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Document 6

MODIFIED Form PTO-1594
(Rev. 10/02)

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

102707935

To the Director of the U.S. Patent and Trademark Office: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Fragrance Marketing Group

Individual(s) Association
 General Partnership Limited Partnership
 Corporation - **Florida**
 Other _____

2. Name and address of receiving party(ies):
**Societe D'Exploitation J.C. Brosseau
38 Galerie Vero-Dodat 2
rue du Bouloi, Paris, France**

Individual(s) Citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation **France**
 Other _____

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other **Reversion**

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

Execution Date: **02/23/01**

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
 Additional number(s) attached? Yes No

B. Trademark Registration No.(s)
1,242,507

5. Name and address of party to whom correspondence concerning document should be mailed:
**SUGHRUE MION, PLLC
2100 Pennsylvania Avenue, N.W.
Suite 800
Washington, D.C. 20037-3213**

Attention: **Leigh Ann Lindquist**

6. Total number of applications and registrations involved:
1

7. Total fee (37 CFR 3.41): **\$40.00**
 Enclosed. Please charge any underpayment in connection with this Assignment to Deposit Account No. 19-4880.
 Authorized to be charged to deposit account

8. Deposit account number:
19-4880
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Leigh Ann Lindquist **19 March 2004**
 Leigh Ann Lindquist Date

Total number of pages including cover sheet, attachments, and document: **5**
 Mail documents to be recorded with required cover sheet information to:
MAIL STOP ASSIGNMENT RECORDATION SERVICES
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03-19-2004

U.S. Patent & TMO/TM Mail Rcpt Dt. #77

TRADEMARK
REEL: 002938 FRAME: 0028

Ombre Bleue and any and all existing and future tradenames, if any, between the Company and Jean Charles Brosseau S.A.

1.6 Territory. "Territory" shall mean the fifty (50) states and the District of Columbia comprising the United States of America, Puerto Rico and Canada. The Territory does not include any duty free shops.

ARTICLE II GRANTS AND COVENANTS

2.1 Exclusive Rights. Subject to the terms and conditions hereof, the Company hereby grants to the Distributor the exclusive right for the Territory, from the Effective Date until termination of this Agreement, to market, distribute and sell the Products in the Territory.

2.2 Retention of Rights. The Distributor acknowledges and agrees that the rights granted to the Distributor in this Article 2 are limited in nature, such that the Company shall retain any and all rights whatsoever to create, develop, manufacture, produce, use, sell, market, license or distribute the Products outside of the Territory without any liability or obligation to the Distributor.

2.3 Relationship of the Distributor to the Company. The Distributor shall be an independent contractor and Distributor shall not be considered an agent of the Company. Under no circumstances shall Distributor have, or claim to have, power of decision in any activities on behalf of the Company.

2.4 No Sales Outside Territory. The Distributor covenants and agrees that it shall not make any sales of Products outside of the Territory. The Distributor further covenants and agrees that it shall not cause any sales of Products outside of, or export Products from, the Territory; and the Distributor shall not authorize any Affiliate or non-Affiliate third party to sell Products outside of, or export Products from, the Territory. The Distributor understands that any sales of Products made outside of, or any Products exported from, the Territory, if directed or assisted by the Distributor or any of its Affiliates, shall constitute a material breach of the terms of this Agreement for which the Company shall, at its option, have the right to terminate this Agreement upon notice, subject to the opportunity to cure contemplated by Article 8.2(a)(ii) hereof. The Distributor shall not be liable for the failure of its customers, without the assistance of the Distributor, to comply with the provisions of this Article 2.4.

2.4.1 No Sales To Territory. The Company covenants and agrees that it shall only make sales of Products to the Territory as authorized in writing by the Distributor; and, if the Company shall have Products manufactured in the Territory,

then, it covenants and agrees to sell such Products solely to the Distributor and not export such Products. The Company further covenants and agrees that it shall not cause the importation of the Products into the Territory, and that it shall not authorize any other party to import the Products inside the Territory; and understands that any such sales shall constitute a material breach of the terms of this Agreement for which the Distributor shall at its option, have the right to terminate this Agreement upon notice. The Company agrees to promptly notify the Distributor in writing if the Company becomes aware or otherwise has actual knowledge of any products being imported into or otherwise sold in the Territory other than or expressly contemplated by the terms of this Agreement, and shall promptly refer to the Distributor all inquiries and orders for the supply of Products within the Territory.

2.5 Reports; Examinations. Each of the Company and the Distributor covenants and agrees that it shall maintain full and complete records of all sales of Products. Upon ten (10) business days prior notice and not more than once every six (6) months during each Annual Period, each of the Company and the Distributor shall have the right to examine the books and records of the other party during normal business hours solely with regard to sales of the Products, provided such examination does not interfere with the normal business operations of the party being examined.

2.6 No Liability to Third Parties. The Distributor covenants and agrees that the Company shall suffer no liability from any and all third-party creditors, distributors or sub-distributors of the Distributor or any of its Affiliates. Jean Philippe covenants and agrees that the Distributor shall suffer no liability from any and all third-party creditors, distributors or sub-distributors of Jean Philippe.

2.7 Pertaining to the New License Agreement. The Company warrants and represents to the Distributor that:

(a) The execution, delivery and performance of this Agreement does not and will not conflict with, result in a breach of or otherwise be inconsistent with the terms and provisions of the New License.

(b) Any and all consents, approvals and authorizations necessary for the performance of this Agreement and the New License have been obtained.

(c) The term of the New License will not be less than ten (10) years from the Effective Date of this Agreement, unless the Company does not meet minimum annual sales requirements of \$5 million despite reasonable diligent effort or a court of competent jurisdiction finally determines that the termination of the New License was not caused as the result of a material breach on the part of the Company whether in the proceeding between Jean Charles Brosseau ("Licensor") and the Company, or in a separate declaratory judgment action. In any such action against the Licensor by the Company, if such court determines that Licensor materially breache

the New License which resulted in the termination of the New License prior to ten (10) years from the Effective Date, then the Company shall pay to the Distributor, solely out of the net funds it actually collects (after deducting costs of the suit and collection, including reasonable attorneys' fees and expenses) as the result of the enforcement of any judgment it may recover against Licensor, fifty percent (50%) of the net amount actually recovered.

(d) In addition to funds recoverable by the Distributor under Article 2.7(c) hereof, if the New License is terminated or the performance thereunder by the Company is suspended as the result of the actions of Licensor and this Distribution Agreement is terminated or suspended as a result thereof (the "Suspension Period"), and as the result of such litigation or settlement thereof the New License is reinstated or performance of the Company thereunder is no longer suspended, then

(i) upon the reinstatement of the New License or at the time the suspension of performance by the Company is removed, this Distribution Agreement shall immediately be reinstated contemporaneously therewith (the "Reinstatement"), it being understood that the Company shall give notice of the date of Reinstatement to the Distributor, but the failure to give such notice shall not bar the Reinstatement of this Agreement;

(ii) during the Suspension Period the Company waives the Minimum Purchase requirements set forth in Article 8.2 hereof; and

(ii) for the period of time after the Reinstatement equal to the Suspension Period, the Company waives fifty percent (50%) of the Minimum Purchase requirements set forth in Article 8.2 hereof.

(e) Neither the Company, Jean Charles Brosseau, S.A., nor any of their respective affiliates will (i) grant any rights to any third party for the use of any trademark in connection with the marketing of products similar to the Products in the Territory during the term of this Agreement, (ii) do any act or omit to do any act which may bring harm or into disrepute the trademark(s) associated with the Products, or (iii) engage in any conduct that could result in a breach of the New License and thereby adversely affect this Agreement.

(f) All Products supplied to Distributor hereunder shall be (i) delivered free and clear of any claims, liens or encumbrances and (ii) of merchantable quality and free from defects. Products other than those purchased by the Company from Alfin, Inc. shall be UPC coded. For Products purchased by the Company from Alfin, Inc., the Company shall supply UPC code labels to Distributor at no cost to Distributor.

(g) All Products shall comply with the requirements of U.S. law.

ARTICLE III-SALE OF PRODUCTS

3.1 Cost of Products.

(a) The Company agrees to charge to the Distributor and the Distributor agrees to pay to the Company, the price per Product unit as set forth in the annexed Schedule 3.1(a) for existing Products, FOB Le Havre, France, as may be hereinafter adjusted in accordance with Section 3.1(b) hereof (the "Cost"), and the Distributor agrees to pay the charges for insurance, freight and customs duties arising after delivery of the Products F.O.B. Le Havre. The Cost of new Products to be developed by the Company, if any, which is not contained in Schedule 3.1(a) shall be in relation to and not inconsistent with the Cost of the existing Products which are most similar to such new Products. Without limiting the generality of the foregoing, in no event shall the Cost of New Products not contained in Schedule 3.1(a) exceed the actual out-of-pocket manufacturing cost for the component parts, together with the actual out-of-pocket costs of filling, labor, warehousing and each such cost necessary to complete the finished product, divided by fifty-nine percent (59%). The Company shall provide the Distributor with documentation such as invoices, notices or the like to establish the basis of any costs for new Products. In the event the Company shall have the Products produced and manufactured in the United States, then the Distributor agrees to pay to the Company seven and one-half percent (7.5%) above the Cost FOB Le Havre, France, delivered to Miami freight prepaid, for each such Product unit. In the event the Distributor shall request one or more shipments of less than one (1) full container on an expedited or emergency basis (which basis shall be confirmed in a writing from the Company or Distributor to the other prior to shipment), then in such event, the Distributor shall pay the agreed-upon freight charges from the factory of the Company to Le Havre.

(b) The Costs contained on Schedule 3.1(a) have been determined assuming an exchange rate of 5.50 French francs to U.S.\$1.00, and shall be in effect from the Effective Date up to and including the close of business on December 31, 1993. On January 1, 1994, and each succeeding January 1 thereafter throughout the balance of the Term of this Agreement, the Cost shall be adjusted to take into account the following:

(i) for Products manufactured in France, adjustments as reflected in the official French government inflation index published in France for goods produced in France for the preceding twelve (12) months and converted into U.S. dollars at the then existing exchange rate for the French franc as published by the Wall Street Journal ("Exchange Rate"). In addition to the foregoing annual adjustments, commencing June 30, 1994 and for each succeeding June 30th thereafter throughout the balance of the Term of this Agreement, in the event the Exchange Rate shall increase or decrease by five percent (5%) or more on June 30th (or if such date is not a business day in France, then on the next business day) from the Exchange

Rate existing on the January 1st of the same year, then in either such event, the Cost shall be increased or decreased based upon the new Exchange Rate then in effect on such June 30th.

(ii) For Products manufactured in the United States, adjustments as reflected in the Consumer Price Index for goods produced in the United States for the preceding twelve (12) months. The parties agree that if the foregoing adjustments increase the Cost of any Products more than 150% from those in effect on the Effective Date, then Distributor shall have the right to terminate this Agreement upon notice to the Company without liability to any person.

(c) The Company agrees to charge to the Distributor and the Distributor agrees to pay to the Company in accordance with the terms of Article 3.2, for ancillary items not for sale, *i.e.*, point of sale advertising, "gift with purchase" and "purchase with purchase" *e.g.*, umbrellas, toiletry cases and hats, and other merchandising material (collectively "Promotional Items"), a purchase price equal to the actual manufacturing cost for the component parts, together with the actual costs of labor, warehousing and each such cost necessary to complete the finished product, plus ten percent (10%). In no event shall Promotional Items consist of, wholly or in part, fragrances, cosmetics or health and beauty aids.

(d) The Company covenants and agrees to produce two (2) special promotional Products during each Annual Period as may be reasonably requested by the Distributor, and each of the Company and the Distributor agrees to negotiate in good faith to arrive at a mutually agreeable price per each such item, which the Company agrees to charge and the Distributor agrees to pay in accordance with the terms of Article 3.2.

3.2 Payment for Products.

(a) For French produced Products ordered by the Distributor, the Distributor shall pay to the Company the Cost of the Products as determined in accordance with the terms of Article 3.1, in United States dollars, by delivery of an irrevocable letter of credit against release of the Products from United States Customs, in favor of, and from any U.S. banking institution or any other lender reasonably acceptable to, the Company, for the full amount of the purchase price for each shipment on the sixtieth (60th) day from the date the goods are released from United States Customs in Miami, Florida. The letter of credit for each shipment shall be in form and content reasonably satisfactory to the Company prior to shipment of the Products, and be opened prior to the time the Products are released from United States Customs.

(b) For United States produced Products ordered by the Distributor, the Distributor shall pay to the Company the Cost of the Products as determined in

accordance with the terms of Article 3.1, in United States dollars, by delivery of an irrevocable letter of credit when the Products are ready for shipment, in favor of, and from any U.S. banking institution or any other lender reasonably acceptable to, the Company, for the full amount of the purchase price for each shipment on the sixtieth (60th) day from the date the goods are delivered to the Distributor in Miami. The letter of credit for each shipment shall be in form and content satisfactory to the Company and opened prior to shipment of the Products.

(c) The failure of the Distributor to open one (1) or more letters of credit in accordance with the terms of this Article 3.2 shall constitute a material breach of the terms of this Agreement for which the Company shall, at its option, have the right to terminate this Agreement upon notice to the Distributor, subject to the opportunity to cure contemplated Article 8.2(a)(ii) hereof.

3.3 Risk of Loss. The Company shall bear the risk of loss for the Products shipped under this Agreement until the Products are either delivered F.O.B. Le Havre, Paris for French produced products, or delivered to the Distributor's Miami warehouse for Products produced in the United States, at which time the risk of loss shall pass to the Distributor.

3.4 No Liability for Failure to Deliver Products.

(a) In the event the Company is unable, despite reasonably diligent efforts, to obtain the raw materials or component parts in order to complete production of the Products listed on Schedule 3.1 (a) in quantities sufficient to fill the demands of the Distributor and to ship such Products to the Distributor within sixteen (16) weeks from the receipt of the purchase order therefor, then in such event, the Distributor acknowledges and agrees that the Company shall not be liable for the non-delivery of such Products. At its option the Distributor may either: (i) cancel such order or orders or (ii) accept the reduced shipment of such Products the Company can ship, and such order or orders shall be deemed to be amended to the quantity of such Products actually shipped. In either such event, the Cost of the Products listed on Schedule 3.1(a) that the Company was unable to ship to the Distributor shall be credited to the Minimum Purchase requirements as set forth in Article 8.2 hereof for the Annual Period in which such purchase order was received by the Company. The Company covenants and agrees to use its best efforts to manufacture and deliver a sufficient quantity of Products listed on Schedule 3.1(a) based upon quarterly projections of sales provided by the Distributor at least ninety (90) days in advance and to complete production and shipment of such Products in a timely manner.

(b) The Distributor shall give notice to the Company of the Promotional Items which the Distributor shall reasonably request the Company to manufacture, and within ten (10) days of the effective date of such notice, the Company shall notify the Distributor that either (i) it will manufacture the Promotional Items or (ii) as the

Distributor's sole recourse therefor, the Distributor can manufacture or have a third party manufacture such Promotional Items as a replacement for that which the Company cannot or will make delivery, subject to the consent of the Licensor, which consent shall not be unreasonably withheld. The failure of the Company to give notice to the Distributor within the aforementioned ten (10) day period, or actually manufacture such Promotional Items, shall be deemed as such consent to have the Promotional Items manufactured by or on behalf of the Distributor. In no event shall any Promotional Items manufactured by or on behalf of the Distributor pursuant to this Section 3.4(b) consist of, wholly or in part, fragrances, cosmetics or health and beauty aids.

3.5 Force Majeure.

(a) If the performance of any part of this Agreement by the Company is prevented, hindered, or delayed or otherwise made impracticable by reason of any strike, flood, riot, fire, explosion, war or any other casualty or cause beyond the control of the Company, and which cannot be overcome by reasonable diligence and without unusual expense, the Company shall be excused from such performance to the extent that it is necessarily prevented, hindered or delayed thereby, during the continuance of any such happening or event and for so long as such event shall continue to prevent, hinder or delay such performance. This Agreement shall be deemed suspended so long as and to the extent that any such cause shall operate to prevent, hinder or delay the performance by the Company of its obligations.

(b) If the performance of any part of this Agreement by the Distributor is prevented, hindered, or delayed or otherwise made impracticable by reason of any strike, flood, riot, fire, explosion, war or any other casualty or cause beyond the control of the Distributor, and which cannot be overcome by reasonable diligence and without unusual expense, the Distributor shall be excused from such performance to the extent that it is necessarily prevented, hindered or delayed thereby, during the continuance of any such happening or event and for so long as such event shall continue to prevent, hinder or delay such performance. This Agreement shall be deemed suspended so long as and to the extent that any such cause shall operate to prevent, hinder or delay the performance by the Distributor of its obligations.

(c) Upon the occurrence of any such event, either the Company or the Distributor, as the case may be, shall, as soon as reasonably practicable thereafter, notify the other party of the nature and extent of any such force majeure condition referred to in the preceding subparagraph and advise the other party of the nature and extent thereof.

3.6 Permits. The Distributor shall be responsible, at its sole expense, for compliance with laws and regulations (including obtaining and maintaining all

necessary permits and approvals) relating to the importation of Products into, and distribution, marketing and sale of the Products within, the Territory.

3.7 Taxes. Each party shall be responsible for any taxes levied upon it in connection with the execution of this Agreement and the performance of its obligations hereunder.

ARTICLE IV INDEMNIFICATION; INSURANCE

4.1 By the Distributor. The Distributor hereby agrees to indemnify and hold harmless the Company, and its Affiliates, officers and directors from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject whether as a result of any third party claim or otherwise (including any action, suit or proceeding among the Company, the Distributor and any indemnified person, whether on account of this contract or otherwise), and to reimburse each such person so indemnified for any legal fees, costs and expenses (including the cost of any investigation and preparation) reasonably incurred by them or any of them in connection with any claim or litigation, whether or not resulting in any liability insofar as such losses, claims, damages, liabilities, or litigation arises out of or are based upon any breach of warranty or representation of the Distributor or the failure by the Distributor to fulfill any covenant, or agreement contained herein.

4.2 By the Company. The Company hereby agrees to indemnify and hold harmless the Distributor, and its affiliated corporations, and each of their several officers and directors from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject whether as a result of any third party claim or otherwise (including any action, suit or proceeding among the Company and the Distributor and any indemnified person, whether on account of this contract or otherwise), and to reimburse each such person so indemnified for any legal fees, costs and expenses (including the cost of any investigation and preparation) reasonably incurred by them or any of them in connection with any claim or litigation, whether or not resulting in any liability insofar as such losses, claims, damages, liabilities, or litigation arises out of or are based upon (i) any breach of warranty or representation of the Company or Jean Philippe (ii) the failure by the Company or Jean Philippe to fulfill any covenant or agreement contained herein or (iii) the defective condition, design or safety of any Product or any product liability claims related to the Products, or (iv) any claims alleging that the Products or Distributor's use of the Trademark as contemplated hereby conflicts with or infringes upon a third party's trademark or other intellectual property rights, or (v) any claim that the Distributor failed to "act against importers and exporters" as set forth in Article 5 of the Protocol among the Licensor, the Company and the Distributor pertaining to the Ombre Rose trademark for the United States.

