

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|------------------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|---|----------|----------------|----------------------------|
| Sally Holdings LLC; Beauty Systems Group LLC; Sally Beauty Supply LLC; Beauty Holding LLC; Armstrong McCall, L.P.; Innovations - Successful Salon Services (U.S. ABL) | | 11/16/2006 | LIMITED LIABILITY COMPANY: |

RECEIVING PARTY DATA

| | |
|------------------------|---|
| Name: | Merrill Lynch Capital, a division of Merrill Lynch Business Financial Services Inc. |
| Street Address: | 222 North LaSalle Street |
| City: | Chicago |
| State/Country: | ILLINOIS |
| Postal Code: | 60601 |
| Entity Type: | CORPORATION: |

PROPERTY NUMBERS Total: 179

| Property Type | Number | Word Mark |
|----------------------|---------|--------------------|
| Registration Number: | 2928859 | ACID SHOCK |
| Registration Number: | 2367883 | ACTIVOLUM BOTANICS |
| Registration Number: | 2796157 | ADAMANT |
| Registration Number: | 2885035 | AIR HEAD |
| Registration Number: | 2765631 | AIR WAX |
| Registration Number: | 2412858 | AMPLITUDE |
| Registration Number: | 2789827 | BADA BING |
| Registration Number: | 2392377 | BATH SECRETS |
| Registration Number: | 3086020 | BEACH HEAD |
| Registration Number: | 2114289 | BEAUTIQUE |
| Registration Number: | 3127498 | BEAUTIQUE |

CH \$4490.00 2928859

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|----------------------|---------|------------------------|
| Registration Number: | 1436994 | BEAUTY BIZ |
| Registration Number: | 1516015 | BEAUTY BIZ |
| Registration Number: | 1884486 | BEAUTY SECRETS |
| Registration Number: | 2887503 | BEAUTY SECRETS |
| Registration Number: | 2249895 | BEST TRESSED |
| Registration Number: | 1403695 | BEYOND BELIEF |
| Registration Number: | 2265665 | BEYOND BELIEF |
| Registration Number: | 2846710 | BEYOND BELIEF |
| Registration Number: | 2882901 | BEYOND THE ZONE |
| Registration Number: | 2923001 | BEYOND THE ZONE |
| Registration Number: | 2531921 | BIOLINK |
| Registration Number: | 2562797 | BLOND BRILLIANCE |
| Registration Number: | 2681165 | BORED STRAIGHT |
| Registration Number: | 1394598 | BRENTWOOD SALON CARE |
| Registration Number: | 2972621 | BSG |
| Registration Number: | 2664414 | BUBBLE HEAD |
| Registration Number: | 2372208 | BUENO. BONITO. BARATO. |
| Registration Number: | 2896352 | BULB HEAD |
| Registration Number: | 2846368 | CLEAR VISION |
| Registration Number: | 2962331 | COLOR BOMBZ |
| Registration Number: | 2823066 | COLOR DEFENSE |
| Registration Number: | 2861230 | COLOR JAMZ |
| Registration Number: | 2922828 | CRYSTAL NAIL BLOCK |
| Registration Number: | 2920706 | CRYSTAL NAIL GLASS |
| Registration Number: | 2920707 | CRYSTAL NAIL QUICK |
| Registration Number: | 2920708 | CRYSTAL NAIL THICK |
| Registration Number: | 2938238 | CURL-IT-UP |
| Registration Number: | 2544694 | CUTICLE RX |
| Registration Number: | 2436005 | DAMAGE FREE |
| Registration Number: | 3128126 | DERANGED |
| Registration Number: | 2228458 | EFFECTIVE CARE |
| Registration Number: | 3114792 | EMERGENCY SERVICE |
| Registration Number: | 2796158 | END GAME |
| Registration Number: | 2652763 | EYE KISSES |
| Registration Number: | 2846498 | FACE SECRETS |

