XX Citizenship/State of Incorporation/Organization

FOR OFF
04/22/1999 DNGUYEN 00000001 1673448

Corporation

Association

Limited Liability Company

FOR OFFICE USE ONLY

California

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Mail documents to be recorded with required cover sheet(s) information to: Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

> TRADEMARK REEL: 1886 FRAME: 0815

appointment of a domestic representative should be attached.

(Designation must be a separate document from Assignment.)

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FORM PTO-1618B Expires 06/30/99 OMB 0651-0027	Page 2	APR 3	U.S. Diepartment of Commerce Patent and Trademark Office TRADEMARK
Domestic Representative Name	and Address Enter	for the first Receiving Pa	
Name		_	
Address (line 1)			
Address (line 2)			
Address (line 3)			
Address (line 4)			
Correspondent Name and Addr	ess Area Code and Telepho	ne Number (310) 358	-3221
Name Bruce Isaacs,	Esq		
Address (line 1) WYMAN, ISAACS,	, BLUMENTHAL & LYI	NNE LLP	
Address (line 2) 8840 Wilshire	Boulevard		
Address (line 3) Second Floor		7.4.	
Address (line 4) Beverly Hills,	California 9021		
Pages Enter the total number including any attachme	of pages of the attached c	onveyance document	# 5
Trademark Application Number Enter either the Trademark Application Numb Trademark Application Num	er <u>or</u> the Registration Number (DC mber(s)	` '	
Number of Properties Enter the	e total number of propertie	s involved. #	1
Fee Amount Fee Amou	unt for Properties Listed(37 CFR 3.41): \$ 40.	00
Method of Payment: Deposit Account (Enter for payment by deposit account or	Enclosed X Deposit A if additional fees can be charged to Deposit Account Number.	o the account.)	
	Authorization to charge a	dditional fees: Yes	No
Statement and Signature			
To the best of my knowledge an attached copy is a true copy of indicated herein.			
Bruce Isaacs, Esq.	Brue As	un A	oril /2 , 1999
Name of Person Signing			Data Signad

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Conveying Party Enter Additional Conveying Party						
Name Laub, Elana	03/18/99					
Formerly						
XX Individual General Partnership	Limited Partnership Corporation Association					
Other						
XX Citizenship State of Incorporation/Organization	U.S.A. (California)					
Receiving Party Enter Additional Receiving Party Mark if additional names of receiving parties attached						
Name						
DBA/AKA/TA						
Composed of						
Address (line 1)						
Address (line 2)						
Address (line 3)	State/Country Zip Code					
Individual General Partnership Corporation Association Other	Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)					
Citizenship/State of Incorporation/Organizatio	n					
Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached						
	ristration Number (DO NOT ENTER BOTH numbers for the same property).					
Trademark Application Number(s)	Registration Number(s)					

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Conveying Party Enter Additional Conveying Party Mark if additional names of conveying parties attached Execution Date Month Day Year					
Name Dellar, John 03/18/99					
Formerly					
XX Individual General Partnership Limited Partnership Corporation Association					
Other					
XX Citizenship State of Incorporation/Organization U.S.A. (California)					
Receiving Party Enter Additional Receiving Party Mark if additional names of receiving parties attached					
Name					
DBA/AKA/TA					
Composed of					
Address (line 1)					
Address (line 2)					
Address (line 3)					
City State/Country Zip Code Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached					
Other (Designation must be a separate document from the Assignment.)					
Citizenship/State of Incorporation/Organization					
Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached					
Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).					
Trademark Application Number(s) Registration Number(s)					

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is made as of March 18, 1999, between Elana Laub ("Laub"), John Dellar ("Dellar") and Beauty Supply – San Francisco, Inc., c/o Steve Cooper, Esq., Freeland Cooper LeHocky & Hamburg, 150 Spear Street, Suite 1800, San Francisco, California 94105 ("Assignor") and Freeman Beauty Store Holdings LLC, a California Limited Liability Company, c/o Bruce Isaacs, Esq., Wyman, Isaacs, Blumenthal & Lynne, LLP, 8840 Wilshire Blvd., Suite 200, Beverly Hills, California 90211 ("Assignee"), who hereby agree as follows:

- 1. <u>Recitals</u>. This Assignment is made with reference to the following facts and objectives:
- a. Assignor and Assignee have executed an asset purchase agreement (the "Asset Purchase Agreement") pursuant to which Assignee has purchased all of the Assets of Assignor, except the Excluded Assets.
- b. The Assets purchased by Assignee included the Lips Trademark (defined below), the Domain Name (defined below) and the Unregistered Marks (defined below).
- c. The purpose of this Assignment is to memorialize the assignment of these Assets to Assignee, the assumption by Assignee of the liabilities and obligations of BSSF set forth in Section 2.1 and as expressly set forth in the Asset Purchase Agreement and the transfer of various contracts (the Scheduled Contracts, defined below) to Assignee, including the assumption of liabilities thereunder by Assignee.
- 2. <u>The Lips Trademark</u>. Assignor owns the trademark of a Lips design, Trademark Registration No. 1,673,448, serial No. 74/130102, registered January 28, 1992, with a renewal date of January 28, 2002 (the "Lips Trademark"). For good and valuable consideration as set forth in the Asset Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns, sells, transfers, conveys and quitclaims to Assignee the

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Lips Trademark and all right, title and interest therein including, but not limited to, the goodwill of the business symbolized by the Lips Trademark, and the registration thereof. Assignor hereby agrees to execute a Recordation Form Cover Sheet or any other forms, to the extent necessary, so as to enable Assignee to record and perfect this Assignment with the United States Patent and Trademark Office.