4.3 Notice of and Defense Against Claims. Promptly after receipt by an indemnified party under Article 4.1 or Article 4.2 above of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party, send notice of the commencement thereof to the indemnifying party; but the omission to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under this section. In case any such action shall be brought against any indemnified party, and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in, and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under Article 4.1 for any legal fees, costs, or expenses subsequently incurred after the date such notice is given by such indemnified party in connection with the defense thereof for other than reasonable costs of investigation. No indemnifying party shall be liable for any settlement of any claim or action pursuant to this Article 4 effected without the prior written consent of such indemnifying party; provided, however, that if the indemnifying party does not consent to a settlement, the indemnified party may nevertheless settle, unless the indemnifying party secured the indemnified party against loss to the indemnified party's reasonable satisfaction.

4.4 Insurance. The Company covenants and agrees with the Distributor to maintain a vendor broad form product liability insurance policy in the face amount of not less than U.S.\$1,000,000.00 naming the Distributor as an additional insured on such policy throughout the Term of this Agreement. The Distributor covenants and agrees with the Company to maintain an occurrence based product liability insurance policy in the face amount of not less than U.S.\$1,000,000.00 throughout the Term of this Agreement.

ARTICLE V- TRADEMARKS

5.1 Trademarks. The Distributor has been advised by the Company that on the Effective Date it will become the owner in the United States of the trademark for Ombre Rose (the "Trademark"); and acknowledges that such ownership is solely for the purpose of recording the Trademark with United States Customs to prevent unauthorized importation of Products into the Territory ("Customs Recordation"). The form of the assignment of the United States rights for the Trademark from the Licensor to the Distributor is annexed hereto as Exhibit 5.1. Further, the Distributor acknowledges that neither the ownership of the Trademark in the United States, the Customs Recordation, nor any other provision of this Agreement shall prevent, deemed to prevent or interpreted to prevent the creation, production or manufacture of the Products in the United States by or on behalf of the Company. The Company understands and agrees that, during the term of this Agreement, Distributor shall be entitled to register such assignment of the Trademark with the United States Patent

and Trademark Office. The Company agrees to use its best efforts to have the Licensor assign all other trademarks for new products as the new products are first produced under the New License to the Distributor solely for Customs Recordation.

5.2 Customs Recordation; Cancellation and Assignment.

(a) The Company has advised the Distributor that the Licensor agrees to permit the Customs Recordation and the registration of the Trademark with the United States Patent and Trademark Office. The parties hereto agree that the Customs Recordation is for the benefit of the Distributor, and therefore, it shall be at the sole expense of the Distributor.

(b) Simultaneously with the execution and delivery of this Agreement, the Distributor shall execute and deliver to the law firm of Kirschstein, Ottinger, Israel & Schiffmiller, P.C. ("Escrow Agent"), to be held in escrow pursuant to the terms hereof, an assignment back to the Licensor of the United States Trademark in the form annexed hereto as Exhibit 5.2 (the "Reverse Assignment"), to be filed by the Escrow Agent on behalf of the Licensor and/or the Company solely upon termination of this Agreement or in the event this Agreement does not close. In furtherance thereof, the Distributor hereby severally grants to the Escrow Agent, the irrevocable authority to perform such acts and to execute, deliver and file such additional instruments and documents as may be necessary to make the Reverse Assignment effective upon termination of, or failure to close, this Agreement, or as shortly thereafter as practicable.

(c) Prior to the filing of the Customs Recordation, the Distributor shall execute and deliver to Escrow Agent an irrevocable cancellation of the Customs Recordation (the "Customs Recordation Cancellation"), to be filed by or on behalf of the Licensor and/or the Company solely upon termination of this Agreement. In furtherance thereof, the Distributor hereby severally grants to each of the Licensor, the Company and Escrow Agent the irrevocable authority to perform such acts and to execute, deliver and file such additional instruments and documents as may be necessary to make such withdrawal effective upon termination of this Agreement.

(d) For the express purpose of preventing unauthorized importation of Products into the Territory prior to the Customs Recordation, the Company covenants and agrees with the Distributor that until the completion of the Customs Recordation (the "Restricted Sales Period"), any and all sales by the Company of one (1) ounce and three (3) ounce Ombre Rose eau de cologne shall be subject to the consent of the Distributor, which consent shall not be unreasonably withheld or delayed. In furtherance of the foregoing, it is the intent of the parties hereto that consent shall only be denied when the Distributor has a *bona fide* belief that the potential purchaser intends to divert such eau de cologne into the Territory. In connection with the

foregoing, the Company covenants and agrees to provide to the Distributor by telecopier with a copy of each purchase order within the Restricted Sales Period, and the Distributor shall have seventy-two (72) hours from the receipt of the telecopy to give or deny its consent by return telecopy. The failure to give or deny consent within such seventy-two (72) hour period shall be deemed to be consent to such sale, and once consent shall have been or deemed to have been given, it shall not be withdrawn.

5.3 Negative Covenants. The Distributor covenants and agrees with the Company that the Distributor and its Affiliates shall not

(a) permit the Trademark to suffer any liens, pledges, charges, security interests, encumbrances, title retention agreements, options, equities or restrictions of any kind whatsoever other than those arising by or through the Company, the Licensor or any of their respective affiliates;

(b) assign, transfer, license, sublicense or convey any interest in the Trademark, except to the Licensor as hereinabove provided in Article 5.2;

(c) amend, modify, alter or change in any manner whatsoever, the Trademark;

(d) combine in any manner the Trademark with any other trademark;

(e) register the Trademark in any other country;

(f) permit any stockholder, officer, director or employee of the Distributor or any Affiliate to own or otherwise acquire any interest in Trademark;

(g) create, produce or manufacture, or permit any third party to create, produce or manufacture any Products; and

(h) charge or receive any payment for any royalties or similar consideration for the Trademark or any interest therein.

5.4 Escrow Provisions. Notwithstanding the execution and delivery of a Protocol among the Licensor, the Company and the Distributor pertaining to the Ombre Rose trademark for the United States, each of the Company and the Distributor hereby designate the Escrow Agent to act on their behalf under and pursuant to the terms and conditions contained herein.

(a) Upon the Effective Date, the Distributor shall deliver the Reverse Assignment to Escrow Agent, and covenants and agrees to execute and deliver the Customs Registration Cancellation to Escrow Agent prior to the filing of the Customs Recordation, which Escrow Agent shall hold under and pursuant to the terms and

conditions contained herein. The Reverse Assignment and the Customs Recordation Cancellation are sometimes collectively referred to as the Escrowed Property.

(b) On the tenth business day after notice has been given by the Company to the Escrow Agent and the Distributor that this Agreement has been terminated, and provided that the Distributor does not deliver to the Escrow Agent on objection to such contemplated release, Escrow Agent shall release the Escrowed Property from escrow and deliver same to the Company.

(c) In the event that the Distributor delivers on objection pursuant to Section 5.4(b) or other conflicting or adverse claims or demands are made or notices served upon Escrow Agent with respect to the Escrowed Property, then in such event, Escrow Agent shall promptly commence an interpleader action or proceeding and interplead all interested parties in any such action or proceeding in a court of competent jurisdiction, and deposit the Escrowed Property with the clerk of such court.

(d) Upon delivery of all of the Escrowed Property as previously provided in this Article 5.4(b) or the delivery or deposit thereof with the clerk of the court, all as specified in Article 5.4(c) hereof, all obligations of Escrow Agent shall thereupon cease, and Escrow Agent shall be released from any and all liability directly or indirectly relating to this Agreement or the administration of the Escrowed Property without any further action on behalf of any party hereto.

(e) Each of the Company and the Distributor hereby agrees to do such further acts and things and to execute and deliver such statements, assignments, agreements, instruments and other documents as Escrow Agent from time to time may reasonably request in connection with the administration, maintenance, enforcement or adjudication of the Escrowed Property.

(f) Each of the Company and the Distributor severally agree to pay all costs and expenses incurred by Escrow Agent in connection with any conflicting or adverse claim, demand or notice [including attorneys' fees (presently \$265-\$285 per hour) and expenses of itself or other attorneys it may retain, if any], unless the acts and omissions of the Escrow Agent arising out of or relating directly or indirectly to the terms of this Article 5.4 or the Escrowed Property amount to gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

(g) Escrow Agent shall be entitled to rely upon any notice, consent, certificate, affidavit, statement, paper, document, writing or other communication (which unless otherwise provided herein, may be by telegram, telex, telecopier or telephone) reasonably believed by it to be genuine and to have been signed, sent or made by the proper person or persons, and upon opinions and advice or legal counsel (including itself or counsel for any party hereto), independent public accountants and other experts selected by Escrow Agent.

(h) Escrow Agent is acting under this Agreement as a stakeholder only and shall be considered an independent contractor with respect to each of the Company and the Distributor. No other term or provision of this Agreement is intended to create, nor shall any such term or provision be deemed to have created, any principal-agent, trust, joint venture, partnership, debtor-creditor or attorney-client relationship between or among Escrow Agent and either the Company or the Distributor. This Agreement shall not be deemed to prohibit or in any way restrict Escrow Agent's representation of the Company, which may be advised by Escrow Agent on any and all matters pertaining to the terms of this Article 5.4 and the Escrowed Property. To the extent the Company or its Affiliates are or have been represented by Escrow Agent, the Company, on behalf of itself and its Affiliates, hereby waives any conflict of interest and irrevocably authorizes and directs Escrow Agent to carry out the terms and provisions of this Article 5.4 fairly as to all parties, without regard to any such representation and irrespective of the impact upon the Company and its Affiliates.

(i) Escrow Agent and its directors, officers, employees and attorneys shall not incur any liability (other than for a person's acts or omissions amounting to gross negligence or willful misconduct) as finally determined by a court of competent jurisdiction for other acts and omissions arising out of or relating directly or indirectly to the terms of this Article 5.4 or the Escrowed Property; and each of the Company and the Distributor hereby expressly waives and releases any and all claims and actions (other than those attributable to a person's own acts or omissions amounting to gross negligence or willful misconduct) as finally determined by a court of competent jurisdiction against Escrow Agent, its directors, officers, employees, and attorneys, arising out of or relating directly or indirectly to any or all of the foregoing acts, omissions and circumstances.

(j) Escrow Agent and its directors, officers, employees and attorneys shall be indemnified, reimbursed and held harmless by the Company and the Distributor, severally, from and against any and all claims, liabilities, losses and expenses (including, without limitation, the disbursements, expenses and fees of itself or its attorneys) that may be imposed upon, incurred by or asserted against any of them, arising out of or related directly or indirectly to the terms of this Article 5.4 or the Escrowed Property, except such as are occasioned by the indemnified person's negligence or willful misconduct as finally determined by a court of competent jurisdiction.

5.5 Infringements. The Distributor shall cooperate with the Company, at the Company's expense, in stopping infringements of the Trademark in the Territory, but solely the Company shall have the right to prosecute such infringements of the Trademark, unless otherwise agreed in writing by both parties. To this end, each party hereto covenants and agrees with the other party, that each shall promptly inform the other party of each such Trademark infringement by third parties in the

Territory, which comes to its knowledge. As between the Company and the Distributor, any and all revenues stemming from such actions to recover for infringements within the Territory shall be divided equally between the Distributor and the Company, after reimbursement of bona fine expenses incurred in connection with the prosecution of such actions. Any and all revenues stemming from such actions to recover for infringements outside of the Territory shall be the exclusive property of the Company.

ARTICLE VI WARRANTIES AND REPRESENTATIONS OF DISTRIBUTOR

6.1 Warranties and Representations of the Distributor. The Distributor hereby warrants and represents to the Company as follows:

(a) The Distributor is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida.

(b) The execution, delivery and performance of the transactions contemplated by this Agreement by the Distributor has been duly authorized by the Board of Directors of Distributor, and will not contravene any provisions of law, or an order of any court or other agency of government or of its respective Certificate of Incorporation or By-laws.

(c) This Agreement constitutes the legal, valid and binding obligation of Distributor enforceable against the Distributor in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or court decisions with respect thereto and the availability of equitable remedies.

(d) No consent of any person or governmental authority is necessary for the consummation of the transactions described herein on behalf of the Distributor including, without limitation, consents from parties to loans, contracts, leases or other agreements and consents from any governmental agencies, whether federal, state or local.

ARTICLE VII WARRANTIES AND REPRESENTATIONS OF COMPANY

7.1 Warranties and Representations of the Company and Jean Philippe. The Company and Jean Philippe hereby warrant and represent to the Distributor as follows:

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the France. Jean Philippe is a corporation duly organized, validly existing and in good standing under the laws of Delaware.

(b) The execution, delivery and performance of the transactions contemplated by this Agreement by Company and Jean Philippe has been duly authorized by the Board of Directors of Company and Jean Philippe, and will not contravene any provisions of law, or an order of any court or other agency of government or of its Certificate of Incorporation or By-laws, or French equivalent.

(c) This Agreement constitutes the legal, valid and binding obligation of Company and Jean Philippe enforceable against each of the company and Jean Philippe, in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or court decisions with respect thereto and the availability of equitable remedies.

(d) No consent of any person or governmental authority is necessary for the consummation of the transactions described herein on behalf of Company or Jean Philippe, including, without limitation, consents from parties to loans, contracts, leases or other agreements and consents from any governmental agencies, whether federal, state or local.

(e) The consolidated financial statements of Jean Philippe included in its filings with the Securities and Exchange Commission since January 1, 1990 present fairly in all material respects its financial condition and results of operation as of and for the indicated dates and periods.

ARTICLE VIII TERM AND TERMINATION

8.1 Term. The Term hereof shall commence on the Effective Date and shall continue until, except as set forth in Article 2.7, the later to occur of December 31, 2003 and the termination date of the New License, unless sooner terminated as hereinafter provided.

8.2 Termination.

(a) Without prejudice to any other rights the Company may have, including but not limited to an action to recover damages, the Company may terminate this Agreement, without liability, at any time upon notice to the Distributor, as follows:

(i) subject to Article 8.2(b), if the Distributor fails to purchase the following minimum purchases of Product from the Company (each a "Minimum Purchase") during any Annual Period, as follows: (I) Products with a Cost of not less than \$700,000 during the first Annual Period; (II) Products with a Cost of not less than \$1,500,000 during the second Annual Period; or (III) commencing with the third Annual Period and continuing through the Seventh Annual Period of this Agreement, Products with a Cost of not less than the Minimum Purchase requirement for the immediately preceding Annual Period together with an additional five percent (5%) of the Minimum Purchase requirement for the immediately preceding Annual Period (it being understood and agreed that the Minimum Purchase requirement for the Seventh Annual Period and thereafter shall be \$1,914,422); or

(ii) if the Distributor has failed to (A) fulfill any covenant or agreement on its part to be fulfilled, or (B) cure a breach of this Agreement, in each case within forty (45) days after the effective date of such notice from the Company.

(b) No purchases of Product for any Annual Period in excess of the Minimum Purchase requirement for the same Annual Period shall be credited against any Minimum Purchase requirement for any other Annual Period, except to the extent

(i) for the third, fourth and fifth Annual Periods of this Agreement, of (I) purchases of Product made within the first three (3) months immediately following the end of an Annual Period within which there is a shortfall, or (II) purchases of Product made within the last three (3) months of an Annual Period, which may be credited against a shortfall in the immediately following Annual Period; and

(ii) for each Annual Period subsequent to the fifth (5th) Annual Period of this Agreement, of (I) purchases of Product made within the first six (6) months immediately following the end of an Annual Period within which there is a shortfall, or (II) purchases of Product made within the last six (6) months of an Annual Period, which may be credited against a shortfall in the immediately following Annual Period.

(c) During the term of this Agreement, if the Company gives notice to the Distributor of termination for a material breach, or gives notice of default for one or more material breaches on more than two (2) occasions in any one Annual Period, upon the third such notice in the same Annual Period, the Distributor shall no longer have the right to remedy the material breach and termination shall be effective upon the effective time of such notice.

(d) If the Distributor is adjudicated a bankrupt, or if a petition in bankruptcy is filed against the Distributor, or if the Distributor makes any assignment for the benefit of its creditors, or if the Distributor commits any act of bankruptcy or

takes the benefit of any insolvency law, or if the distributor defaults on any obligation of not less than \$250,000 which is secured by a security interest in whole or in part secured by the Products which is not cured within sixty (60) days, or if a receiver is appointed for the Distributor or substantially all of its assets or business, then this Agreement shall automatically terminate as of the earliest date on which any of the above events occurred without prejudice to any other rights which the Company may have.

(e) Notwithstanding anything herein to the contrary, Distributor shall have the right to sell all Products on hand in its inventory (finished goods, work-in-progress and component parts) for a period of six months from any termination of this Agreement; and shall have a right of first refusal to purchase the existing Product inventory (finished goods, work-in-progress and component parts) of the Company on the same terms as any bona fide third party offer after the New License is terminated.

(f) Promotional Items shall not be included in the calculation of the Minimum Purchase requirements.

ARTICLE IX-MISCELLANEOUS

9.1 Cumulative Rights. The rights and remedies granted in this Agreement are cumulative and not exclusive, and are in addition to any and all other rights and remedies granted and permitted under and pursuant to law.

9.2 No Waiver. The failure of any of the parties hereto to enforce any provision hereof on any occasion shall not be deemed to be a waiver of any preceding or succeeding breach of such provision or any other provision.

9.3 Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto and no amendment, modification or waiver of any provision herein shall be effective unless in writing, executed by the party charged therewith.

9.4 Governing Law; Consent to Service of Process. This Agreement shall be construed, interpreted and enforced in accordance with and shall be governed by the laws of the state of New York without regard to the principles of conflicts of laws. Each party hereto hereby irrevocably consents to the exclusive jurisdiction and venue of the courts of the state of New York with regard to any and all actions or proceedings arising out of, or relating to, this Agreement, and agrees that service of process may be made in the manner for providing notice, as specified in Article 9.7 hereof.

9.5 Assignment. This Agreement may not be assigned by the parties hereto, and any attempted assignment hereof shall be void and of no effect. Notwithstanding

the foregoing, nothing in this Agreement shall be deemed to prohibit an assignment by operation of law for a merger, consolidation or sale of the capital stock of the Distributor.

9.6 Article Headings. The article headings herein have been inserted for convenience of reference only, and shall in no way modify or restrict any of the terms or provisions hereof.