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|----------------------|---------|-----------------|
| Registration Number: | 2849567 | FACE SECRETS |
| Registration Number: | 2518690 | FEELS LIKE NEW |
| Registration Number: | 2811813 | FEELS LIKE NEW |
| Registration Number: | 2512644 | FILL'ER UP |
| Registration Number: | 1187293 | FINGERPAINTS |
| Registration Number: | 2365938 | FIXE BOTANICS |
| Registration Number: | 2855008 | FLASHER |
| Registration Number: | 2830853 | FLIPPED OUT |
| Registration Number: | 1678208 | FOR PERMS ONLY |
| Registration Number: | 2724419 | FROZEN STIFF |
| Registration Number: | 2768235 | FUNG END |
| Registration Number: | 2830813 | GET'N CREAMED |
| Registration Number: | 2472404 | GRABBER |
| Registration Number: | 2968063 | GRIPPER |
| Registration Number: | 1194950 | HAIR SCULPTOR |
| Registration Number: | 2367019 | HOT TONES |
| Registration Number: | 2365937 | HYDRA BOTANICS |
| Registration Number: | 1320267 | ION |
| Registration Number: | 2760298 | ION |
| Registration Number: | 3071641 | ION |
| Registration Number: | 3024383 | ION NEGA-CLEAN |
| Registration Number: | 2765664 | LAST CALL |
| Registration Number: | 3024369 | LICE-TRAP |
| Registration Number: | 2418063 | LIP SAVVY |
| Registration Number: | 3060854 | MAD ARTIST |
| Registration Number: | 2359609 | MEDILIP |
| Registration Number: | 3166089 | MEGASILK |
| Registration Number: | 2846753 | METAGRIP |
| Registration Number: | 1452787 | NAIL INSURANCE |
| Registration Number: | 2748694 | NAIL INSURANCE |
| Registration Number: | 2770299 | NAIL INSURANCE |
| Registration Number: | 2650144 | NAIL LIFE |
| Registration Number: | 2652573 | NASTY GIRL |
| Registration Number: | 0806155 | NATURAL BALANCE |
| Registration Number: | 0802481 | NATURAL BALANCE |

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|----------------------|---------|---------------------|
| Registration Number: | 2314580 | NATURAL SEVEN OIL |
| Registration Number: | 1769609 | NET EFFECT |
| Registration Number: | 0833800 | NEW IMAGE |
| Registration Number: | 0799630 | NEW IMAGE |
| Registration Number: | 0799629 | NEW IMAGE |
| Registration Number: | 0831974 | NEW IMAGE |
| Registration Number: | 2765665 | NOODLE HEAD |
| Registration Number: | 2855190 | PARABOLIC |
| Registration Number: | 2333530 | PHYTO SYSTEME |
| Registration Number: | 2360769 | POWER LIFT |
| Registration Number: | 2605701 | PREP B-4 |
| Registration Number: | 1152062 | PRO CARE |
| Registration Number: | 2404574 | PROCLAIM |
| Registration Number: | 2762853 | PROCLAIM |
| Registration Number: | 2936960 | PROCLAIM |
| Registration Number: | 2793048 | PROTEIN COCKTAIL |
| Registration Number: | 2418929 | PUCKER UPS |
| Registration Number: | 3058114 | PUMP UP THE VOLUME |
| Registration Number: | 2652574 | QUICK WHITE |
| Registration Number: | 2029967 | QUICKSHIP |
| Registration Number: | 2861295 | RASPBERRY KAMIKAZE |
| Registration Number: | 3127864 | RHINO |
| Registration Number: | 2675527 | ROCK ON |
| Registration Number: | 1763527 | SALLY |
| Registration Number: | 2316754 | SALLY |
| Registration Number: | 2612903 | SALLY |
| Registration Number: | 2920799 | SALLY BEAUTY |
| Registration Number: | 2582384 | SALLY BEAUTY |
| Registration Number: | 2810775 | SALLY BEAUTY |
| Registration Number: | 2799286 | SALLY BEAUTY SUPPLY |
| Registration Number: | 3127488 | SALLY GIRL |
| Registration Number: | 2535551 | SALLYCARES |
| Registration Number: | 2083563 | SALON CARE |
| Registration Number: | 2540686 | SALON CARE |
| Registration Number: | 2301571 | SALON CARE |