- Tracking No. 980128.2167 (the "Domain Name"). For good and valuable consideration as set forth in the Asset Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns, sells, transfers, conveys and quitclaims to Assignee the Domain Name and all right, title and interest therein including, but not limited to, the goodwill of the business represented and generated by the Domain Name, and the registration thereof. Assignor also hereby agrees to execute a Registrant Name Change Agreement (or Registration Agreement, as the case may be) or any other forms, to the extent necessary, so as to enable Assignee to register this Assignment with Network Solutions, Inc. and/or any other domain name regulating authority (foreign or domestic).
- 4. <u>The Unregistered Marks</u>. Assignor has sold, for approximately ten years, private label goods under the "City Lites" or "City" name and mark (the "Unregistered Marks"). Neither of the Unregistered Marks have been registered as a trademark or a servicemark under state or federal law and Assignor makes no representation or warranty with respect to whether the use of such Unregistered Marks violates the intellectual property rights of any other person. For good and valuable consideration as set forth in the Asset Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns, sells, transfers, conveys and quitclaims to Assignee whatever right, title and interest it has in and to the Unregistered Marks including, but not limited to, the goodwill of the business symbolized by the Unregistered Marks. Assignor hereby agrees to execute whatever additional documents are necessary, if any,

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so as to enable Assignee to establish, register, record and/or perfect this Assignment with the United States Patent and Trademark Office.

- 5. <u>The Scheduled Contracts</u>: Assignor is a party to various contracts which are set forth on the Schedule attached hereto as Exhibit "2.1(c)" (the "Scheduled Contracts"). For good and valuable consideration as set forth in the Asset Purchase Agreement, the receipt and sufficiency of which is hereby acknowledged, and to the extent permitted pursuant to the Scheduled Contracts, Assignor hereby assigns, sells, transfers, conveys and quitclaims to Assignee the Scheduled Contracts and all right, title and interest therein. Assignee hereby accepts such assignment and assumes all of the obligations of the Scheduled Contracts (to the extent that the assignment of the Scheduled Contracts is not prohibited).
- 6. <u>Effective Date of Assignment</u>. The Assignment of the Lips Trademark, the Domain Name, the Unregistered Marks and the Scheduled Contracts shall take effect on the date hereof. Assignor represents and warrants that all rent, charges, costs and other payments required to be made with respect to the Lips Trademark, the Domain Name, the Unregistered Marks and the Scheduled Contracts, if any, have been made as of the date hereof.
- 7. <u>Security Deposit</u>. To the extent Assignor has paid any security deposits with respect to any of the Scheduled Contracts, then, upon the effective date of this Assignment, Assignor releases all claims to any such security deposits, the full amount of which shall be held for the benefit of Assignee, subject to the provisions of that particular Scheduled Contract.
- 8. <u>Assumption.</u> Assignee hereby assumes and agrees to pay when due each and every liability and obligation of Assignor, Laub and/or Dellar to the extent (i) set forth in Section 2.1 of the Asset Purchase Agreement or (ii) expressly set forth in the Asset Purchase Agreement as an obligation or liability to be paid or assumed by Assignee.

9. Miscellaneous.

a. Notice. Except as otherwise provided by law, any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the

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other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth in the introductory paragraph of this Assignment. Either party may change its address by notifying the other of the change of address. Notice shall be deemed communicated within three (3) days from the time of mailing if mailed as provided in this paragraph.

b. Successors. The assignment shall be binding on and inure to the benefit of the parties and their successors in interest.

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

Dated:	March	<u>18,</u>	199

Assignor:

BEAUTY SUPPLY - SAN FRANCISCO, INC.

By:

Its: SETY

Dated: March 1999

ELANA LAUB

Elana Laub

Dated: March <u>/8</u>, 1999

JOHN DELLAR

John Dellar

Assignee:

FREEMAN BEAUTY STORE HOLDINGS LLC

rett Saevitzon, Member

State of CALIFORNIA

County of SAN FRANCISCO

On <u>HARCH 18 1999</u> before me, <u>ILENE SAGALL</u>, <u>NOTARY PUBLIC</u>,

Date

Name and Title of Officer

(e.g., "Jane Doe,

Notary Public")

personally appeared

ELANA LAUB, JOHN DELLAR and BRETT SAEVITZON, Name(s) of Signer(s)

personally known to me

proved to me on the basis of satisfactory evidence

LENE SAGALL COMM. # 1057903

[Notary Seal]

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 on behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

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RECORDED: 04/19/1999

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