9.7 Notices.

(a) Any notice or other communication under the provisions of this Agreement shall be in writing, and if directed from the continental United States to a party in the continental United States, shall be given by postage prepaid, registered or certified mail, return receipt requested, or by hand delivery with an acknowledgement copy requested, or by the Express Mail service offered by the United States Post Office or other reputable overnight delivery service; if directed from the continental United States, then solely by the Express Mail service offered by the United States Post Office or other reputable overnight delivery service; if directed from France, then solely by a reputable overnight delivery service; all to be directed to the addresses set forth above, or to any new address of which any party hereto shall have informed the others by the giving of notice in the manner provided herein or, in the case of notices to the Company, c/o Jean Philippe. Such notice or communication shall be effective, if sent by mail, three (3) days after it is mailed within the continental United States, if directed in the United States; if sent by Express Mail or other reputable overnight delivery service, one (1) day after it is mailed if not directed overseas, or two (2) days after if directed overseas; or by hand delivery, upon receipt.

(b) Notices to Escrow Agent shall be sent to: Kirschstein, Ottinger, Israel & Schiffmiller, P.C., 551 Fifth Avenue, New York, New York 10176-0024, att.: Martin W. Schiffmiller, Esq., or to such other address as to which Escrow Agent shall provide notice.

9.8 Unenforceability; Severability. If any provision of this Agreement is found to be void or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement, shall, nevertheless, be binding upon the parties with the same force and effect as though the unenforceable part had been severed and deleted.

9.9 No Third Party Rights. The representations, warranties and other terms and provisions of this Agreement are for the exclusive benefit of the parties hereto, and no other person shall have any right or claim against any party by reason of any of those terms and provisions or be entitled to enforce any of those terms and provisions against any party.

9.10 Counterparts. This Agreement may be executed in counterparts, all of which shall be deemed to be duplicate originals.

9.11 Guarantee of Jean Philippe. Jean Philippe hereby guarantees the prompt performance of any and all of the obligations of the Company under this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Jean Philippe shall have no liability as the result of its guarantee obligations hereunder if

(a) in respect of the New License, a court of competent jurisdiction finally determines that the termination of the New License was not caused as the result of a material breach on the part of the Company, whether in the proceeding between the Licensor and the Company, or in a separate declaratory judgment action; or

(b) Jean Philippe and its Affiliates are no longer controlling shareholders of the Company.

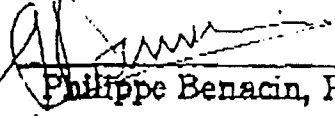
9.12 Attorneys' Fees; Frivolous Suits.

(a) In the event that litigation or arbitration should arise with respect to this Agreement or any portion thereof, then, in such event, the party which prevails in such litigation or arbitration shall be entitled to receive from the losing party, and such losing party agrees to pay to the prevailing party, reasonable attorneys' fees together with such other reasonable costs and expenses incurred by the prevailing party in such litigation or arbitration.

(b) In the event that the Distributor or any of its Affiliates should commence an action, suit or proceeding with respect to this Agreement or any portion thereof, or make any claim against the Company and/or Jean Philippe in any such action, suit or proceeding, and the court, arbitrator or panel of arbitrators, as may be the case, should find that such action, suit, proceeding or claim on behalf of the Distributor or its Affiliates was frivolous, or brought in bad faith, then, in either such event, the Distributor consents to the entry of judgment against it in the amount of three hundred percent of the actual costs and expenses, including reasonable attorneys' fees and expenses referred to in Article 9.12(a) hereof, incurred by the Company and Jean Philippe in connection with the actions of the Distributor and/or any of their Affiliates.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the date first above written.

Inter Parfums, S.A.

By: 
Philippe Benacin, President

Jean Philippe Fragrances, Inc.

By: _____
Jean Madar, President

Fragrance Marketing Group, Inc.

By: 
Rene Garcia, President

Solely as to the provisions of Article 5.4:

KIRSCHSTEIN, OTTINGER, ISRAEL
& SCHIFFMILLER, P.C.

By: _____
Martin W. Schiffmiller, Esq.

EXHIBIT 5.1

AGREEMENT

CCF

Between the following companies :

- JEAN-CHARLES BROSSEAU LICENCES S.A., a company existing and organized under the Laws of FRANCE, with a Registered capital of 250 000 FF incorporated at the Companies Register of PARIS under the number 065200362 and with a place of business in PARIS, 75007, 26 rue de l'Université hereby represented by Mr Jean-C. Brosseau its President electing domicile at the said company, hereinbelow called "JCB" on the one hand

AND

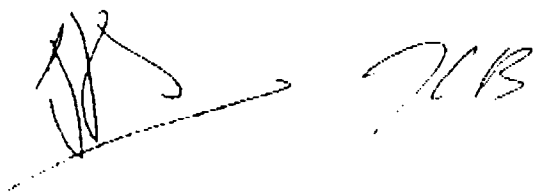
- FRAGRANCE MARKETING GROUP inc, a company existing and organized under the Laws of the UNITED STATES with a Registered capital of _____, incorporated in the State of FLORIDA and with a place of business in Miami, State of FLORIDA (33126) - 1775 NW 12th Street hereby represented by Mr Rene Garcia, its President, electing domicile at the said company, hereinbelow called "FMG" on the other hand

in the presence of :

- INTER PARFUMS SA, a company existing and organized under the Laws of FRANCE, with a Registered capital of 12 835 000.00 FF incorporated at the Companies Register of PARIS, under N° 325 951 937, with a place of business in PARIS, 75008, 90 rue de Miromesnil hereby represented by Mr Philippe Demain its President, electing domicile at the said company, hereinbelow called "INTER PARFUMS"

WHEREAS

- 1/ By Agreement of May 7 th, 1993, JCB and Mr Jean-Charles BROSSEAU himself, have granted to INTER PARFUMS, an exclusive worldwide license to use the trademarks applications and/or registrations in the name of JCB, and namely an exclusive license to use the trademark "OMBRE ROSE" filed in the U.S.A. on November 13th, 1981 under N° 377 088 and registered under N° 1 242 507, which protects and designates the following goods "perfumery" (class 3 of the International classification of goods and services).
- 2/ INTER PARFUMS, exclusive licensee as hereabove mentioned in paragraph 1, has concluded with FMG on July 14, 1997 an exclusive distributorship agreement by virtue of which within the duration of the exclusive license agreement hereabove mentioned in paragraph 1, INTER PARFUMS grants to FMG the exclusive right to distribute on the territory of the UNITED STATES the goods subject to the license and namely the goods marketed under the trademark "OMBRE ROSE".



A photocopy of the aforesaid agreement is herewith enclosed in Annex I and is part and parcel of this Agreement.

- 3/ FMG has wished to be able to act against any parallel imports of goods which bear the trademark "OMBRE ROSE", and JCB has agreed that FMG eventually proceeds accordingly, taken into consideration the American Law and namely subpart C 133.21 of the Code of Federal Regulations.

NOW IT IS HEREBY AGREED AS FOLLOWS

ARTICLE 1

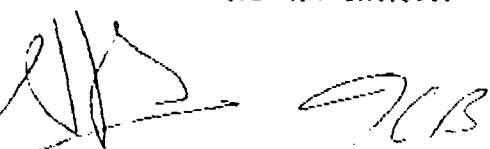
- 1/ JCB hereby sells, transfers and assigns to FMG which accepts, in consideration of the sum of one symbolical dollar (1,00 US\$) the entire right, title and interest in and to the trademark "OMBRE ROSE" filed in the U.S.A. and herewith identified in paragraph 1 of the Preamble.
- 2/ JCB hereby grants to FMG which accepts, any right to recover for past infringement unprescribed on the date of this Agreement.

ARTICLE 2

However, as by a mutual agreement between the parties hereto, the assignment hereabove mentioned in ARTICLE 1 occurs specifically in order that FMG could react against parallel imports as hereabove exposed in paragraph 3 of the Preamble, the assignment is subordinated to the enforcement of the exclusive license agreement hereabove mentioned in paragraph 1 of the Preamble, and of the exclusive distributorship agreement hereabove mentioned in paragraph 2 of the Preamble, so that in case one or the other agreement would be terminated for any reason, FMG would retrocede to JCB the trademark hereabove designated in ARTICLE 1.

ARTICLE 3

- 1/ Consequently, taken into consideration the terms and particular conditions of this Assignment, the parties hereto mutually agree that this agreement will not be submitted to the American Trademark Office for the purpose of the recordal of the Assignment (or eventually the retrocession) of the trademark hereabove mentioned in ARTICLE 1.
- 2/ That is the reason why, on the one hand, JCB executes this day, for the benefit of FMG, the simplified trademark assignment act hereinbelow called "Assignment Deed", a copy of which is herewith enclosed in Annex II and is part and parcel of this Agreement, which will be the sole and unique document that FMG will submit to the American Trademark Office for the recordal of the assignment for its benefit, of the trademark "OMBRE ROSE" hereabove mentioned in ARTICLE 1
- 3/ That is the reason why, on the other hand, FMG hereby already irrevocably undertakes to execute for the benefit of JCB, his successors or assigns, the trademark retrocession document hereinbelow called "Assignment Deed", the text of which is herewith enclosed in Annex III, either immediately after the termination or the



cancellation of the distributorship agreement or of the license agreement hereabove mentioned in paragraphs 1 and 2 of the Preamble, or after the first request from JCB, its successors or assigns in case this retrocession would be necessary.

ARTICLE 4

FMG will be responsible at its own expenses of the application for recordal of the assignment for its benefit of the trademark "OMBRE ROSE" subject to the present Agreement.

It will justify of the reality of the said recordal to JCB by sending to the latter within eight (8) days of the said recordal, a photocopy of the official notice of recordal.

ARTICLE 5

FMG will be also responsible at its own expenses, for the registration of the trademark subject to the present Agreement, near American Customs Offices in order to be able to be notified the parallel imports entering on the american territory, and to act against importers and exporters of the said products.

FMG will justify of the reality of this recordal near the said customs offices within the same conditions as stated hereabove in ARTICLE 4, lit.2.

ARTICLE 6

In case FMG would be brought to act against importers and exporters of products bearing the trademark "OMBRE ROSE" subject to the present Agreement, it will previously inform JCB which, in case of need, would bring to FMG its assistance and the case may be, the assistance of its attorneys.

All the actions brought by FMG in the scope of the present Agreement, will be brought at its own expenses and benefits.

FMG furthermore, hereby undertakes to regularly and fully inform JCB of the progress of the actions brought and of the final results of the said actions.

ARTICLE 7

The provisions of ARTICLE 6 hereabove will also be applicable to FMG in case the latter would be brought to act against infringers of the trademark subject to the present Agreement.

ARTICLE 8

The administrative formalities of applying for the recordal of the retrocession to JCB, according to ARTICLE 3, lit.3 hereabove, of the trademark subject to the present Agreement, will be supported by JCB, at its own expenses.

Handwritten signature and initials, possibly 'JCB' or similar, in dark ink.

In case the retrocession hereabove mentioned in lit.1 would occur, FMG would, at its own expenses, notify the termination of its distributorship agreement and would consequently cancel the american trademark registration subject to the present Agreement, from the lists of the american customs and would account for the said cancellation to JCB within the same conditions as those stated by ARTICLE 4, lit.2 hereabove.

ARTICLE 9

The french Law is applicable to the present agreement.

ARTICLE 10

Any dispute arising between the parties from the interpretation and/or from the execution of the present Agreement, will be, for lack of amicable settlement within the month following its birth, submitted by the most diligent party to the Tribunal de Grande Instance of PARIS.

ARTICLE 11

The present Agreement is executed by mutual agreement between the parties, in 2 (two) counterparts in french and 2 (two) counterparts in english.

The two texts in french and the two texts in english shall be binding upon the parties.

ARTICLE 12

Any notification which would be made by one of the parties or the other, by virtue of the present agreement, will be made by registered air mail to the head offices of the parties where they elect domicile for the purpose of this agreement, it being understood that any modification of the address of the head offices of the parties will be notified within the conditions of this article.

ARTICLE 13

The company INTER PARFUMS intervening this moment to the present Agreement, declares that it has made self acquainted with the whole terms and conditions of the said agreement and declares that it has no objection to them.

In four (4) copies..

Executed in *Paris*
On *July 7th 1993*

Executed in
On

[Handwritten signature]

Jean-Charles BROUSSEAU
LICENCES

FRAGRANCE MARKETING GROUP
INC.

Jean-Charles Brousseau
Mr Jean-Charles BROUSSEAU

Mr T. J. Craven

Executed in N. Y. C.

On July 10 1973

INTER PARFUMS S.A.

Philippe Brousseau

Mr

Philippe Brousseau

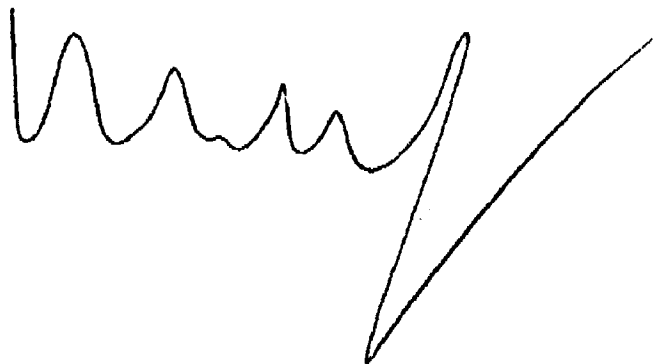
I hereby certify :

- that I am fully conversant with the French and English languages;
- that this is, to the best of my knowledge, an accurate translation of the corresponding French Court decision.

Done at Paris, on 12 March 2004

Signed by

Charles de HAAS
Avocat à la Cour
GILBEY de HAAS
Paris, France

A handwritten signature in black ink, consisting of several loops and a long, sweeping tail that extends downwards and to the right.

COURT OF APPEAL OF PARIS

4th Chamber, Section B

Judgment of 23 February 2001

Order number in the general register: 1999/20128

The appeal is raised against a decision delivered on 27/09/1999 by the Tribunal de Commerce of Paris (Commercial court), 6ch, RG n°: 1998/57867

Closing order date: 21 December 2000

Type of judgment: after hearing both parties (contradictory)

Judgment: confirmation + expertise

APPELANT:

S.A INTER PARFUMS

Instituted proceedings through its duly empowered legal representatives whose head office is located at 4, Rond Point des Champs-Élysées
75008 Paris

Represented by SCP AUTIER, *avoué* (barrister)

Assisted by SCP Baker MC KENZIE, Attorneys, pleading attorney Maître Jean-Dominique TOURAILLE, attorney at the Bar of Paris

DEFENDANT

SA. JEAN CHARLES BROSSEAU LICENCES

Instituted proceedings through its duly empowered legal representatives whose head office is located at 129, avenue Daumesnil
75012 Paris

Represented by SCP TEYTAUD, *avoué* (barrister)

Assisted by Cabinet FOUCAUD, Toque P010, Attorneys at law, pleading attorney Maître Antoine GAUTIER SAUVIGNAC, attorney at the Bar of Paris

THE COURT COMPRISES:**During the trial:**

As the parties' counsels agreed, the matter has been upheld by Madame REGNEZ pursuant to Article 786 of the New Code of Civil Procedure, judge in charge of the report of this matter and who has explained it to the Court.

During the deliberation

President: Monsieur BOVAL
Counsel: Madame MANDEL
Counsel: Madame REGNIEZ

PLEADINGS

Public hearings of 21 December 2000

CLERK OF COURT**During the pleadings and the pronouncement of the judgment**

L. MALTERRE PAYARD

JUDGMENT

Pronounced publicly by Madame REGNIEZ, Counsel, who signed the *minute* instead of the President, the latter being detained.

The company INTER PARFUMS's business is the fabrication and the distribution of cosmetics and perfumery by using different trademarks under license.

Mr Jean-Charles BROSSEAU, hats designer has launched a new range of perfume known as "OMBRE ROSE" and has launched later a new line under the denomination "OMBRE BLEUE" through the company Jean-Charles BROSSEAU Licenses (here-after company BROSSEAU); owner of corresponding trademarks.

Mr. BROSSEAU and the company BROSSEAU agreed to allow a license to the company ALFIN, concerning the right to use the trademarks and designs, by license agreement entered into as of 21 October 1982. A dispute has risen between the both parties. It was settled amicably, after the Company INTER PARFUMS, new licensee of the trademarks, had paid the sum of 1 800 000 USD to the company ALFIN.

By an agreement of 7 May 1993, Mr BROSSEAU and the company BROSSEAU have granted to INTER PARFUMS the right to create, use and distribute the goods of the trademark Jean Charles BROSSEAU (as determined in Article 1) worldwide (Article 4) for a period of 10 years from the date of the signature (Article 6) It was specified that the licensee

will launch a new range of goods "OMBRE BLEUE" "with a new presentation" and that INTER PARFUMS will be given the license to use any design and/or trademark that will be registered by Jean-Charles BROSSEAU in the future. The royalty fees were fixed in Article 12 on the basis of varying percentage which is a function of the turnover and the products together with the payment of a guaranteed minimum as provided in Article 12.

Regarding advertising and sales promotion, it was specified in Article 7 that the licensee is obliged use all his efforts to ensure the advertising and the promotion of sales in order to launch the goods and ensure their improvement and that the licensee is also obliged to give 12 % of the net sales in this regard, taking into account that 12% of the sales have to be given by the distributors. It was also provided in the agreement a termination clause under the conditions fixed in Article 14.

A new product was launched under the name "OMBRE D'OR". The parties have signed an supplemental agreement on 10 July 1996 in order to avoid a dispute about the date of the beginning of the exploitation of the line "OMBRE BLEUE" and the new line "OMBRE D'OR", as well about the related royalties.

Arguing the breach of the agreement stipulations related to the advertising and promotion expenses, the company BROSSEAU and Mr. Jean-Charles BROSSEAU have taken legal action against INTER PARFUMS, as urgent and important matter, by writ of summons in order to obtain the appointment of an expert.

Mr. THIERRY was designated as expert by summary injunction order of 5 February 1997 who deposited his report on 7 February 1999.

By letter of 3 February 1998, the company BROSSEAU has requested from INTER PARFUMS the sum of 436 295, 28 francs corresponding to the guaranteed minimum for 1997 in regard with the lines "OMBER BLEUE" and "OMBRE D'OR".

By letter of 6 February 1998 INTER PARFUMS contested the requests of the company BROSSEAU, alleging that, in 1997, the ranges "OMBER BLEUE" and "OMBRE D'OR" have generated poor turnover and this weak income would provokc their withdrawal from the market.

Under such circumstances, by registered letter with acknowledge of receipt of 11 February 1998, the company BROSSEAU sent a formal notice to INTER PARFUMS asking the latter to pay without delay the sum of 436 295, 28 francs. INTER PARFUMS answered this letter maintaining its previous position.

By recommended letter with confirmation of receipt of 21 April 1998, Mr. Jean-Charles BROSSEAU intervening as well in behalf of the company BROSSEAU as in his behalf has notified INTER PARFUMS of the termination of the agreement due to the INTER PARFUMS' failure to pay the sum requested on 11 February 1998 over a 6 month period from the date of the sending of the formal notice.

The company INTER PARFUMS has issued writ of summons on the company BROSSEAU, by act served by a bailiff of 17 June 1998 demanding the "*Tribunal de Commerce de Paris*" (Commercial Court of Paris) to:

- state that the licence agreement of 7 May 1993 and its amendment are still in force and have to be carry out in good faith by the parties;
- reject the claim of the company BROSSEAU regarding the pretended termination of the agreement;
- sentence the company BROSSEAU to pay the sum of 2 000 000 francs as damages as well the sum of 30 000 francs on the ground of Article 700 of the New Code of Civil Procedure.