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|----------------------|---------|---|
| Registration Number: | 2765791 | SALON CARE |
| Registration Number: | 2850945 | SALON CARE |
| Registration Number: | 2930699 | SALON FOCUS PROMOTION GUIDE |
| Registration Number: | 2806741 | SAVAGE BRONZE |
| Registration Number: | 3068960 | SAVVY |
| Registration Number: | 2478296 | SCENTS OF WELLNESS |
| Registration Number: | 3071665 | SCENTS OF WELLNESS |
| Registration Number: | 0759804 | SECOND CHANCE |
| Registration Number: | 2861223 | SHAKE IT UP SHINER |
| Registration Number: | 0820437 | SHEER GLORY |
| Registration Number: | 3011362 | SHEER GLORY |
| Registration Number: | 2935496 | SILK ELEMENTS |
| Registration Number: | 3136681 | SILKEN CHILD |
| Registration Number: | 2366093 | SIMPLY SMART SIMPLY SALLY |
| Registration Number: | 2762134 | SKIN SAVVY |
| Registration Number: | 2826521 | SMOOTH SHOT |
| Registration Number: | 2885024 | SPIKE IT |
| Registration Number: | 2560396 | SPLIT DECISION |
| Registration Number: | 2830863 | SPLIT MENDER |
| Registration Number: | 2663411 | STIFF ENUFF |
| Registration Number: | 2362945 | STIFF HEAD |
| Registration Number: | 3112537 | STRAIGHT LACED |
| Registration Number: | 2166212 | STRICTLY PROFESSIONAL |
| Registration Number: | 3159879 | STRICTLY PROFESSIONAL |
| Registration Number: | 2660222 | STRIP SEARCH |
| Registration Number: | 2088126 | SURE-BOND |
| Registration Number: | 2837203 | SURF WAX |
| Registration Number: | 2013919 | TERRIFIC TIPS |
| Registration Number: | 2783223 | TORNADO |
| Registration Number: | 2958454 | TRIPPED OUT |
| Registration Number: | 2958195 | VELVETEEN |
| Registration Number: | 3163414 | WEST COAST BEAUTY SUPPLY |
| Registration Number: | 1284849 | WET LOOK |
| Registration Number: | 2425130 | WHATEVER YOU WANT. WHENEVER YOU NEED IT. WHEREVER YOU ARE. |

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|----------------------|----------|---|
| Registration Number: | 2322182 | WILDEST DREAMS |
| Registration Number: | 1675418 | ARMSTRONG MCCALL |
| Registration Number: | 1673793 | ARMSTRONG-MCCALL |
| Registration Number: | 2797492 | ARNOLD'S |
| Registration Number: | 2806580 | ARNOLD'S |
| Registration Number: | 2775506 | ARNOLD'S BEAUTY SUPPLIES & EQUIPMENT SINCE 1884 |
| Registration Number: | 2756465 | CHAIN LINK |
| Registration Number: | 2025319 | COSMOPROF |
| Registration Number: | 2043011 | COSMOPROF |
| Registration Number: | 2929115 | AROMA AESTHETICS |
| Serial Number: | 77019587 | BEE KISSED |
| Serial Number: | 78521706 | BRUSH STROKES |
| Serial Number: | 78506525 | DESIGN FUSION |
| Serial Number: | 77014504 | DESIGN LENGTHS |
| Serial Number: | 78896909 | HEEL TO TOE |
| Serial Number: | 77019581 | HOT N SILKY |
| Serial Number: | 78825521 | ION SENSITIVE SCALP |
| Serial Number: | 78434754 | LOME PARIS |
| Serial Number: | 78535296 | MAD MUD |
| Serial Number: | 78844197 | NATURAL 7 OIL |
| Serial Number: | 78948734 | NATURAL IONIC ENERGY |
| Serial Number: | 77019590 | NEGATIVE IONIC ENERGY |
| Serial Number: | 78839776 | PARTY ON |
| Serial Number: | 78422156 | SILK ELEMENTS REVIVE & RESTORE |
| Serial Number: | 78366711 | STRICTLY PROFESSIONAL |
| Serial Number: | 78907907 | WANT ME |
| Serial Number: | 78336011 | WEST COAST BEAUTY SUPPLY |
| Serial Number: | 78821367 | WEST COAST BEAUTY SYSTEMS |
| Registration Number: | 2893446 | BEE KISSED |

CORRESPONDENCE DATA

Fax Number: (202)639-7003

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

Phone: 206-639-7352

Email: Michael.David@ffhsj.com

Correspondent Name: Michael David

Address Line 1: 1001 Pennsylvanie Ave., N.W.
Address Line 4: Washington, DISTRICT OF COLUMBIA 20004

| | |
|--------------------|-------------------|
| NAME OF SUBMITTER: | Charmain Ho-A-Lim |
| Signature: | /CH/ |
| Date: | 11/30/2006 |

Total Attachments: 17

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TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (as amended, supplemented, replaced or otherwise modified from time to time) (this "Agreement"), dated as of November 16, 2006 is entered into by each of the undersigned (each, a "Grantor") in favor of **MERRILL LYNCH CAPITAL, a division of Merrill Lynch Business Financial Services Inc.** ("MLC"), as Administrative Agent and Collateral Agent for the Lenders.

