall permit L'Oréal to assign any Intellectual Property owned by Grantor or any IP Licenses of Grantor throughout the world on such terms and conditions and in such manner as L'Oréal shall in its sole discretion determine, including the execution and filing of any document necessary to effectuate or record such assignment.

(i) The security interest granted hereunder is granted as security only and shall not subject L'Oréal to, or in any way alter or modify, any obligation or liability of Grantor with respect to or arising out of the IP Collateral.

Section 4. Grantor Remains Liable. Grantor hereby agrees that, anything herein to the contrary notwithstanding, Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with its Intellectual Property and IP Licenses subject to a security interest hereunder, except to the extent that L'Oréal is required to do so in accordance with its indemnification obligations set forth in Article 10 of the Purchase Agreement.

Section 5. Counterparts. This Intellectual Property Security Agreement may be executed in any number of counterparts and by different parties in 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 agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.

Section 6. Governing Law. This Intellectual Property Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

[Remainder of page intentionally left blank. Signature page follows.]

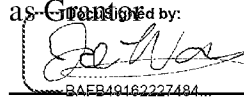
IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

AMBI ENTERPRISES LLC,

as ~~Grantor~~ ^{signed} by:

By:

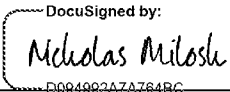


Name: Joe Wong

Title: Managing Member

ACCEPTED AND AGREED
as of the date first above written:

L'ORÉAL USA, INC.

DocuSigned by:

By: _____
Name: Nicholas Milosh
Title: SVP, Business Development

SCHEDULE 1
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

U.S. TRADEMARKS

Trademark Name	Country	Status	Appl. Date	Appl. Number	Reg. Date	Reg. Number
AMBI	U.S.A.	Registered	December 5, 1974	73/038742	March 2, 1976	1034597
AMBI	U.S.A.	Registered	January 23, 1979	73/201119	May 20, 1980	1135419
AMBI	U.S.A.	Registered	December 20, 1967	72/287261	November 24, 1970	0903176
AMBI 10	U.S.A.	Abandoned	May 9, 1994	74/520828	June 13, 1995	1898493
AMBI DIAMOND LOGO (BLACK/WHITE)	U.S.A.	Registered	July 22, 2010	85/090715	April 16, 2013	4321378
AMBI DIAMOND LOGO (BLACK/WHITE)	U.S.A.	Abandoned	September 2, 2011	85/413996	April 24, 2012	4131992
AMBI DIAMOND LOGO (COLOR)	U.S.A.	Registered	July 22, 2010	85/090712	April 16, 2013	4321377
CELEBRATE YOUR BEAUTY EVERYDAY	U.S.A.	Abandoned	August 10, 2006	78/949397	May 5, 2009	3617684
EVEN & CLEAR	U.S.A.	Registered	July 23, 2009	77/787609	March 16, 2010	3760599
SOFT & EVEN	U.S.A.	Registered	June 30, 2008	77/510838	January 27, 2009	3567633
THE SKIN TONE AUTHORITY	U.S.A.	Applied for	January 27, 2022	97241328		

U.S. REGISTERED COPYRIGHTS AND COPYRIGHT APPLICATIONS

None

U.S. PATENTS AND PATENT APPLICATIONS

None

TRADEMARK

REEL: 007910 FRAME: 0978

RECORDED: 12/07/2022