- The company BROSSEAU has demanded the Court, on the one hand, to state that the termination clause is applicable accordingly the agreement clauses, on the other hand, to sentence the other party to settle the royalty fees corresponding to the guaranteed minimum for 1997, to declare the INTER PARFUMS' failures and repeated faults and suffered damages as well the loss of the trademark's market value, to sentence INTER PARFUMS to settle the sums of 45 525 200 francs as damages and 20 000 francs on the grounds of Article 700 of the New Code of Civil Procedure.

At the same time, the company BROSSEAU has instituted summary urgent proceedings in order to obtain the payment of the sum of 436 295, 28 francs corresponding to the unpaid royalties. By a summary procedure order of 23 July 1998, the court has rejected this claim and accepted INTER PARFUMS' offer of consignment of the requested sum, by ordering the payment of the sum to Maître RODET, bailiff, appointed for the sequestration; the sum was consigned on 23 July 1998.

By decision of 27 September 1999 the "*Tribunal de Commerce de Paris*":

- declared valid the application of the termination clause of the licence agreement, pursuant to the contractual stipulations, which will take effect 6 months after the notification of the judgment;
- sentenced INTER PARFUMS to settle to Jean-Charles BROSSEAU LICENCES the sum of 436 298, 20 francs increased of the legal rate of interest from 11 January 1998;
- sentenced INTER PARFUMS to settle to the company BROSSEAU the sum of 3 802 000 francs as damages;
- nonsuited the company INTER PARFUMS in relation to its requests;
- order the provisional enforcement of the sum of 436 298, 28 francs;
- rejected the parties in relation to their requests on the ground of Article 700 of the New Code of Civil Procedure

The company INTER PARFUMS has interjected appeal against this decision. Then, during the status hearing, by an order of 22 June 2000, the court has sentenced INTER PARFUMS to settle the provisional sum of 400 000 francs.

The Appellant, INTER PARFUMS, by writings of 7 December 2000, has demanded the Court

- to invalidate the decision in all its provisions;
- to reject the company Jean-Charles BROSSEAU Licences claims;
- to declare that the license agreement signed on 7 May 1993 as well as the supplemental agreement of 10 July 1996 stay in force until the contractual term;
- to sentence the company Jean-Charles BROSSEAU Licences to pay to INTER PARFUMS the sums of
 - 460 634, 75 francs that the company Jean-Charles BROSSEAU has perceived as a result of the execution of the judgement against which this appeal is filed together with the legal rate of interest from 27 September 1999;
 - 400 000 francs that the company Jean-Charles BROSSEAU has perceived as a result of the execution of the order of 22 June 2000 together with the legal rate of interest from 30 June 2000
- to sentence the company Jean-Charles BROSSEAU Licences to settle to the company INTER PARFUMS the sum of 2 000 000 francs as damages;
- to sentence the adverse party to pay the sum of 150 000 francs on the grounds of Article 700 of the New Code of Civil Procedure.”

In its writings of 14 December 2000, the company BROSSEAU asked the Court

- to confirm the judgement declaring, accordingly the contractual provisions, the validity of the termination clause stipulated in the license agreement,
- to confirm the judgement sentencing INTER PARFUMS to pay the sum of 436 298, 28 francs as royalty fees for 1997 increased by the legal rate of interests from 11 February 1998,
- to confirm the decision of the counsel of the status hearing,
- to accept the claims of the company BROSSEAU and confirm that INTER PARFUMS owes to the former the minimal guaranteed royalty fees in relation to the lines “OMBRE BLEUE” et “OMBRE D’OR3” for the period from 1st January 2000 until 22 April 2000 evaluated on “*prorata temporis basis*”
- to accept the defendant’s claims that INTER PARFUMS owes to the company BROSSEAU the minimal guaranteed royalty fees related to the line “OMBRE ROSE” for the period from 1st July 1999 to 22 April 2000, evaluated on “*prorata temporis basis*”.
- to sentence INTER PARFUMS to settle to the company Jean-Charles BROSSEAU the sum of 616 026, 20 francs as royalty fees corresponding to the lines “OMBRE BLEUE”, “OMBRE D’OR” et “OMBRE ROSE” and 1 200 000 francs as damages incurred by the commercialisation of the BROSSEAU’s goods after the termination date: 22 April 2000.
- to establish the failures and repeated faults of the company INTER PARFUMS and the damages incurred by the company BROSSEAU
- consequently, to sentence the company INTER PARFUMS to pay:

- o the sum of 4 599 311, 18 francs as damages as a result of the royalty fees loss
 - o the sum of 39 126 049 francs as damages uncured by the loss of venal value of the trademarks BROSSEAU,
- to sentence the company INTER PARFUMS to pay the sum of 250 000 francs on the ground of Article 700 of the New Code of Civil Procedure.

AS TO WHICH THE COURT STATED:

On the merits of the termination clause:

Taking into account that INTER PARFUMS reproaches judges for having accepted his application of the termination clause whereas

- o the clause was imprecise because it does not contain any information about the breaches provoking the application of the termination clause,
- o the application of this clause wasn't mentioned in the letter of summons sent on 11 February 1998; moreover the letter does not contain any mention of term in order to permit rectification of the breach of contract;

Moreover, INTER PARFUMS argues that further to the letter of 11 February 1998, several conversations and meetings took place between the parties. And in order to consider this letter as "formal notice" in the sense of Article 14 of the agreement; the Court should take note of the existence of such relations and discussions between the parties during this period as well as of the terms of the letter dated 11 February 1998.

That INTER PARFUMS also explains that the requested sum is not due because of the behaviour of the company BROSSEAU which was hindering the development of the distribution of perfumes, especially in the United States and which is consequently responsible for the fall in turnover.

Taking into account that it was stipulated in Article 14 of the agreement that "*after formal notice sent by a recommended letter with confirmation of receipt stating the breach, which remains without answer, within sixty days, each of the party can demand the termination of the agreement, the termination clause coming into force without prejudice of further consequences, and especially damages.*"

However this article only requires for the application of the termination clause the sending of a recommended letter affirming the breach and it does not require the sending of recommended letter mentioning the 60-days deadline during which the each of the party could remedy the breach.

Moreover, contrary to what is argued by the Appellant, there is no imprecision regarding the nature of the breach which would make the termination clause applicable; indeed, using the word "breach", the both parties, aware professionals, clearly referred to any violation by each of the parties of the contractual obligations; Article 12-7 of the license agreement states that "*the royalty fees have to be paid systematically on the due date, the parties attach particular importance to the regularity and the punctuality of the payments*". It was stipulated (Article

12-5) that *"the exploitation of goods according to the fixed minimum has to continue whatever the legitimate contestations may be and it does not depend on the licensee contestations on the reliability of the goods and its reception by the consumers.* It is evident that the agreement stipulates explicitly and the payment of the royalty fees by the licensee is an essential obligation, the breach of which is penalized by the termination clause.

However, it was necessary to determine clearly this breach in the notice letter.

Indeed, by the letter of 11 February 1998, the nature of the breach was specified in a explicit manner: the failure to pay of the guaranteed minimum related to the exploitation of the lines "OMBRE BLEUE" et "OMBRE D'OR" for 1997; the amount was also specified; it was indicated that in case of failure to pay immediately *"from the sending of this letter will start all deadlines, interests and other consequences that the agreement, the law and the courts attach to the formal notice"*. Thus, contrary to what is stated by INTER PARFUMS, aware professional, this letter, containing a notice to pay immediately, was sufficiently clear regarding the other party's will to take all consequences of the failure to pay. So, INTER PARFUMS could not invoke an execution in bad faith by applying the termination clause because of the existence of negotiations in progress at the moment of the sending of notice since it hasn't been stated that during these negotiations the company BROSSEAU was ready to renounce to take advantage of the termination clause. Therefore, the Court affirms that the formal conditions of application of the termination clause, as specified in Article 14 of the agreement, are valid and duly respected.

On the merits of the case, INTER PARFUMS explains that the non-achievement of the guaranteed minimum was the fault of the licensor INTER PARFUMS (pages 10 to 23 of the writings) and that the requested sum is not due. It refers, in particular, to the non contradictory expert opinion of Madame MERKLING according to which, pursuant to the specific perfume industry rules, there is a synergy between the development of a perfume trademark and the awareness of the trademark for its original goods. Thus, the appellant reproaches Mr. BROSSEAU for not developing his hat industry in order to attain the synergy between OMBRE ROSE and BROSSEAU

INTER PARFUMS also stated that should be taken into account:

- the evolution of the American market until 1990 when the three biggest market leaders have not been present (Unilever-Calvin KLEIN, COSMAIR-Ralph LAUREN and ESTEE LAUDER) and the unfavourable market situation during the years 1996/1997 (as it is stated in the press articles);
- the previous licensee, the company ALFIN, has already encountered difficulties related to the exploitation of the line "OMBRE BLEUE" having no success with the public;
- in the new agreement, it was indicated that in order to launch the new line "OMBRE BLEUE" with a new presentation, *"Mr. Jean-Charles BROSSEAU has the obligation to create a new packaging and a modernized perfume having new name in order to launch the product within the fixed deadline"*;

- the faulty intervention of the company BROSSEAU with one of the distributors in the United States (the company Fragrance Marketing Group Inc.) in 1995 and with the communication agency (the company Huitième Jour).

INTER PARFUMS stated that the company BROSSEAU has deliberately failed to its obligation of loyalty et of good faith provided by Article 1134 of Civil Code by refusing systematically and hindering the development of the company INTER PARFUMS as well as it has failed to respect its obligations provided by Articles 2 and 3.1 of the agreement; consequently, the company BROSSEAU has no grounds to request the guaranteed minimum of royalty fees.

But taking into account that the unfavourable economic situation of the American and European markets (there was no evidence of the drop in the luxury perfume industry) is not in relation to the obligation of INTER PARFUMS to pay the guaranteed minimum of royalty fees, in counterpart of the exclusive license to use all goods covered by the trademarks of the company BROSSEAU, as specified by agreement; the payment of these royalty fees was an essential contractual obligation.

Taking into account that the appellant's argument according to which the company BROSSEAU did not execute in good faith the agreement is not pertinent; indeed, in 1995, the licensor got worried about the conditions under which were commercialized in United States the goods under license, the agreement indicating that the goods should be distributed in selective network even when it was evident that these terms of the agreement have not been respected; however the appellant did not supplied the court with any evidencing document for 1996 which shows that the defendant has intervened in a untimely manner regarding the American distributors; such interventions, namely with the communication agency could be explained, at least, by its contractual obligations provided by Articles 2 and 3.A. since it has kept the control on the creation of the products and their packaging. There is no evidence that the defendant has tried to obstruct, in bad faith, the licensee's proposal of new presentation; there is no document which evidences that the lack of success of the products is attributable to the defendant.

At last, the agreement does not stipulate any correlation between the development of the defendant's hat industry and the perfumery; and the hat industry turn over has raised while during the same period of time the perfumery turn over has gone down.

Indeed, INTER PARFUMS, who does not demonstrate that the licensor has failed to its contractual obligations, does not affirm that it is released of the obligation to pay the guaranteed minimum. It follows from this that the company BROSSEAU could apply the termination clause because of the failure to pay of the royalty fees minimum for 1997. Consequently, the judgement affirming the application of the termination clause will be confirmed. The date when the termination clause takes effect as fixed by the court of first instance is not contested on appeal.

Therefore, the requests of the INTER PARFUMS demanding the restitution of the damages will be rejected.

On the request of payment of royalty fees

Taking into account that the company BROSSEAU requests not only the payment of the guaranteed minimum for 1997, or 436 295, 28 francs but also the guaranteed royalty fees minimum related to the lines OMBRE BLEUE and OMBRE D'OR until 22 April 2000, the term of the agreement.

In its writings of 14 December 2000, the company BROSSEAU presented its accounts in French francs based on to the percentage fixed in Article 12-5 of the agreement and Article 2 of its amendment as follows:

	1998	1999
OMBRE BLEUE	292 723, 83 FF	359 070, 29 FF
OMBRE D'OR	182 372, 26 FF	245 565,04 FF
TOTAL	475 096, 09 FF	604 635,33 FF

The total requested sum is 1 079 731, 40 francs.

The company BROSSEAU adds that it has perceived the sum of 106 564, 94 francs from INTER PARFUMS on 31 October 2000 and 400 000 francs as retaining fees. Consequently, the other party is indebted for the amount of 616 026, 20 francs and of the proportional parts which are not noted here-above from 1st January 2000 until 22 April 2000, date of expiration of the agreement. Concerning the line "OMBRE ROSE" the defendant demands the guaranteed royalty fees minimum for the period from 1 July 1999 until 22 April 2000.

The amount of this deduction has not been disputed by the company INTER PARFUMS who has only disputed its grounds (its contestations were rejected here above). The calculations made in the defendant's writings are conformable with the contractual clauses. It is proper to accept the defendant's request, taking into account that INTER PARFUMS has already settled the royalty fees for 1997.

Concerning the damages required by the company Jean-Charles BROSSEAU Licences due to the loss of royalty during the execution of the agreement, to the loss of venal value of the trademarks BROSSEAU and relating to the additional requests of damages for the sales made after the expiration of the agreement :

INTER PARFUMS contests that it owes damages and states having met all its contractual obligations and it demands the court to invalid the judgment which has ordered to pay the sum of 3 802 000 francs as damages.

In its writings of appeal, the company BROSSEAU reproaches its adversary not only for not having respected its advertising and promotional obligations, facts affirmed by the expert Mr THIERRY and accepted by the court of first instance but also for being responsible for the distribution of down-market products counterfeiting the original fragrance. Company BROSSEAU also reproaches the appellant for not having renewed the trademarks.

The last grounds of the complaint were presented briefly before the closing of the trial and the Court does not have sufficient evidence to determine whether the perfume "OMBRE ROSE" has a faded fragrance and to know under which conditions the original "concentrate" was modified. In such circumstances, it is proper to suspend the judgement and to appoint an expert pursuant to the provisions cited here below.

INTER PARFUMS continued to use the goods after 22 April 2000 without justifying the payment of royalty in return, the court will sentence INTER PARFUMS to pay the provisional sum of 1 million francs as damages which will be determined after the expert report.

FOR THESE REASONS

The court

confirms the judgement which has declared valid the application of the termination clause of the license agreement and consequently has sentenced the company INTER PARFUMS to pay the sum of 436 298, 28 francs together with legal rate of interest from 11 February 1998 and has rejected the request of company INTER PARFUMS for damages.

Moreover, the court suspends the judgement and

Sentences the company INTER PARFUMS to pay to the company Jean-Charles BROSSEAU Licences the sum of 616 026, 28 as royalty fees due on 1 January 2000 as well the guaranteed royalty fees minimum related to the lines "OMBRE BLEUE" et "OMBRE D'OR" for the period from 1 January 2000 until 22 April 2000 and the guaranteed royalty fees minimum related to the line "OMBRE ROSE" for the period from 1 July 1999 until 22 April 2000.

Concerning the request of damages:

The Court designates the expert Mr Jean BARAT, 30, avenue Hoche 75008 Paris (tel: 01 49 53 85 00; fax: 01 49 53 85 01) whose mission will be:

- to question the party on the contradictory basis and deposit their explanations.
- to acquire all the necessary documents
- to proceed to technical analyse of the goods commercialised under the trademark OMBRE ROSE (perfume and eau de toilette) and compare its composition with the concentrates referenced F 24-284/4 et F 24-469 in the license agreement in order to determine whether the formulas were modified
- to examine the conditions under which the modifications were made (intervenus)
- to acquire all the necessary information related to the evaluation of the prejudice which may result ;

The court states that the expert will achieve his mission accordingly the provisions of Articles 273 to 284 of the New Code of Civil Procedure and will deposit his report with the clerks of the Court before 1st November 2001 ;

Designate Mrs REGNIEZ as judge who will follow the expertise operations;

States that the company Jean-Charles BROSSEAU has to consign with the clerks of the Court the sum of 20 000 francs to cover the expert's fees before 1st May 2001;

States that the sum has to be paid to the Tax and Advance Agent of Paris, 34 quai des Orfèvres 75055 Paris Louvre;

Sentence the company INTER PARFUMS to settle to the company Jean-Charles BROSSEAU Licences the provisional sum of 1 000 000 francs as damages.

The Clerk

The President



Leigh Ann Lindquist

T (202) 663-7409
LLindquist@sughrue.com

March 19, 2004
VIA HAND DELIVERY

U.S. Patent and Trademark Office
Assignment Division
P.O. Box 1450
Alexandria, Virginia 22313-1450

Re: Renewal of OMBRE ROSE Trademark Registration
Explanation of Assignment of Mark
Our Ref: S-7607

Dear Sirs:

Societe D'Exploitation J.C. Brosseau entered into a license agreement with Inter Parfums. Under that license agreement, Inter Parfums was licensed to use the mark OMBRE ROSE.

Subsequent to entering into that license agreement, Inter Parfums entered into a Distribution Agreement with Jean Philippe Fragrances Inc. and Fragrances Marketing Group. Attached is that Distribution Agreement.

Attached as Exhibit 5.1 is the Assignment of the OMBRE ROSE mark. In Article 2, the Assignee, French Marketing Group, will assign its rights in the OMBRE ROSE registration back to the Assignor if the underlying Distribution Agreement is terminated for any reason.

Also attached is a decision dated February 23, 2001 from the Court of Paris. This decision states that the license agreement between Inter Parfums and Jean-Charles Brosseau terminated on February 11, 1998.

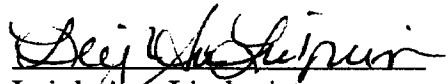
Accordingly, the Court of Paris' document shows that all rights in the trademark have reverted back to Societe D'Exploitation J.C. Brosseau.

Accordingly, based on the above documents, Applicant submits that the current owner of Registration No. 1,242,507 is Societe D'Exploitation J.C. Brosseau.

The required cover sheet for recordation as well as a check in the amount of \$40.00 is submitted herewith. In addition, a copy of the Renewal Application dated June 4, 2003 is submitted with the signed appointment of domestic representative.