WHEREAS, Sally Holdings LLC, Beauty Systems Group LLC, Sally Beauty Supply LLC, the Canadian Borrowers from time to time party to the Credit Agreement, the several banks and other financial institutions from time to time parties thereto (the "Lenders"), and MLC as Administrative Agent and as Collateral Agent for the Lenders, have entered into a Credit Agreement, dated as of the date hereof (as may be amended, supplemented, replaced or otherwise modified from time to time, the "ABL Credit Agreement");

WHEREAS, it is a condition to the obligation of the Lenders to make their respective extensions of credit to the Borrowers under the ABL Credit Agreement that the Granting Parties shall have executed and delivered that certain U.S. Guarantee and Collateral Agreement, dated as of the date hereof, in favor of the Administrative Agent and the Collateral Agent (as amended, supplemented, replaced or otherwise modified from time to time, the "ABL Guarantee and Collateral Agreement"); and

WHEREAS, under the terms of the ABL Guarantee and Collateral Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Trademarks of the Grantors to the Administrative Agent and Collateral Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this Agreement for recording with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Grantor and the Secured Parties hereby agree as follows:

SECTION 1. DEFINED TERMS.

1.1 Capitalized terms not otherwise defined herein have the meanings set forth in the ABL Credit Agreement or the ABL Guarantee and Collateral Agreement, as applicable.

1.2 "Trademarks" shall mean with respect to any Grantor, all of such Grantor's right, title and interest in and to all United States and foreign trademarks,

service marks, trade names, trade dress or other indicia of trade origin or business identifiers, trademark and service mark registrations, and applications for trademark or service mark registrations (except for “intent to use” applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, unless and until an Amendment to Allege Use or a Statement of Use under Sections 1(c) and 1(d) of said Act has been filed, it being understood and agreed that the carve out in this parenthetical shall be applicable only if and for so long as a grant of a security interest in such intent to use application would invalidate or otherwise jeopardize Grantor’s rights therein), and any renewals thereof, including, without limitation, (i) the right to sue or otherwise recover for any and all past, present and future infringements or dilutions thereof (ii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past or future infringements thereof), and (iii) all other rights corresponding thereto and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto in the United States, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark, service mark, trade name, trade dress or other indicia of trade origin or business identifiers.

SECTION 2. GRANT OF SECURITY INTEREST IN TRADEMARKS.

Subject to the terms of the ABL Credit Agreement and the ABL Guarantee and Collateral Agreement, each Grantor granted, subject to the existing licenses to use the Trademarks granted by such Grantor in the ordinary course of its business, to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in all of the Trademarks of such Grantor, including, without limitation, the Trademarks listed on Schedule A hereto by such Grantor’s name, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of such Grantor.

SECTION 3. CONFIRMATION AND ACKNOWLEDGMENT.

Each Grantor does hereby confirm the grant of the security interest in the ABL Guarantee and Collateral Agreement and further acknowledges and affirms that the rights and remedies of the Secured Parties with respect to the security interest in the Trademarks are more fully set forth in the ABL Guarantee and Collateral Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 4. RECORDATION.

Each Grantor authorizes and requests that the Commissioner of Patents and Trademarks and any other applicable government officer record this Agreement.

SECTION 5. MODIFICATION OF AGREEMENT.

This Agreement or any provision hereof may not be changed, waived, or terminated except in accordance with the provisions of the ABL Guarantee and Collateral Agreement.

SECTION 6. GENERAL.

(a) Governing Law. **THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND ANY CLAIM OR CONTROVERSY RELATING HERETO SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**


(b) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Secured Parties and each Grantor and their respective successors and assigns. No Grantor shall, without the prior written consent of the Secured Parties given in accordance with the ABL Credit Agreement, assign any right, duty or obligation hereunder.

(c) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

BEAUTY HOLDING LLC

By: 

Name: Raal Roos

Title: Secretary

ARMSTRONG MCCALL, L.P.


By: Armstrong McCall Management, L.C.,
its General Partner

By: 

Name: Raal Roos

Title: Vice President and Secretary

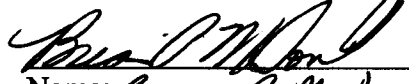
INNOVATIONS - SUCCESSFUL SALON
SERVICES

By: 

Name: Raal Roos

Title: Vice President, General Counsel and
Secretary

MERRILL LYNCH CAPITAL, a division of
Merrill Lynch Business Financial Services Inc., as
Collateral Agent and Administrative Agent

By: 
Name: *Brian P. McDonald*
Title: *Director*

ACKNOWLEDGMENT OF GRANTOR

STATE OF New York)
COUNTY OF New York) ss.