Respectfully submitted,


Leigh Ann Lindquist

LAL/kcl

Enclosures: Distribution Agreement
Assignment
Decision from Court of Paris
Check \$40.00
Cover Sheet and Renewal Application



Leigh Ann Lindquist
T (202) 663-7409
llindquist@sughrue.com

March 19, 2004
VIA HAND DELIVERY

Receipt
COPY

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Assignment Division
P.O. Box 1450
Alexandria, Virginia 22313-1450

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March 19, 2004

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Assignment Division
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Explanation of Assignment of Mark
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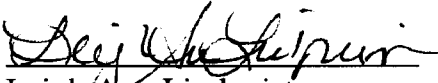
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Respectfully submitted,



Leigh Ann Lindquist

LAL/kcl

Enclosures: Distribution Agreement
Assignment
Decision from Court of Paris
Check \$40.00
Cover Sheet and Renewal Application

Distribute
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DISTRIBUTION AGREEMENT

AGREEMENT made this 16th day of July 1993, between Inter Parfums, S.A., a French corporation ("Company") with its offices at 90 Rue de Miromesnil, 75008 Paris, France; Jean Philippe Fragrances, Inc., a Delaware corporation and parent of the Company ("Jean Philippe"), with its offices at 551 Fifth Avenue, New York, New York 10176; Fragrance Marketing Group, Inc., Florida corporation ("Distributor") with offices at 7445 N.W. 12th Street, Miami, Florida 33126.

WITNESSETH:

WHEREAS, the Distributor has the ability, knowledge and experience to market and distribute fragrances in the United States, Puerto Rico and Canada; and

WHEREAS, the Company and the Distributor have negotiated the terms pursuant to which the Distributor will market and distribute OMBRE ROSE® fragrances upon the terms and conditions as stated herein.

NOW THEREFORE, in consideration of the mutual covenants, conditions and promises contained herein, the parties hereto hereby agree as follows:

ARTICLE I-DEFINITIONS

1.1 **Affiliates.** An "affiliate," in the case of the Distributor, shall mean a company, entity or individual which directly or indirectly controls or is controlled by or is under common control with the Distributor, with the exception of the Company, and in the case of the Company, shall mean a company, entity or individual which directly or indirectly controls or is controlled by or is under common control with the Company with the exception of the Distributor.

1.2 **Annual Period.** The first "Annual Period" shall commence on the Effective Date and continue until December 31, 1993, and thereafter each succeeding twelve (12) month period shall be a new Annual Period.

1.3 **Effective Date.** The "Effective Date" of this Agreement shall mean the Closing Date of, and as such term is defined in, the agreement among the Company, C & C Beauty Sales, Inc. and Parfico, Inc., dated the date hereof and executed simultaneously herewith.

1.4 **The Products.** The "Products" shall mean the Ombre Rose® and Ombre Bleue® line of fragrances and cosmetics marketed and sold under the exclusive license agreement dated November 21, 1982, as amended, between Alfin Inc. and Jean Charles Brosseau S.A. (the "Prior License"), as well as the line(s) of fragrances and cosmetics to be created, developed, produced and marketed by the Company as the exclusive licensee under an agreement to be executed (the "New License") for Ombre Rose,

TRADEMARK

REEL: 002938 FRAME: 0074

Ombre Bleue and any and all existing and future tradenames, if any, between the Company and Jean Charles Brosseau S.A.

1.6 **Territory.** "Territory" shall mean the fifty (50) states and the District of Columbia comprising the United States of America, Puerto Rico and Canada. The Territory does not include any duty free shops.

ARTICLE II GRANTS AND COVENANTS

2.1 **Exclusive Rights.** Subject to the terms and conditions hereof, the Company hereby grants to the Distributor the exclusive right for the Territory, from the Effective Date until termination of this Agreement, to market, distribute and sell the Products in the Territory.

2.2 **Retention of Rights.** The Distributor acknowledges and agrees that the rights granted to the Distributor in this Article 2 are limited in nature, such that the Company shall retain any and all rights whatsoever to create, develop, manufacture, produce, use, sell, market, license or distribute the Products outside of the Territory without any liability or obligation to the Distributor.

2.3 **Relationship of the Distributor to the Company.** The Distributor shall be an independent contractor and Distributor shall not be considered an agent of the Company. Under no circumstances shall Distributor have, or claim to have, power of decision in any activities on behalf of the Company.

2.4 **No Sales Outside Territory.** The Distributor covenants and agrees that it shall not make any sales of Products outside of the Territory. The Distributor further covenants and agrees that it shall not cause any sales of Products outside of, or export Products from, the Territory; and the Distributor shall not authorize any Affiliate or non-Affiliate third party to sell Products outside of, or export Products from, the Territory. The Distributor understands that any sales of Products made outside of, or any Products exported from, the Territory, if directed or assisted by the Distributor or any of its Affiliates, shall constitute a material breach of the terms of this Agreement for which the Company shall, at its option, have the right to terminate this Agreement upon notice, subject to the opportunity to cure contemplated by Article 8.2(a)(ii) hereof. The Distributor shall not be liable for the failure of its customers, without the assistance of the Distributor, to comply with the provisions of this Article 2.4.

2.4.1 **No Sales To Territory.** The Company covenants and agrees that it shall only make sales of Products to the Territory as authorized in writing by the Distributor; and, if the Company shall have Products manufactured in the Territory,

then, it covenants and agrees to sell such Products solely to the Distributor and not export such Products. The Company further covenants and agrees that it shall not cause the importation of the Products into the Territory, and that it shall not authorize any other party to import the Products inside the Territory; and understands that any such sales shall constitute a material breach of the terms of this Agreement for which the Distributor shall at its option, have the right to terminate this Agreement upon notice. The Company agrees to promptly notify the Distributor in writing if the Company becomes aware or otherwise has actual knowledge of any products being imported into or otherwise sold in the Territory other than or expressly contemplated by the terms of this Agreement, and shall promptly refer to the Distributor all inquiries and orders for the supply of Products within the Territory.

2.5 Reports; Examinations. Each of the Company and the Distributor covenants and agrees that it shall maintain full and complete records of all sales of Products. Upon ten (10) business days prior notice and not more than once every six (6) months during each Annual Period, each of the Company and the Distributor shall have the right to examine the books and records of the other party during normal business hours solely with regard to sales of the Products, provided such examination does not interfere with the normal business operations of the party being examined.

2.6 No Liability to Third Parties. The Distributor covenants and agrees that the Company shall suffer no liability from any and all third-party creditors, distributors or sub-distributors of the Distributor or any of its Affiliates. Jean Philippe covenants and agrees that the Distributor shall suffer no liability from any and all third-party creditors, distributors or sub-distributors of Jean Philippe.

2.7 Pertaining to the New License Agreement. The Company warrants and represents to the Distributor that:

(a) The execution, delivery and performance of this Agreement does not and will not conflict with, result in a breach of or otherwise be inconsistent with the terms and provisions of the New License.

(b) Any and all consents, approvals and authorizations necessary for the performance of this Agreement and the New License have been obtained.

(c) The term of the New License will not be less than ten (10) years from the Effective Date of this Agreement, unless the Company does not meet minimum annual sales requirements of \$5 million despite reasonable diligent effort or a court of competent jurisdiction finally determines that the termination of the New License was not caused as the result of a material breach on the part of the Company whether in the proceeding between Jean Charles Brosseau ("Licensor") and the Company, or in a separate declaratory judgment action. In any such action against the Licensor by the Company, if such court determines that Licensor materially breache

the New License which resulted in the termination of the New License prior to ten (10) years from the Effective Date, then the Company shall pay to the Distributor, solely out of the net funds it actually collects (after deducting costs of the suit and collection, including reasonable attorneys' fees and expenses) as the result of the enforcement of any judgment it may recover against Licensor, fifty percent (50%) of the net amount actually recovered.

(d) In addition to funds recoverable by the Distributor under Article 2.7(c) hereof, if the New License is terminated or the performance thereunder by the Company is suspended as the result of the actions of Licensor and this Distribution Agreement is terminated or suspended as a result thereof (the "Suspension Period"), and as the result of such litigation or settlement thereof the New License is reinstated or performance of the Company thereunder is no longer suspended, then

(i) upon the reinstatement of the New License or at the time the suspension of performance by the Company is removed, this Distribution Agreement shall immediately be reinstated contemporaneously therewith (the "Reinstatement"), it being understood that the Company shall give notice of the date of Reinstatement to the Distributor, but the failure to give such notice shall not bar the Reinstatement of this Agreement;

(ii) during the Suspension Period the Company waives the Minimum Purchase requirements set forth in Article 8.2 hereof; and

(ii) for the period of time after the Reinstatement equal to the Suspension Period, the Company waives fifty percent (50%) of the Minimum Purchase requirements set forth in Article 8.2 hereof.

(e) Neither the Company, Jean Charles Brosseau, S.A., nor any of their respective affiliates will (i) grant any rights to any third party for the use of any trademark in connection with the marketing of products similar to the Products in the Territory during the term of this Agreement, (ii) do any act or omit to do any act which may bring harm or into disrepute the trademark(s) associated with the Products, or (iii) engage in any conduct that could result in a breach of the New License and thereby adversely affect this Agreement.

(f) All Products supplied to Distributor hereunder shall be (i) delivered free and clear of any claims, liens or encumbrances and (ii) of merchantable quality and free from defects. Products other than those purchased by the Company from Alfin, Inc. shall be UPC coded. For Products purchased by the Company from Alfin, Inc., the Company shall supply UPC code labels to Distributor at no cost to Distributor.

(g) All Products shall comply with the requirements of U.S. law.

ARTICLE III-SALE OF PRODUCTS

3.1 Cost of Products.

(a) The Company agrees to charge to the Distributor and the Distributor agrees to pay to the Company, the price per Product unit as set forth in the annexed Schedule 3.1(a) for existing Products, FOB Le Havre, France, as may be hereinafter adjusted in accordance with Section 3.1(b) hereof (the "Cost"), and the Distributor agrees to pay the charges for insurance, freight and customs duties arising after delivery of the Products F.O.B. Le Havre. The Cost of new Products to be developed by the Company, if any, which is not contained in Schedule 3.1(a) shall be in relation to and not inconsistent with the Cost of the existing Products which are most similar to such new Products. Without limiting the generality of the foregoing, in no event shall the Cost of New Products not contained in Schedule 3.1(a) exceed the actual out-of-pocket manufacturing cost for the component parts, together with the actual out-of-pocket costs of filling, labor, warehousing and each such cost necessary to complete the finished product, divided by fifty-nine percent (59%). The Company shall provide the Distributor with documentation such as invoices, notices or the like to establish the basis of any costs for new Products. In the event the Company shall have the Products produced and manufactured in the United States, then the Distributor agrees to pay to the Company seven and one-half percent (7.5%) above the Cost FOB Le Havre, France, delivered to Miami freight prepaid, for each such Product unit. In the event the Distributor shall request one or more shipments of less than one (1) full container on an expedited or emergency basis (which basis shall be confirmed in a writing from the Company or Distributor to the other prior to shipment), then in such event, the Distributor shall pay the agreed-upon freight charges from the factory of the Company to Le Havre.

(b) The Costs contained on Schedule 3.1(a) have been determined assuming an exchange rate of 5.50 French francs to U.S.\$1.00, and shall be in effect from the Effective Date up to and including the close of business on December 31, 1993. On January 1, 1994, and each succeeding January 1 thereafter throughout the balance of the Term of this Agreement, the Cost shall be adjusted to take into account the following:

(i) for Products manufactured in France, adjustments as reflected in the official French government inflation index published in France for goods produced in France for the preceding twelve (12) months and converted into U.S. dollars at the then existing exchange rate for the French franc as published by the Wall Street Journal ("Exchange Rate"). In addition to the foregoing annual adjustments, commencing June 30, 1994 and for each succeeding June 30th thereafter throughout the balance of the Term of this Agreement, in the event the Exchange Rate shall increase or decrease by five percent (5%) or more on June 30th (or if such date is not a business day in France, then on the next business day) from the Exchange

Rate existing on the January 1st of the same year, then in either such event, the Cost shall be increased or decreased based upon the new Exchange Rate then in effect on such June 30th.

(ii) For Products manufactured in the United States, adjustments as reflected in the Consumer Price Index for goods produced in the United States for the preceding twelve (12) months. The parties agree that if the foregoing adjustments increase the Cost of any Products more than 150% from those in effect on the Effective Date, then Distributor shall have the right to terminate this Agreement upon notice to the Company without liability to any person.

(c) The Company agrees to charge to the Distributor and the Distributor agrees to pay to the Company in accordance with the terms of Article 3.2, for ancillary items not for sale, *i.e.*, point of sale advertising, "gift with purchase" and "purchase with purchase" *e.g.*, umbrellas, toiletry cases and hats, and other merchandising material (collectively "Promotional Items"), a purchase price equal to the actual manufacturing cost for the component parts, together with the actual costs of labor, warehousing and each such cost necessary to complete the finished product, plus ten percent (10%). In no event shall Promotional Items consist of, wholly or in part, fragrances, cosmetics or health and beauty aids.

(d) The Company covenants and agrees to produce two (2) special promotional Products during each Annual Period as may be reasonably requested by the Distributor, and each of the Company and the Distributor agrees to negotiate in good faith to arrive at a mutually agreeable price per each such item, which the Company agrees to charge and the Distributor agrees to pay in accordance with the terms of Article 3.2.

3.2 Payment for Products.

(a) For French produced Products ordered by the Distributor, the Distributor shall pay to the Company the Cost of the Products as determined in accordance with the terms of Article 3.1, in United States dollars, by delivery of an irrevocable letter of credit against release of the Products from United States Customs, in favor of, and from any U.S. banking institution or any other lender reasonably acceptable to, the Company, for the full amount of the purchase price for each shipment on the sixtieth (60th) day from the date the goods are released from United States Customs in Miami, Florida. The letter of credit for each shipment shall be in form and content reasonably satisfactory to the Company prior to shipment of the Products, and be opened prior to the time the Products are released from United States Customs.

(b) For United States produced Products ordered by the Distributor, the Distributor shall pay to the Company the Cost of the Products as determined in

accordance with the terms of Article 3.1, in United States dollars, by delivery of an irrevocable letter of credit when the Products are ready for shipment, in favor of, and from any U.S. banking institution or any other lender reasonably acceptable to, the Company, for the full amount of the purchase price for each shipment on the sixtieth (60th) day from the date the goods are delivered to the Distributor in Miami. The letter of credit for each shipment shall be in form and content satisfactory to the Company and opened prior to shipment of the Products.

(c) The failure of the Distributor to open one (1) or more letters of credit in accordance with the terms of this Article 3.2 shall constitute a material breach of the terms of this Agreement for which the Company shall, at its option, have the right to terminate this Agreement upon notice to the Distributor, subject to the opportunity to cure contemplated Article 8.2(a)(ii) hereof.

3.3 Risk of Loss. The Company shall bear the risk of loss for the Products shipped under this Agreement until the Products are either delivered F.O.B. Le Havre, Paris for French produced products, or delivered to the Distributor's Miami warehouse for Products produced in the United States, at which time the risk of loss shall pass to the Distributor.

3.4 No Liability for Failure to Deliver Products.

(a) In the event the Company is unable, despite reasonably diligent efforts, to obtain the raw materials or component parts in order to complete production of the Products listed on Schedule 3.1 (a) in quantities sufficient to fill the demands of the Distributor and to ship such Products to the Distributor within sixteen (16) weeks from the receipt of the purchase order therefor, then in such event, the Distributor acknowledges and agrees that the Company shall not be liable for the non-delivery of such Products. At its option the Distributor may either: (i) cancel such order or orders or (ii) accept the reduced shipment of such Products the Company can ship, and such order or orders shall be deemed to be amended to the quantity of such Products actually shipped. In either such event, the Cost of the Products listed on Schedule 3.1(a) that the Company was unable to ship to the Distributor shall be credited to the Minimum Purchase requirements as set forth in Article 8.2 hereof for the Annual Period in which such purchase order was received by the Company. The Company covenants and agrees to use its best efforts to manufacture and deliver a sufficient quantity of Products listed on Schedule 3.1(a) based upon quarterly projections of sales provided by the Distributor at least ninety (90) days in advance and to complete production and shipment of such Products in a timely manner.

(b) The Distributor shall give notice to the Company of the Promotional Items which the Distributor shall reasonably request the Company to manufacture, and within ten (10) days of the effective date of such notice, the Company shall notify the Distributor that either (i) it will manufacture the Promotional Items or (ii) as the

Distributor's sole recourse therefor, the Distributor can manufacture or have a third party manufacture such Promotional Items as a replacement for that which the Company cannot or will make delivery, subject to the consent of the Licensor, which consent shall not be unreasonably withheld. The failure of the Company to give notice to the Distributor within the aforementioned ten (10) day period, or actually manufacture such Promotional Items, shall be deemed as such consent to have the Promotional Items manufactured by or on behalf of the Distributor. In no event shall any Promotional Items manufactured by or on behalf of the Distributor pursuant to this Section 3.4(b) consist of, wholly or in part, fragrances, cosmetics or health and beauty aids.

3.5 Force Majeure.

(a) If the performance of any part of this Agreement by the Company is prevented, hindered, or delayed or otherwise made impracticable by reason of any strike, flood, riot, fire, explosion, war or any other casualty or cause beyond the control of the Company, and which cannot be overcome by reasonable diligence and without unusual expense, the Company shall be excused from such performance to the extent that it is necessarily prevented, hindered or delayed thereby, during the continuance of any such happening or event and for so long as such event shall continue to prevent, hinder or delay such performance. This Agreement shall be deemed suspended so long as and to the extent that any such cause shall operate to prevent, hinder or delay the performance by the Company of its obligations.

(b) If the performance of any part of this Agreement by the Distributor is prevented, hindered, or delayed or otherwise made impracticable by reason of any strike, flood, riot, fire, explosion, war or any other casualty or cause beyond the control of the Distributor, and which cannot be overcome by reasonable diligence and without unusual expense, the Distributor shall be excused from such performance to the extent that it is necessarily prevented, hindered or delayed thereby, during the continuance of any such happening or event and for so long as such event shall continue to prevent, hinder or delay such performance. This Agreement shall be deemed suspended so long as and to the extent that any such cause shall operate to prevent, hinder or delay the performance by the Distributor of its obligations.

(c) Upon the occurrence of any such event, either the Company or the Distributor, as the case may be, shall, as soon as reasonably practicable thereafter, notify the other party of the nature and extent of any such force majeure condition referred to in the preceding subparagraph and advise the other party of the nature and extent thereof.

3.6 Permits. The Distributor shall be responsible, at its sole expense, for compliance with laws and regulations (including obtaining and maintaining all

necessary permits and approvals) relating to the importation of Products into, and distribution, marketing and sale of the Products within, the Territory.

3.7 **Taxes.** Each party shall be responsible for any taxes levied upon it in connection with the execution of this Agreement and the performance of its obligations hereunder.

ARTICLE IV INDEMNIFICATION; INSURANCE

4.1 **By the Distributor.** The Distributor hereby agrees to indemnify and hold harmless the Company, and its Affiliates, officers and directors from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject whether as a result of any third party claim or otherwise (including any action, suit or proceeding among the Company, the Distributor and any indemnified person, whether on account of this contract or otherwise), and to reimburse each such person so indemnified for any legal fees, costs and expenses (including the cost of any investigation and preparation) reasonably incurred by them or any of them in connection with any claim or litigation, whether or not resulting in any liability insofar as such losses, claims, damages, liabilities, or litigation arises out of or are based upon any breach of warranty or representation of the Distributor or the failure by the Distributor to fulfill any covenant, or agreement contained herein.

4.2 **By the Company.** The Company hereby agrees to indemnify and hold harmless the Distributor, and its affiliated corporations, and each of their several officers and directors from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject whether as a result of any third party claim or otherwise (including any action, suit or proceeding among the Company and the Distributor and any indemnified person, whether on account of this contract or otherwise), and to reimburse each such person so indemnified for any legal fees, costs and expenses (including the cost of any investigation and preparation) reasonably incurred by them or any of them in connection with any claim or litigation, whether or not resulting in any liability insofar as such losses, claims, damages, liabilities, or litigation arises out of or are based upon (i) any breach of warranty or representation of the Company or Jean Philippe (ii) the failure by the Company or Jean Philippe to fulfill any covenant or agreement contained herein or (iii) the defective condition, design or safety of any Product or any product liability claims related to the Products, or (iv) any claims alleging that the Products or Distributor's use of the Trademark as contemplated hereby conflicts with or infringes upon a third party's trademark or other intellectual property rights, or (v) any claim that the Distributor failed to "act against importers and exporters" as set forth in Article 5 of the Protocol among the Licensor, the Company and the Distributor pertaining to the Ombre Rose trademark for the United States.

4.3 Notice of and Defense Against Claims. Promptly after receipt by an indemnified party under Article 4.1 or Article 4.2 above of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party, send notice of the commencement thereof to the indemnifying party; but the omission to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under this section. In case any such action shall be brought against any indemnified party, and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in, and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under Article 4.1 for any legal fees, costs, or expenses subsequently incurred after the date such notice is given by such indemnified party in connection with the defense thereof for other than reasonable costs of investigation. No indemnifying party shall be liable for any settlement of any claim or action pursuant to this Article 4 effected without the prior written consent of such indemnifying party; provided, however, that if the indemnifying party does not consent to a settlement, the indemnified party may nevertheless settle, unless the indemnifying party secured the indemnified party against loss to the indemnified party's reasonable satisfaction.

4.4 Insurance. The Company covenants and agrees with the Distributor to maintain a vendor broad form product liability insurance policy in the face amount of not less than U.S.\$1,000,000.00 naming the Distributor as an additional insured on such policy throughout the Term of this Agreement. The Distributor covenants and agrees with the Company to maintain an occurrence based product liability insurance policy in the face amount of not less than U.S.\$1,000,000.00 throughout the Term of this Agreement.

ARTICLE V- TRADEMARKS

5.1 Trademarks. The Distributor has been advised by the Company that on the Effective Date it will become the owner in the United States of the trademark for Ombre Rose (the "Trademark"); and acknowledges that such ownership is solely for the purpose of recording the Trademark with United States Customs to prevent unauthorized importation of Products into the Territory ("Customs Recordation"). The form of the assignment of the United States rights for the Trademark from the Licensor to the Distributor is annexed hereto as Exhibit 5.1. Further, the Distributor acknowledges that neither the ownership of the Trademark in the United States, the Customs Recordation, nor any other provision of this Agreement shall prevent, deemed to prevent or interpreted to prevent the creation, production or manufacture of the Products in the United States by or on behalf of the Company. The Company understands and agrees that, during the term of this Agreement, Distributor shall be entitled to register such assignment of the Trademark with the United States Patent

and Trademark Office. The Company agrees to use its best efforts to have the Licensor assign all other trademarks for new products as the new products are first produced under the New License to the Distributor solely for Customs Recordation.

5.2 Customs Recordation; Cancellation and Assignment.

(a) The Company has advised the Distributor that the Licensor agrees to permit the Customs Recordation and the registration of the Trademark with the United States Patent and Trademark Office. The parties hereto agree that the Customs Recordation is for the benefit of the Distributor, and therefore, it shall be at the sole expense of the Distributor.

(b) Simultaneously with the execution and delivery of this Agreement, the Distributor shall execute and deliver to the law firm of Kirschstein, Ottinger, Israel & Schiffmiller, P.C. ("Escrow Agent"), to be held in escrow pursuant to the terms hereof, an assignment back to the Licensor of the United States Trademark in the form annexed hereto as Exhibit 5.2 (the "Reverse Assignment"), to be filed by the Escrow Agent on behalf of the Licensor and/or the Company solely upon termination of this Agreement or in the event this Agreement does not close. In furtherance thereof, the Distributor hereby severally grants to the Escrow Agent, the irrevocable authority to perform such acts and to execute, deliver and file such additional instruments and documents as may be necessary to make the Reverse Assignment effective upon termination of, or failure to close, this Agreement, or as shortly thereafter as practicable.

(c) Prior to the filing of the Customs Recordation, the Distributor shall execute and deliver to Escrow Agent an irrevocable cancellation of the Customs Recordation (the "Customs Recordation Cancellation"), to be filed by or on behalf of the Licensor and/or the Company solely upon termination of this Agreement. In furtherance thereof, the Distributor hereby severally grants to each of the Licensor, the Company and Escrow Agent the irrevocable authority to perform such acts and to execute, deliver and file such additional instruments and documents as may be necessary to make such withdrawal effective upon termination of this Agreement.

(d) For the express purpose of preventing unauthorized importation of Products into the Territory prior to the Customs Recordation, the Company covenants and agrees with the Distributor that until the completion of the Customs Recordation (the "Restricted Sales Period"), any and all sales by the Company of one (1) ounce and three (3) ounce Ombre Rose eau de cologne shall be subject to the consent of the Distributor, which consent shall not be unreasonably withheld or delayed. In furtherance of the foregoing, it is the intent of the parties hereto that consent shall only be denied when the Distributor has a *bona fide* belief that the potential purchaser intends to divert such eau de cologne into the Territory. In connection with the

foregoing, the Company covenants and agrees to provide to the Distributor by telecopier with a copy of each purchase order within the Restricted Sales Period, and the Distributor shall have seventy-two (72) hours from the receipt of the telecopy to give or deny its consent by return telecopy. The failure to give or deny consent within such seventy-two (72) hour period shall be deemed to be consent to such sale, and once consent shall have been or deemed to have been given, it shall not be withdrawn.

5.3 Negative Covenants. The Distributor covenants and agrees with the Company that the Distributor and its Affiliates shall not

(a) permit the Trademark to suffer any liens, pledges, charges, security interests, encumbrances, title retention agreements, options, equities or restrictions of any kind whatsoever other than those arising by or through the Company, the Licensor or any of their respective affiliates;

(b) assign, transfer, license, sublicense or convey any interest in the Trademark, except to the Licensor as hereinabove provided in Article 5.2;

(c) amend, modify, alter or change in any manner whatsoever, the Trademark;

(d) combine in any manner the Trademark with any other trademark;

(e) register the Trademark in any other country;

(f) permit any stockholder, officer, director or employee of the Distributor or any Affiliate to own or otherwise acquire any interest in Trademark;

(g) create, produce or manufacture, or permit any third party to create, produce or manufacture any Products; and

(h) charge or receive any payment for any royalties or similar consideration for the Trademark or any interest therein.

5.4 Escrow Provisions. Notwithstanding the execution and delivery of a Protocol among the Licensor, the Company and the Distributor pertaining to the Ombre Rose trademark for the United States, each of the Company and the Distributor hereby designate the Escrow Agent to act on their behalf under and pursuant to the terms and conditions contained herein.

(a) Upon the Effective Date, the Distributor shall deliver the Reverse Assignment to Escrow Agent, and covenants and agrees to execute and deliver the Customs Registration Cancellation to Escrow Agent prior to the filing of the Customs Recordation, which Escrow Agent shall hold under and pursuant to the terms and

conditions contained herein. The Reverse Assignment and the Customs Recordation Cancellation are sometimes collectively referred to as the Escrowed Property.

(b) On the tenth business day after notice has been given by the Company to the Escrow Agent and the Distributor that this Agreement has been terminated, and provided that the Distributor does not deliver to the Escrow Agent on objection to such contemplated release, Escrow Agent shall release the Escrowed Property from escrow and deliver same to the Company:

(c) In the event that the Distributor delivers on objection pursuant to Section 5.4(b) or other conflicting or adverse claims or demands are made or notices served upon Escrow Agent with respect to the Escrowed Property, then in such event, Escrow Agent shall promptly commence an interpleader action or proceeding and interplead all interested parties in any such action or proceeding in a court of competent jurisdiction, and deposit the Escrowed Property with the clerk of such court.

(d) Upon delivery of all of the Escrowed Property as previously provided in this Article 5.4(b) or the delivery or deposit thereof with the clerk of the court, all as specified in Article 5.4(c) hereof, all obligations of Escrow Agent shall thereupon cease, and Escrow Agent shall be released from any and all liability directly or indirectly relating to this Agreement or the administration of the Escrowed Property without any further action on behalf of any party hereto.

(e) Each of the Company and the Distributor hereby agrees to do such further acts and things and to execute and deliver such statements, assignments, agreements, instruments and other documents as Escrow Agent from time to time may reasonably request in connection with the administration, maintenance, enforcement or adjudication of the Escrowed Property.

(f) Each of the Company and the Distributor severally agree to pay all costs and expenses incurred by Escrow Agent in connection with any conflicting or adverse claim, demand or notice [including attorneys' fees (presently \$265-\$285 per hour) and expenses of itself or other attorneys it may retain, if any], unless the acts and omissions of the Escrow Agent arising out of or relating directly or indirectly to the terms of this Article 5.4 or the Escrowed Property amount to gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

(g) Escrow Agent shall be entitled to rely upon any notice, consent, certificate, affidavit, statement, paper, document, writing or other communication (which unless otherwise provided herein, may be by telegram, telex, telecopier or telephone) reasonably believed by it to be genuine and to have been signed, sent or made by the proper person or persons, and upon opinions and advice or legal counsel (including itself or counsel for any party hereto), independent public accountants and other experts selected by Escrow Agent.

(b) Escrow Agent is acting under this Agreement as a stakeholder only and shall be considered an independent contractor with respect to each of the Company and the Distributor. No other term or provision of this Agreement is intended to create, nor shall any such term or provision be deemed to have created, any principal-agent, trust, joint venture, partnership, debtor-creditor or attorney-client relationship between or among Escrow Agent and either the Company or the Distributor. This Agreement shall not be deemed to prohibit or in any way restrict Escrow Agent's representation of the Company, which may be advised by Escrow Agent on any and all matters pertaining to the terms of this Article 5.4 and the Escrowed Property. To the extent the Company or its Affiliates are or have been represented by Escrow Agent, the Company, on behalf of itself and its Affiliates, hereby waives any conflict of interest and irrevocably authorizes and directs Escrow Agent to carry out the terms and provisions of this Article 5.4 fairly as to all parties, without regard to any such representation and irrespective of the impact upon the Company and its Affiliates.

(i) Escrow Agent and its directors, officers, employees and attorneys shall not incur any liability (other than for a person's acts or omissions amounting to gross negligence or willful misconduct) as finally determined by a court of competent jurisdiction for other acts and omissions arising out of or relating directly or indirectly to the terms of this Article 5.4 or the Escrowed Property; and each of the Company and the Distributor hereby expressly waives and releases any and all claims and actions (other than those attributable to a person's own acts or omissions amounting to gross negligence or willful misconduct) as finally determined by a court of competent jurisdiction against Escrow Agent, its directors, officers, employees, and attorneys, arising out of or relating directly or indirectly to any or all of the foregoing acts, omissions and circumstances.

(j) Escrow Agent and its directors, officers, employees and attorneys shall be indemnified, reimbursed and held harmless by the Company and the Distributor, severally, from and against any and all claims, liabilities, losses and expenses (including, without limitation, the disbursements, expenses and fees of itself or its attorneys) that may be imposed upon, incurred by or asserted against any of them, arising out of or related directly or indirectly to the terms of this Article 5.4 or the Escrowed Property, except such as are occasioned by the indemnified person's negligence or willful misconduct as finally determined by a court of competent jurisdiction.

5.5 Infringements. The Distributor shall cooperate with the Company, at the Company's expense, in stopping infringements of the Trademark in the Territory, but solely the Company shall have the right to prosecute such infringements of the Trademark, unless otherwise agreed in writing by both parties. To this end, each party hereto covenants and agrees with the other party, that each shall promptly inform the other party of each such Trademark infringement by third parties in the

Territory, which comes to its knowledge. As between the Company and the Distributor, any and all revenues stemming from such actions to recover for infringements within the Territory shall be divided equally between the Distributor and the Company, after reimbursement of bona fide expenses incurred in connection with the prosecution of such actions. Any and all revenues stemming from such actions to recover for infringements outside of the Territory shall be the exclusive property of the Company.

ARTICLE VI WARRANTIES AND REPRESENTATIONS OF DISTRIBUTOR

6.1 Warranties and Representations of the Distributor. The Distributor hereby warrants and represents to the Company as follows:

(a) The Distributor is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida.

(b) The execution, delivery and performance of the transactions contemplated by this Agreement by the Distributor has been duly authorized by the Board of Directors of Distributor, and will not contravene any provisions of law, or an order of any court or other agency of government or of its respective Certificate of Incorporation or By-laws.

(c) This Agreement constitutes the legal, valid and binding obligation of Distributor enforceable against the Distributor in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or court decisions with respect thereto and the availability of equitable remedies.

(d) No consent of any person or governmental authority is necessary for the consummation of the transactions described herein on behalf of the Distributor including, without limitation, consents from parties to loans, contracts, leases or other agreements and consents from any governmental agencies, whether federal, state or local.

ARTICLE VII WARRANTIES AND REPRESENTATIONS OF COMPANY

7.1 Warranties and Representations of the Company and Jean Philippe. The Company and Jean Philippe hereby warrant and represent to the Distributor as follows:

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the France. Jean Philippe is a corporation duly organized, validly existing and in good standing under the laws of Delaware.

(b) The execution, delivery and performance of the transactions contemplated by this Agreement by Company and Jean Philippe has been duly authorized by the Board of Directors of Company and Jean Philippe, and will not contravene any provisions of law, or an order of any court or other agency of government or of its Certificate of Incorporation or By-laws, or French equivalent.

(c) This Agreement constitutes the legal, valid and binding obligation of Company and Jean Philippe enforceable against each of the company and Jean Philippe, in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or court decisions with respect thereto and the availability of equitable remedies.

(d) No consent of any person or governmental authority is necessary for the consummation of the transactions described herein on behalf of Company or Jean Philippe, including, without limitation, consents from parties to loans, contracts, leases or other agreements and consents from any governmental agencies, whether federal, state or local.

(e) The consolidated financial statements of Jean Philippe included in its filings with the Securities and Exchange Commission since January 1, 1990 present fairly in all material respects its financial condition and results of operation as of and for the indicated dates and periods.

ARTICLE VIII TERM AND TERMINATION

8.1 Term. The Term hereof shall commence on the Effective Date and shall continue until, except as set forth in Article 2.7, the later to occur of December 31, 2003 and the termination date of the New License, unless sooner terminated as hereinafter provided.

8.2 Termination.

(a) Without prejudice to any other rights the Company may have, including but not limited to an action to recover damages, the Company may terminate this Agreement, without liability, at any time upon notice to the Distributor, as follows:

(i) subject to Article 8.2(b), if the Distributor fails to purchase the following minimum purchases of Product from the Company (each a "Minimum Purchase") during any Annual Period, as follows: (I) Products with a Cost of not less than \$700,000 during the first Annual Period; (II) Products with a Cost of not less than \$1,500,000 during the second Annual Period; or (III) commencing with the third Annual Period and continuing through the Seventh Annual Period of this Agreement, Products with a Cost of not less than the Minimum Purchase requirement for the immediately preceding Annual Period together with an additional five percent (5%) of the Minimum Purchase requirement for the immediately preceding Annual Period (it being understood and agreed that the Minimum Purchase requirement for the Seventh Annual Period and thereafter shall be \$1,914,422); or

(ii) if the Distributor has failed to (A) fulfill any covenant or agreement on its part to be fulfilled, or (B) cure a breach of this Agreement, in each case within forty (45) days after the effective date of such notice from the Company.

(b) No purchases of Product for any Annual Period in excess of the Minimum Purchase requirement for the same Annual Period shall be credited against any Minimum Purchase requirement for any other Annual Period, except to the extent

(i) for the third, fourth and fifth Annual Periods of this Agreement, of (I) purchases of Product made within the first three (3) months immediately following the end of an Annual Period within which there is as shortfall, or (II) purchases of Product made within the last three (3) months of an Annual Period, which may be credited against a shortfall in the immediately following Annual Period; and

(ii) for each Annual Period subsequent to the fifth (5th) Annual Period of this Agreement, of (I) purchases of Product made within the first six (6) months immediately following the end of an Annual Period within which there is as shortfall, or (II) purchases of Product made within the last six (6) months of an Annual Period, which may be credited against a shortfall in the immediately following Annual Period.

(c) During the term of this Agreement, if the Company gives notice to the Distributor of termination for a material breach, or gives notice of default for one or more material breaches on more than two (2) occasions in any one Annual Period, upon the third such notice in the same Annual Period, the Distributor shall no longer have the right to remedy the material breach and termination shall be effective upon the effective time of such notice.

(d) If the Distributor is adjudicated a bankrupt, or if a petition in bankruptcy is filed against the Distributor, or if the Distributor makes any assignment for the benefit of its creditors, or if the Distributor commits any act of bankruptcy or

takes the benefit of any insolvency law, or if the distributor defaults on any obligation of not less than \$250,000 which is secured by a security interest in whole or in part secured by the Products which is not cured within sixty (60) days, or if a receiver is appointed for the Distributor or substantially all of its assets or business, then this Agreement shall automatically terminate as of the earliest date on which any of the above events occurred without prejudice to any other rights which the Company may have.

(e) Notwithstanding anything herein to the contrary, Distributor shall have the right to sell all Products on hand in its inventory (finished goods, work-in-progress and component parts) for a period of six months from any termination of this Agreement; and shall have a right of first refusal to purchase the existing Product inventory (finished goods, work-in-progress and component parts) of the Company on the same terms as any bona fide third party offer after the New License is terminated.

(f) Promotional Items shall not be included in the calculation of the Minimum Purchase requirements.

ARTICLE IX-MISCELLANEOUS

9.1 Cumulative Rights. The rights and remedies granted in this Agreement are cumulative and not exclusive, and are in addition to any and all other rights and remedies granted and permitted under and pursuant to law.

9.2 No Waiver. The failure of any of the parties hereto to enforce any provision hereof on any occasion shall not be deemed to be a waiver of any preceding or succeeding breach of such provision or any other provision.

9.3 Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto and no amendment, modification or waiver of any provision herein shall be effective unless in writing, executed by the party charged therewith.

9.4 Governing Law; Consent to Service of Process. This Agreement shall be construed, interpreted and enforced in accordance with and shall be governed by the laws of the state of New York without regard to the principles of conflicts of laws. Each party hereto hereby irrevocably consents to the exclusive jurisdiction and venue of the courts of the state of New York with regard to any and all actions or proceedings arising out of, or relating to, this Agreement, and agrees that service of process may be made in the manner for providing notice, as specified in Article 9.7 hereof.