On this 15th day of November, 2006 before me personally appeared Raal Roos proved to me on the basis of satisfactory evidence to be the person[s] who executed the foregoing instrument on behalf of Beauty Holding LLC, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Helen C. Andreu
Notary Public

{seal}

HELEN ANDREU
Notary Public, State of New York
No. 61A0004545
Qualified in Cassano County
Certificate Filed in New York County
Commission Expires Feb. 2, 2007

ACKNOWLEDGMENT OF GRANTOR

STATE OF New York)
COUNTY OF New York) ss.

On this 15th day of November, 2006 before me personally appeared Raal Roos proved to me on the basis of satisfactory evidence to be the person[s] who executed the foregoing instrument on behalf of Armstrong McCall, L.P., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Helen C. Andree
Notary Public

{seal}

HELEN ANDREE
Notary Public, State of New York
No. 010288422
Qualified in Orange County
Certificate Filed in New York County
Commission Expires Feb. 6, 2007

ACKNOWLEDGMENT OF GRANTOR

STATE OF New York)
COUNTY OF New York) ss.

On this 15th day of November, 2006 before me personally appeared Rael Roos proved to me on the basis of satisfactory evidence to be the person[s] who executed the foregoing instrument on behalf of Innovations-Successful Salon Services, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Helen C. Andreu
Notary Public

{seal}

HELEN ANDREU
Notary Public, State of New York
No. 61A96664648
Qualified in Queens County
Certificate Filed in New York County
Commission Expires Feb. 5, 2007

SCHEDULE A

U.S. Trademark Registrations

A. Trademarks Registered to Beauty Holding Company, Inc. (the entity is now known as Beauty Holding LLC)¹

| <u>Trademark</u> | <u>Registration Number</u> | <u>Registration Date</u> |
|-------------------------|-----------------------------------|---------------------------------|
| ACID SHOCK | 2928859 | 3/1/2005 |
| ACTIVOLUM BOTANICS | 2367883 | 7/18/2000 |
| ADAMANT | 2796157 | 12/16/2003 |
| AIR HEAD | 2885035 | 9/14/2004 |
| AIR WAX | 2765631 | 9/16/2003 |
| AMPLITUDE | 2412858 | 12/12/2000 |
| BADA BING | 2789827 | 12/2/2003 |
| BATH SECRETS | 2392377 | 10/3/2000 |
| BEACH HEAD | 3086020 | 4/25/2006 |
| BEAUTIQUE | 2114289 | 11/18/1997 |
| BEAUTIQUE | 3127498 | 8/8/2006 |
| BEAUTY BIZ | 1436994 | 4/21/1987 |
| BEAUTY BIZ | 1516015 | 12/6/1988 |
| BEAUTY SECRETS | 1884486 | 3/21/1995 |
| BEAUTY SECRETS | 2887503 | 9/21/2004 |
| BEE KISSED and Design | 2893446 | 10/12/2004 |

¹ The change of name to Beauty Holding LLC will be recorded with the U.S. Patent and Trademark Office promptly after closing.

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| BEST TRESSED | 2249895 | 6/1/1999 |
| BEYOND BELIEF | 1403695 | 8/5/1986 |
| BEYOND BELIEF | 2265665 | 7/27/1999 |
| BEYOND BELIEF | 2846710 | 5/25/2004 |
| BEYOND THE ZONE | 2882901 | 9/7/2004 |
| BEYOND THE ZONE (Stylized) | 2923001 | 2/1/2005 |
| BIOLINK | 2531921 | 1/22/2002 |
| BLOND BRILLIANCE | 2562797 | 4/23/2002 |
| BORED STRAIGHT | 2681165 | 1/28/2003 |
| BRENTWOOD SALON CARE | 1394598 | 5/27/1986 |
| BSG | 2972621 | 7/19/2005 |
| BUBBLE HEAD | 2664414 | 12/17/2002 |
| BUENO. BONITO. BARATO. | 2372208 | 8/1/2000 |
| BULB HEAD | 2896352 | 10/19/2004 |
| CLEAR VISION | 2846368 | 5/25/2004 |
| COLOR BOMBZ | 2962331 | 6/14/2005 |
| COLOR DEFENSE | 2823066 | 3/16/2004 |
| COLOR JAMZ | 2861230 | 7/6/2004 |
| CRYSTAL NAIL BLOCK | 2922828 | 2/1/2005 |
| CRYSTAL NAIL GLASS | 2920706 | 1/25/2005 |
| CRYSTAL NAIL QUICK | 2920707 | 1/25/2005 |
| CRYSTAL NAIL THICK | 2920708 | 1/25/2005 |
| CURL-IT-UP | 2938238 | 4/5/2005 |
| CUTICLE RX | 2544694 | 3/5/2002 |
| DAMAGE FREE | 2436005 | 3/13/2001 |