9.5 Assignment. This Agreement may not be assigned by the parties hereto, and any attempted assignment hereof shall be void and of no effect. Notwithstanding

the foregoing, nothing in this Agreement shall be deemed to prohibit an assignment by operation of law for a merger, consolidation or sale of the capital stock of the Distributor.

9.6 Article Headings. The article headings herein have been inserted for convenience of reference only, and shall in no way modify or restrict any of the terms or provisions hereof.

9.7 Notices.

(a) Any notice or other communication under the provisions of this Agreement shall be in writing, and if directed from the continental United States to a party in the continental United States, shall be given by postage prepaid, registered or certified mail, return receipt requested, or by hand delivery with an acknowledgement copy requested, or by the Express Mail service offered by the United States Post Office or other reputable overnight delivery service; if directed from the continental United States, then solely by the Express Mail service offered by the United States Post Office or other reputable overnight delivery service; if directed from France, then solely by a reputable overnight delivery service; all to be directed to the addresses set forth above, or to any new address of which any party hereto shall have informed the others by the giving of notice in the manner provided herein or, in the case of notices to the Company, c/o Jean Philippe. Such notice or communication shall be effective, if sent by mail, three (3) days after it is mailed within the continental United States, if directed in the United States; if sent by Express Mail or other reputable overnight delivery service, one (1) day after it is mailed if not directed overseas, or two (2) days after if directed overseas; or by hand delivery, upon receipt.

(b) Notices to Escrow Agent shall be sent to: Kirschstein, Ottinger, Israel & Schiffmiller, P.C., 551 Fifth Avenue, New York, New York 10176-0024, att.: Martin W. Schiffmiller, Esq., or to such other address as to which Escrow Agent shall provide notice.

9.8 Unenforceability; Severability. If any provision of this Agreement is found to be void or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement, shall, nevertheless, be binding upon the parties with the same force and effect as though the unenforceable part had been severed and deleted.

9.9 No Third Party Rights. The representations, warranties and other terms and provisions of this Agreement are for the exclusive benefit of the parties hereto, and no other person shall have any right or claim against any party by reason of any of those terms and provisions or be entitled to enforce any of those terms and provisions against any party.

9.10 Counterparts. This Agreement may be executed in counterparts, all of which shall be deemed to be duplicate originals.

9.11 Guarantee of Jean Philippe. Jean Philippe hereby guarantees the prompt performance of any and all of the obligations of the Company under this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Jean Philippe shall have no liability as the result of its guarantee obligations hereunder if

(a) in respect of the New License, a court of competent jurisdiction finally determines that the termination of the New License was not caused as the result of a material breach on the part of the Company, whether in the proceeding between the Licensor and the Company, or in a separate declaratory judgment action; or

(b) Jean Philippe and its Affiliates are no longer controlling shareholders of the Company.

9.12 Attorneys' Fees; Frivolous Suits.

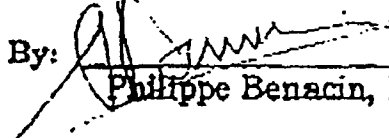
(a) In the event that litigation or arbitration should arise with respect to this Agreement or any portion thereof, then, in such event, the party which prevails in such litigation or arbitration shall be entitled to receive from the losing party, and such losing party agrees to pay to the prevailing party, reasonable attorneys' fees together with such other reasonable costs and expenses incurred by the prevailing party in such litigation or arbitration.

(b) In the event that the Distributor or any of its Affiliates should commence an action, suit or proceeding with respect to this Agreement or any portion thereof, or make any claim against the Company and/or Jean Philippe in any such action, suit or proceeding, and the court, arbitrator or panel of arbitrators, as may be the case, should find that such action, suit, proceeding or claim on behalf of the Distributor or its Affiliates was frivolous, or brought in bad faith, then, in either such event, the Distributor consents to the entry of judgment against it in the amount of three hundred percent of the actual costs and expenses, including reasonable attorneys' fees and expenses referred to in Article 9.12(a) hereof, incurred by the Company and Jean Philippe in connection with the actions of the Distributor and/or any of their Affiliates.

EOM

IN WITNESS WHEREOF, the parties hereto have executed this instrument the date first above written.

Inter Harfuns, S.A.

By:  Philippe Benacin, President

Jean Philippe Fragrances, Inc.

By: _____
Jean Madar, President

Fragrance Marketing Group, Inc.

By:  Rene Garcia, President

Solely as to the provisions of Article 5.4:

KIRSCHSTEIN, OTTINGER, ISRAEL
& SCHIFFMILLER, P.C.

By: _____
Martin W. Schiffmiller, Esq.

EXHIBIT 5.1

AGREEMENT

CLF

Between the following companies :

- JEAN-CHARLES BROSSEAU LICENCES S.A., a company existing and organized under the Laws of FRANCE, with a Registered capital of 250 000 FF incorporated at the Companies Register of PARIS under the number 065200362 and with a place of business in PARIS, 75007, 26 rue de l'Université hereby represented by Mr Jean-C. Brosseau its President electing domicile at the said company, hereinbelow called "JCB" on the one hand

AND


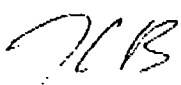
- FRAGRANCE MARKETING GROUP inc, a company existing and organized under the Laws of the UNITED STATES with a Registered capital of _____, incorporated in the State of FLORIDA and with a place of business in Miami, State of FLORIDA (33126) - 1775 NW 12th Street hereby represented by Mr Rene Garcia, its President, electing domicile at the said company, hereinbelow called "FMG" on the other hand

in the presence of :

- INTER PARFUMS SA, a company existing and organized under the Laws of FRANCE, with a Registered capital of 12 835 000.00 FF incorporated at the Companies Register of PARIS, under N° 325 951 937, with a place of business in PARIS, 75008, 90 rue de Miromesnil hereby represented by Mr Philippe Demain its President, electing domicile at the said company, hereinbelow called "INTER PARFUMS"

WHEREAS

- 1/ By Agreement of May 7 th, 1993, JCB and Mr Jean-Charles BROSSEAU himself, have granted to INTER PARFUMS, an exclusive worldwide license to use the trademarks applications and/or registrations in the name of JCB, and namely an exclusive license to use the trademark "OMBRE ROSE" filed in the U.S.A. on November 13th, 1981 under N° 377 088 and registered under N° 1 242 507, which protects and designates the following goods "perfumery" (class 3 of the International classification of goods and services).
- 2/ INTER PARFUMS, exclusive licensee, as hereabove mentioned in paragraph 1, has concluded with FMG on July 16, 1993 an exclusive distributorship agreement by virtue of which within the duration of the exclusive license agreement hereabove mentioned in paragraph 1, INTER PARFUMS grants to FMG the exclusive right to distribute on the territory of the UNITED STATES the goods subject to the license and namely the goods marketed under the trademark "OMBRE ROSE".

A photocopy of the aforesaid agreement is herewith enclosed in Annex I and is part and parcel of this Agreement.

- 3/ FMG has wished to be able to act against any parallel imports of goods which bear the trademark "OMBRE ROSE", and JCB has agreed that FMG eventually proceeds accordingly, taken into consideration the American Law and namely subpart C 133.21 of the Code of Federal Regulations.

NOW IT IS HEREBY AGREED AS FOLLOWS

ARTICLE 1


- 1/ JCB hereby sells, transfers and assigns to FMG which accepts, in consideration of the sum of one symbolical dollar (1,00 US\$) the entire right, title and interest in and to the trademark "OMBRE ROSE" filed in the U.S.A. and herewith identified in paragraph 1 of the Preamble.
- 2/ JCB hereby grants to FMG which accepts, any right to recover for past infringement unprescribed on the date of this Agreement.

ARTICLE 2

However, as by a mutual agreement between the parties hereto, the assignment hereabove mentioned in ARTICLE 1 occurs specifically in order that FMG could react against parallel imports as hereabove exposed in paragraph 3 of the Preamble, the assignment is subordinated to the enforcement of the exclusive license agreement hereabove mentioned in paragraph 1 of the Preamble, and of the exclusive distributorship agreement hereabove mentioned in paragraph 2 of the Preamble, so that in case one or the other agreement would be terminated for any reason, FMG would retrocede to JCB the trademark hereabove designated in ARTICLE 1.

ARTICLE 3

- 1/ Consequently, taken into consideration the terms and particular conditions of this Assignment, the parties hereto mutually agree that this agreement will not be submitted to the American Trademark Office for the purpose of the recordal of the Assignment (or eventually the retrocession) of the trademark hereabove mentioned in ARTICLE 1.
- 2/ That is the reason why, on the one hand, JCB executes this day, for the benefit of FMG, the simplified trademark assignment act hereinbelow called "Assignment Deed", a copy of which is herewith enclosed in Annex II and is part and parcel of this Agreement, which will be the sole and unique document that FMG will submit to the American Trademark Office for the recordal of the assignment for its benefit, of the trademark "OMBRE ROSE" hereabove mentioned in ARTICLE 1
- 3/ That is the reason why, on the other hand, FMG hereby already irrevocably undertakes to execute for the benefit of JCB, his successors or assigns, the trademark retrocession document hereinbelow called "Assignment Deed", the text of which is herewith enclosed in Annex III, either immediately after the termination or the



cancellation of the distributorship agreement or of the license agreement hereabove mentioned in paragraphs 1 and 2 of the Preamble, or after the first request from JCB, its successors or assigns in case this retrocession would be necessary.

ARTICLE 4

FMG will be responsible at its own expenses of the application for recordal of the assignment for its benefit of the trademark "OMBRE ROSE" subject to the present Agreement.

It will justify of the reality of the said recordal to JCB by sending to the latter within eight (8) days of the said recordal, a photocopy of the official notice of recordal.

ARTICLE 5

FMG will be also responsible at its own expenses, for the registration of the trademark subject to the present Agreement, near American Customs Offices in order to be able to be notified the parallel imports entering on the american territory, and to act against importers and exporters of the said products.

FMG will justify of the reality of this recordal near the said customs offices within the same conditions as stated hereabove in ARTICLE 4, lit.2.

ARTICLE 6

In case FMG would be brought to act against importers and exporters of products bearing the trademark "OMBRE ROSE" subject to the present Agreement, it will previously inform JCB which, in case of need, would bring to FMG its assistance and the case may be, the assistance of its attorneys.

All the actions brought by FMG in the scope of the present Agreement, will be brought at its own expenses and benefits.

FMG furthermore, hereby undertakes to regularly and fully inform JCB of the progress of the actions brought and of the final results of the said actions.

ARTICLE 7

The provisions of ARTICLE 6 hereabove will also be applicable to FMG in case the latter would be brought to act against infringers of the trademark subject to the present Agreement.

ARTICLE 8

The administrative formalities of applying for the recordal of the retrocession to JCB, according to ARTICLE 3, lit.3 hereabove, of the trademark subject to the present Agreement, will be supported by JCB, at its own expenses.

JCB

In case the retrocession hereabove mentioned in lit. 1 would occur, FMG would, at its own expenses, notify the termination of its distributorship agreement and would consequently cancel the american trademark registration subject to the present Agreement, from the lists of the american customs and would account for the said cancellation to JCB within the same conditions as those stated by ARTICLE 4, lit. 2 hereabove.

ARTICLE 9

The french Law is applicable to the present agreement.

ARTICLE 10

Any dispute arising between the parties from the interpretation and/or from the execution of the present Agreement, will be, for lack of amicable settlement within the month following its birth, submitted by the most diligent party to the Tribunal de Grande Instance of PARIS.

ARTICLE 11

The present Agreement is executed by mutual agreement between the parties, in 2 (two) counterparts in french and 2 (two) counterparts in english.

The two texts in french and the two texts in english shall be binding upon the parties.

ARTICLE 12

Any notification which would be made by one of the parties or the other, by virtue of the present agreement, will be made by registered air mail to the head offices of the parties where they elect domicile for the purpose of this agreement, it being understood that any modification of the address of the head offices of the parties will be notified within the conditions of this article.

ARTICLE 13

The company INTER PARFUMS intervening this moment to the present Agreement, declares that it has made self acquainted with the whole terms and conditions of the said agreement and declares that it has no objection to them.

In four (4) copies.:

Executed in *Paris*
On *July 7th, 1993*

Executed in
On

[Handwritten signature]

[Handwritten mark]

Jean-Charles BROUSSEAU
LICENCES

FRAGRANCE MARKETING GROUP
INC

Jean-Charles Brousseau
Mr Jean-Charles BROUSSEAU

Mr T. J. ...

Executed in M. ...

On July 10 1973

INTER PARFUMS S.A.

Philippe ...

Mr

Philippe ...

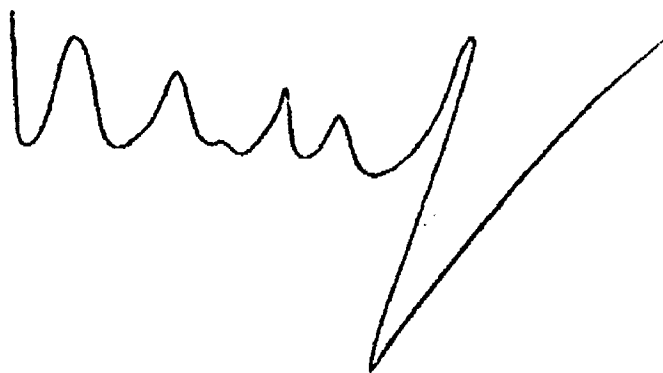
I hereby certify :

- that I am fully conversant with the French and English languages;
- that this is, to the best of my knowledge, an accurate translation of the corresponding French Court decision.

Done at Paris, on 12 March 2004

Signed by

Charles de HAAS
Avocat à la Cour
GILBEY de HAAS
Paris, France

A handwritten signature in black ink, consisting of several loops and a long, sweeping tail that extends downwards and to the right.

COURT OF APPEAL OF PARIS**4th Chamber, Section B**

Judgment of 23 February 2001

Order number in the general register: 1999/20128

The appeal is raised against a decision delivered on 27/09/1999 by the Tribunal de Commerce of Paris (Commercial court), 6ch, RG n°: 1998/57867

Closing order date: 21 December 2000

Type of judgment: after hearing both parties (contradictory)

Judgment: confirmation + expertise

APPELANT:**S.A INTER PARFUMS**

Instituted proceedings through its duly empowered legal representatives whose head office is located at 4, Rond Point des Champs-Elysées
75008 Paris

Represented by SCP AUTIER, *avoué* (barrister)

Assisted by SCP Baker MC KENZIE, Attorneys, pleading attorney Maître Jean-Dominique
TOURAILLE, attorney at the Bar of Paris

DEFENDANT**SA. JEAN CHARLES BROUSSEAU LICENCES**

Instituted proceedings through its duly empowered legal representatives whose head office is located at 129, avenue Daumesnil
75012 Paris

Represented by SCP TEYTAUD, *avoué* (barrister)

Assisted by Cabinet FOUCAUD, Toque P010, Attorneys at law, pleading attorney Maître
Antoine GAUTIER SAUVIGNAC, attorney at the Bar of Paris

THE COURT COMPRISES:**During the trial:**

As the parties' counsels agreed, the matter has been upheld by Madame REGNEZ pursuant to Article 786 of the New Code of Civil Procedure, judge in charge of the report of this matter and who has explained it to the Court.

During the deliberation

President: Monsieur BOVAL
Counsel: Madame MANDEL
Counsel: Madame REGNIEZ

PLEADINGS

Public hearings of 21 December 2000

CLERK OF COURT**During the pleadings and the pronouncement of the judgment**

L. MALTERRE PAYARD

JUDGMENT

Pronounced publicly by Madame REGNIEZ, Counsel, who signed the *minute* instead of the President, the latter being detained.

The company INTER PARFUMS's business is the fabrication and the distribution of cosmetics and perfumery by using different trademarks under license.

Mr Jean-Charles BROSSEAU, hats designer has launched a new range of perfume known as "OMBRE ROSE" and has launched later a new line under the denomination "OMBRE BLEUE" through the company Jean-Charles BROSSEAU Licenses (here-after company BROSSEAU); owner of corresponding trademarks.

Mr. BROSSEAU and the company BROSSEAU agreed to allow a license to the company ALFIN, concerning the right to use the trademarks and designs, by license agreement entered into as of 21 October 1982. A dispute has risen between the both parties. It was settled amicably, after the Company INTER PARFUMS, new licensee of the trademarks, had paid the sum of 1 800 000 USD to the company ALFIN.

By an agreement of 7 May 1993, Mr BRODDEAU and the company BROSSEAU have granted to INTER PARFUMS the right to create, use and distribute the goods of the trademark Jean Charles BROSSEAU (as determined in Article 1) worldwide (Article 4) for a period of 10 years from the date of the signature (Article 6) It was specified that the licensee

will launch a new range of goods "OMBRE BLEUE" "with a new presentation" and that INTER PARFUMS will be given the license to use any design and/or trademark that will be registered by Jean-Charles BROSSEAU in the future. The royalty fees were fixed in Article 12 on the basis of varying percentage which is a function of the turnover and the products together with the payment of a guaranteed minimum as provided in Article 12.

Regarding advertising and sales promotion, it was specified in Article 7 that the licensee is obliged use all his efforts to ensure the advertising and the promotion of sales in order to launch the goods and ensure their improvement and that the licensee is also obliged to give 12 % of the net sales in this regard, taking into account that 12% of the sales have to be given by the distributors. It was also provided in the agreement a termination clause under the conditions fixed in Article 14.

A new product was launched under the name "OMBRE D'OR". The parties have signed an supplemental agreement on 10 July 1996 in order to avoid a dispute about the date of the beginning of the exploitation of the line "OMBRE BLEUE" and the new line "OMBRE D'OR", as well about the related royalties.

Arguing the breach of the agreement stipulations related to the advertising and promotion expenses, the company BROSSEAU and Mr. Jean-Charles BROSSEAU have taken legal action against INTER PARFUMS, as urgent and important matter, by writ of summons in order to obtain the appointment of an expert.

Mr. THIERRY was designated as expert by summary injunction order of 5 February 1997 who deposited his report on 7 February 1999.

By letter of 3 February 1998, the company BROSSEAU has requested from INTER PARFUMS the sum of 436 295, 28 francs corresponding to the guaranteed minimum for 1997 in regard with the lines "OMBER BLEUE" and "OMBRE D'OR".

By letter of 6 February 1998 INTER PARFUMS contested the requests of the company BROSSEAU, alleging that, in 1997, the ranges "OMBER BLEUE" and "OMBRE D'OR" have generated poor turnover and this weak income would provoke their withdrawal from the market.

Under such circumstances, by registered letter with acknowledge of receipt of 11 February 1998, the company BROSSEAU sent a formal notice to INTER PARFUMS asking the latter to pay without delay the sum of 436 295, 28 francs. INTER PARFUMS answered this letter maintaining its previous position.

By recommended letter with confirmation of receipt of 21 April 1998, Mr. Jean-Charles BROSSEAU intervening as well in behalf of the company BROSSEAU as in his behalf has notified INTER PARFUMS of the termination of the agreement due to the INTER PARFUMS' failure to pay the sum requested on 11 February 1998 over a 6 month period from the date of the sending of the formal notice.

The company INTER PARFUMS has issued writ of summons on the company BROSSEAU, by act served by a bailiff of 17 June 1998 demanding the "*Tribunal de Commerce de Paris*" (Commercial Court of Paris) to:

- state that the licence agreement of 7 May 1993 and its amendment are still in force and have to be carry out in good faith by the parties;
- reject the claim of the company BROSSEAU regarding the pretended termination of the agreement;
- sentence the company BROSSEAU to pay the sum of 2 000 000 francs as damages as well the sum of 30 000 francs on the ground of Article 700 of the New Code of Civil Procedure.
- The company BROSSEAU has demanded the Court, on the one hand, to state that the termination clause is applicable accordingly the agreement clauses, on the other hand, to sentence the other party to settle the royalty fees corresponding to the guaranteed minimum for 1997, to declare the INTER PARFUMS' failures and repeated faults and suffered damages as well the loss of the trademark's market value, to sentence INTER PARFUMS to settle the sums of 45 525 200 francs as damages and 20 000 francs on the grounds of Article 700 of the New Code of Civil Procedure.

At the same time, the company BROSSEAU has instituted summary urgent proceedings in order to obtain the payment of the sum of 436 295, 28 francs corresponding to the unpaid royalties. By a summary procedure order of 23 July 1998, the court has rejected this claim and accepted INTER PARFUMS' offer of consignment of the requested sum, by ordering the payment of the sum to Maître RODET, bailiff, appointed for the sequestration; the sum was consigned on 23 July 1998.

By decision of 27 September 1999 the "*Tribunal de Commerce de Paris*":

- declared valid the application of the termination clause of the licence agreement, pursuant to the contractual stipulations, which will take effect 6 months after the notification of the judgment;
- sentenced INTER PARFUMS to settle to Jean-Charles BROSSEAU LICENCES the sum of 436 298, 20 francs increased of the legal rate of interest from 11 January 1998;
- sentenced INTER PARFUMS to settle to the company BROSSEAU the sum of 3 802 000 francs as damages;
- nonsuited the company INTER PARFUMS in relation to its requests;
- order the provisional enforcement of the sum of 436 298, 28 francs;
- rejected the parties in relation to their requests on the ground of Article 700 of the New Code of Civil Procedure

The company INTER PARFUMS has interjected appeal against this decision. Then, during the status hearing, by an order of 22 June 2000, the court has sentenced INTER PARFUMS to settle the provisional sum of 400 000 francs.

The Appellant, INTER PARFUMS, by writings of 7 December 2000, has demanded the Court

- to invalidate the decision in all its provisions;
- to reject the company Jean-Charles BROSSEAU Licences claims;
- to declare that the license agreement signed on 7 May 1993 as well as the supplemental agreement of 10 July 1996 stay in force until the contractual term;
- to sentence the company Jean-Charles BROSSEAU Licences to pay to INTER PARFUMS the sums of
 - 460 634, 75 francs that the company Jean-Charles BROSSEAU has perceived as a result of the execution of the judgement against which this appeal is filed together with the legal rate of interest from 27 September 1999;
 - 400 000 francs that the company Jean-Charles BROSSEAU has perceived as a result of the execution of the order of 22 June 2000 together with the legal rate of interest from 30 June 2000
- to sentence the company Jean-Charles BROSSEAU Licences to settle to the company INTER PARFUMS the sum of 2 000 000 francs as damages;
- to sentence the adverse party to pay the sum of 150 000 francs on the grounds of Article 700 of the New Code of Civil Procedure."

In its writings of 14 December 2000, the company BROSSEAU asked the Court

- to confirm the judgement declaring, accordingly the contractual provisions, the validity of the termination clause stipulated in the license agreement,
- to confirm the judgement sentencing INTER PARFUMS to pay the sum of 436 298, 28 francs as royalty fees for 1997 increased by the legal rate of interests from 11 February 1998,
- to confirm the decision of the counsel of the status hearing,
- to accept the claims of the company BROSSEAU and confirm that INTER PARFUMS owes to the former the minimal guaranteed royalty fees in relation to the lines "OMBRE BLEUE" et "OMBRE D'OR3" for the period from 1st January 2000 until 22 April 2000 evaluated on "*prorata temporis basis*"
- to accept the defendant's claims that INTER PARFUMS owes to the company BROSSEAU the minimal guaranteed royalty fees related to the line "OMBRE ROSE" for the period from 1st July 1999 to 22 April 2000, evaluated on "*prorata temporis basis*",
- to sentence INTER PARFUMS to settle to the company Jean-Charles BROSSEAU the sum of 616 026, 20 francs as royalty fees corresponding to the lines "OMBRE BLEUE", "OMBRE D'OR" et "OMBRE ROSE" and 1 200 000 francs as damages incurred by the commercialisation of the BROSSEAU's goods after the termination date: 22 April 2000.
- to establish the failures and repeated faults of the company INTER PARFUMS and the damages incurred by the company BROSSEAU
- consequently, to sentence the company INTER PARFUMS to pay:

- o the sum of 4 599 311, 18 francs as damages as a result of the royalty fees loss
 - o the sum of 39 126 049 francs as damages uncured by the loss of venal value of the trademarks BROSSEAU,
- to sentence the company INTER PARFUMS to pay the sum of 250 000 francs on the ground of Article 700 of the New Code of Civil Procedure.

AS TO WHICH THE COURT STATED:

On the merits of the termination clause:

Taking into account that INTER PARFUMS reproaches judges for having accepted his application of the termination clause whereas

- o the clause was imprecise because it does not contain any information about the breaches provoking the application of the termination clause,
- o the application of this clause wasn't mentioned in the letter of summons sent on 11 February 1998; moreover the letter does not contain any mention of term in order to permit rectification of the breach of contract;

Moreover, INTER PARFUMS argues that further to the letter of 11 February 1998, several conversations and meetings took place between the parties. And in order to consider this letter as "formal notice" in the sense of Article 14 of the agreement; the Court should take note of the existence of such relations and discussions between the parties during this period as well as of the terms of the letter dated 11 February 1998.

That INTER PARFUMS also explains that the requested sum is not due because of the behaviour of the company BROSSEAU which was hindering the development of the distribution of perfumes, especially in the United States and which is consequently responsible for the fall in turnover.

Taking into account that it was stipulated in Article 14 of the agreement that "*after formal notice sent by a recommended letter with confirmation of receipt stating the breach, which remains without answer, within sixty days, each of the party can demand the termination of the agreement, the termination clause coming into force without prejudice of further consequences, and especially damages.*"

However this article only requires for the application of the termination clause the sending of a recommended letter affirming the breach and it does not require the sending of recommended letter mentioning the 60-days deadline during which the each of the party could remedy the breach.

Moreover, contrary to what is argued by the Appellant, there is no imprecision regarding the nature of the breach which would make the termination clause applicable; indeed, using the word "breach", the both parties, aware professionals, clearly referred to any violation by each of the parties of the contractual obligations; Article 12-7 of the license agreement states that "*the royalty fees have to be paid systematically on the due date, the parties attach particular importance to the regularity and the punctuality of the payments*". It was stipulated (Article

12-5) that *"the exploitation of goods according to the fixed minimum has to continue whatever the legitimate contestations may be and it does not depend on the licensee contestations on the reliability of the goods and its reception by the consumers.* It is evident that the agreement stipulates explicitly and the payment of the royalty fees by the licensee is an essential obligation, the breach of which is penalized by the termination clause.

However, it was necessary to determine clearly this breach in the notice letter.

Indeed, by the letter of 11 February 1998, the nature of the breach was specified in a explicit manner: the failure to pay of the guaranteed minimum related to the exploitation of the lines "OMBRE BLEUE" et "OMBRE D'OR" for 1997; the amount was also specified; it was indicated that in case of failure to pay immediately *"from the sending of this letter will start all deadlines, interests and other consequences that the agreement, the law and the courts attach to the formal notice"*. Thus, contrary to what is stated by INTER PARFUMS, aware professional, this letter, containing a notice to pay immediately, was sufficiently clear regarding the other party's will to take all consequences of the failure to pay. So, INTER PARFUMS could not invoke an execution in bad faith by applying the termination clause because of the existence of negotiations in progress at the moment of the sending of notice since it hasn't been stated that during these negotiations the company BROSSEAU was ready to renounce to take advantage of the termination clause. Therefore, the Court affirms that the formal conditions of application of the termination clause, as specified in Article 14 of the agreement, are valid and duly respected.

On the merits of the case, INTER PARFUMS explains that the non-achievement of the guaranteed minimum was the fault of the licensor INTER PARFUMS (pages 10 to 23 of the writings) and that the requested sum is not due. It refers, in particular, to the non contradictory expert opinion of Madame MERKLING according to which, pursuant to the specific perfume industry rules, there is a synergy between the development of a perfume trademark and the awareness of the trademark for its original goods. Thus, the appellant reproaches Mr. BROSSEAU for not developing his hat industry in order to attain the synergy between OMBRE ROSE and BROSSEAU

INTER PARFUMS also stated that should be taken into account:

- the evolution of the American market until 1990 when the three biggest market leaders have not been present (Unilever-Calvin KLEIN, COSMAIR-Ralph LAUREN and ESTEE LAUDER) and the unfavourable market situation during the years 1996/1997 (as it is stated in the press articles);
- the previous licensee, the company ALFIN, has already encountered difficulties related to the exploitation of the line "OMBRE BLEUE" having no success with the public;
- in the new agreement, it was indicated that in order to launch the new line "OMBRE BLEUE" with a new presentation, *"Mr. Jean-Charles BROSSEAU has the obligation to create a new packaging and a modernized perfume having new name in order to launch the product within the fixed deadline"*;

- the faulty intervention of the company BROSSEAU with one of the distributors in the United States (the company Fragrance Marketing Group Inc.) in 1995 and with the communication agency (the company Huitième Jour).

INTER PARFUMS stated that the company BROSSEAU has deliberately failed to its obligation of loyalty et of good faith provided by Article 1134 of Civil Code by refusing systematically and hindering the development of the company INTER PARFUMS as well as it has failed to respect its obligations provided by Articles 2 and 3.1 of the agreement; consequently, the company BROSSEAU has no grounds to request the guaranteed minimum of royalty fees.

But taking into account that the unfavourable economic situation of the American and European markets (there was no evidence of the drop in the luxury perfume industry) is not in relation to the obligation of INTER PARFUMS to pay the guaranteed minimum of royalty fees, in counterpart of the exclusive license to use all goods covered by the trademarks of the company BROSSEAU, as specified by agreement; the payment of these royalty fees was an essential contractual obligation.

Taking into account that the appellant's argument according to which the company BROSSEAU did not execute in good faith the agreement is not pertinent; indeed, in 1995, the licensor got worried about the conditions under which were commercialized in United States the goods under license, the agreement indicating that the goods should be distributed in selective network even when it was evident that these terms of the agreement have not been respected; however the appellant did not supplied the court with any evidencing document for 1996 which shows that the defendant has intervened in a untimely manner regarding the American distributors; such interventions, namely with the communication agency could be explained, at least, by its contractual obligations provided by Articles 2 and 3.A. since it has kept the control on the creation of the products and their packaging. There is no evidence that the defendant has tried to obstruct, in bad faith, the licensee's proposal of new presentation; there is no document which evidences that the lack of success of the products is attributable to the defendant.

At last, the agreement does not stipulate any correlation between the development of the defendant's hat industry and the perfumery; and the hat industry turn over has raised while during the same period of time the perfumery turn over has gone down.

Indeed, INTER PARFUMS, who does not demonstrate that the licensor has failed to its contractual obligations, does not affirm that it is released of the obligation to pay the guaranteed minimum. It follows from this that the company BROSSEAU could apply the termination clause because of the failure to pay of the royalty fees minimum for 1997. Consequently, the judgement affirming the application of the termination clause will be confirmed. The date when the termination clause takes effect as fixed by the court of first instance is not contested on appeal.

Therefore, the requests of the INTER PARFUMS demanding the restitution of the damages will be rejected.

On the request of payment of royalty fees

Taking into account that the company BROSSEAU requests not only the payment of the guaranteed minimum for 1997, or 436 295, 28 francs but also the guaranteed royalty fees minimum related to the lines OMBRE BLEUE and OMBRE D'OR until 22 April 2000, the term of the agreement.

In its writings of 14 December 2000, the company BROSSEAU presented its accounts in French francs based on to the percentage fixed in Article 12-5 of the agreement and Article 2 of its amendment as follows:

	1998	1999
OMBRE BLEUE	292 723, 83 FF	359 070, 29 FF
OMBRE D'OR	182 372, 26 FF	245 565, 04 FF
TOTAL	475 096, 09 FF	604 635, 33 FF

The total requested sum is 1 079 731, 40 francs.

The company BROSSEAU adds that it has perceived the sum of 106 564, 94 francs from INTER PARFUMS on 31 October 2000 and 400 000 francs as retaining fees. Consequently, the other party is indebted for the amount of 616 026, 20 francs and of the proportional parts which are not noted here-above from 1st January 2000 until 22 April 2000, date of expiration of the agreement. Concerning the line "OMBRE ROSE" the defendant demands the guaranteed royalty fees minimum for the period from 1 July 1999 until 22 April 2000.

The amount of this deduction has not been disputed by the company INTER PARFUMS who has only disputed its grounds (its contestations were rejected here above). The calculations made in the defendant's writings are conformable with the contractual clauses. It is proper to accept the defendant's request, taking into account that INTER PARFUMS has already settled the royalty fees for 1997.

Concerning the damages required by the company Jean-Charles BROSSEAU Licences due to the loss of royalty during the execution of the agreement, to the loss of venal value of the trademarks BROSSEAU and relating to the additional requests of damages for the sales made after the expiration of the agreement :

INTER PARFUMS contests that it owes damages and states having met all its contractual obligations and it demands the court to invalidate the judgment which has ordered to pay the sum of 3 802 000 francs as damages.

In its writings of appeal, the company BROSSEAU reproaches its adversary not only for not having respected its advertising and promotional obligations, facts affirmed by the expert Mr THIERRY and accepted by the court of first instance but also for being responsible for the distribution of down-market products counterfeiting the original fragrance. Company BROSSEAU also reproaches the appellant for not having renewed the trademarks.

The last grounds of the complaint were presented briefly before the closing of the trial and the Court does not have sufficient evidence to determine whether the perfume "OMBRE ROSE" has a faded fragrance and to know under which conditions the original "concentrate" was modified. In such circumstances, it is proper to suspend the judgement and to appoint an expert pursuant to the provisions cited here below.

INTER PARFUMS continued to use the goods after 22 April 2000 without justifying the payment of royalty in return, the court will sentence INTER PARFUMS to pay the provisional sum of 1 million francs as damages which will be determined after the expert report.

FOR THESE REASONS

The court

confirms the judgement which has declared valid the application of the termination clause of the license agreement and consequently has sentenced the company INTER PARFUMS to pay the sum of 436 298, 28 francs together with legal rate of interest from 11 February 1998 and has rejected the request of company INTER PARFUMS for damages.

Moreover, the court suspends the judgement and

Sentences the company INTER PARFUMS to pay to the company Jean-Charles BROUSSEAU Licences the sum of 616 026, 28 as royalty fees due on 1 January 2000 as well the guaranteed royalty fees minimum related to the lines "OMBRE BLEUE" et "OMBRE D'OR" for the period from 1 January 2000 until 22 April 2000 and the guaranteed royalty fees minimum related to the line "OMBRE ROSE" for the period from 1 July 1999 until 22 April 2000.

Concerning the request of damages:

The Court designates the expert Mr Jean BARAT, 30, avenue Hoche 75008 Paris (tel: 01 49 53 85 00; fax: 01 49 53 85 01) whose mission will be:

- to question the party on the contradictory basis and deposit their explanations.
- to acquire all the necessary documents
- to proceed to technical analyse of the goods commercialised under the trademark OMBRE ROSE (perfume and eau de toilette) and compare its composition with the concentrates referenced F 24-284/4 et F 24-469 in the license agreement in order to determine whether the formulas were modified
- to examine the conditions under which the modifications were made (intervenus)
- to acquire all the necessary information related to the evaluation of the prejudice which may result ;

The court states that the expert will achieve his mission accordingly the provisions of Articles 273 to 284 of the New Code of Civil Procedure and will deposit his report with the clerks of the Court before 1st November 2001 ;

Designate Mrs REGNIEZ as judge who will follow the expertise operations;

States that the company Jean-Charles BROSSEAU has to consign with the clerks of the Court the sum of 20 000 francs to cover the expert's fees before 1st May 2001;

States that the sum has to be paid to the Tax and Advance Agent of Paris, 34 quai des Orfèvres 75055 Paris Louvre;

Sentence the company INTER PARFUMS to settle to the company Jean-Charles BROSSEAU Licences the provisional sum of 1 000 000 francs as damages.

The Clerk

The President

**COMBINED DECLARATION OF USE IN COMMERCE/APPLICATION
FOR RENEWAL OF REGISTRATION OF MARK UNDER
SECTIONS 8 & 9(15 U.S.C. SECTIONS 1058 AND 1059)**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Mark: OMBRE ROSE

Reg. No.: 1,242,507

Reg. Date: June 24, 1983

Int. Class: 3

TO THE COMMISSIONER FOR TRADEMARKS

Societe d'Exploitation J.C. Brosseau, a corporation of France

Business Address: 38 Galerie Vero-Dodat2, rue du Bouloir
Paris, France

The owner of the above identified registration is using the mark in commerce on or in connection with the goods recited in the registration, namely, PERFUMES IN INTERNATIONAL CLASS 3. A specimen evidencing current use of the mark in commerce in connection with the goods identified above is submitted herewith. The registrant requests that the registration be renewed for the goods identified above.

The applicant is represented in this application proceeding by W. M. Webner, Cynthia Clarke Weber, Gary D. Krugman, Kevin G. Smith and Jody H. Drake, attorneys at law. Please direct all correspondence to:

W. M. Webner, Esq.
SUGHRUE MION, PLLC
2100 Pennsylvania Ave., N.W., Suite 800
Washington, D.C. 20037
(202) 293-7060

APPOINTMENT OF DOMESTIC REPRESENTATIVE


W. Mack Webner of SUGHRUE MION, PLLC, whose postal address is 2100 Pennsylvania Avenue, N.W. Washington, D.C. 20037, United States of America, is hereby designated applicant's representative upon whom notice or process in proceedings affecting the mark may be served.

DECLARATION

The undersigned, being hereby warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. Section 1001, and that such willful false statements and the like may jeopardize the validity of this document, declares that he/she is properly authorized to execute this document on behalf of the Owner; and all statements made of his/her knowledge are true and all statements made on information and belief are believed to be true.

SOCIETE D'EXPLOITATION J.C.
BROSSEAU

Date: June 4, 2003

By: 

Name: Claude BROSSEAU

Title: C. E. O.