| | | |
|---------------------------|---------|------------|
| DERANGED | 3128126 | 8/8/2006 |
| EFFECTIVE CARE | 2228458 | 3/2/1999 |
| EMERGENCY SERVICE | 3114792 | 7/11/2006 |
| END GAME | 2796158 | 12/16/2003 |
| EYE KISSES | 2652763 | 11/19/2002 |
| FACE SECRETS | 2846498 | 5/25/2004 |
| FACE SECRETS | 2849567 | 6/1/2004 |
| FEELS LIKE NEW | 2518690 | 12/11/2001 |
| FEELS LIKE NEW | 2811813 | 2/3/2004 |
| FILL'ER UP | 2512644 | 11/27/2001 |
| FINGERPAINTS | 1187293 | 1/26/1982 |
| FIXE BOTANICS | 2365938 | 7/11/2000 |
| FLASHER | 2855008 | 6/15/2004 |
| FLIPPED OUT | 2830853 | 4/6/2004 |
| FOR PERMS ONLY (Stylized) | 1678208 | 3/10/1992 |
| FROZEN STIFF | 2724419 | 6/10/2003 |
| FUNG END | 2768235 | 9/23/2003 |
| GET'N CREAMED | 2830813 | 4/6/2004 |
| GRABBER | 2472404 | 7/24/2001 |
| GRIPPER | 2968063 | 7/12/2005 |
| HAIR SCULPTOR | 1194950 | 5/11/1982 |
| HOT TONES | 2367019 | 7/11/2000 |
| HYDRA BOTANICS | 2365937 | 7/11/2000 |
| ION | 1320267 | 2/19/1985 |
| ION | 2760298 | 9/2/2003 |

| | | |
|---------------------------|---------|------------|
| ION | 3071641 | 3/21/2006 |
| ION NEGA-CLEAN and Design | 3024383 | 12/6/2005 |
| LAST CALL | 2765664 | 9/16/2003 |
| LICE-TRAP | 3024369 | 12/6/2005 |
| LIP SAVVY | 2418063 | 1/2/2001 |
| MAD ARTIST | 3060854 | 2/21/2006 |
| MEDILIP | 2359609 | 6/20/2000 |
| MEGASILK | 3166089 | 10/31/2006 |
| METAGRIP | 2846753 | 5/25/2004 |
| NAIL INSURANCE | 1452787 | 8/18/1987 |
| NAIL INSURANCE | 2748694 | 8/5/2003 |
| NAIL INSURANCE | 2770299 | 9/30/2003 |
| NAIL LIFE | 2650144 | 11/12/2002 |
| NASTY GIRL | 2652573 | 11/19/2002 |
| NATURAL BALANCE | 806155 | 3/22/1966 |
| NATURAL BALANCE | 802481 | 1/18/1966 |
| NATURAL SEVEN OIL | 2314580 | 2/1/2000 |
| NET EFFECT | 1769609 | 5/11/1993 |
| NEW IMAGE | 833800 | 8/15/1967 |
| NEW IMAGE | 799630 | 11/30/1965 |
| NEW IMAGE | 799629 | 11/30/1965 |
| NEW IMAGE | 831974 | 7/11/1967 |
| NOODLE HEAD | 2765665 | 9/16/2003 |
| PARABOLIC | 2855190 | 6/15/2004 |
| PHYTO SYSTEME | 2333530 | 3/21/2000 |

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|-------------------------|---------|------------|
| POWER LIFT | 2360769 | 6/20/2000 |
| PREP B-4 | 2605701 | 8/6/2002 |
| PRO CARE | 1152062 | 4/28/1981 |
| PROCLAIM | 2404574 | 11/14/2000 |
| PROCLAIM | 2762853 | 9/9/2003 |
| PROCLAIM | 2936960 | 3/29/2005 |
| PROTEIN COCKTAIL | 2793048 | 12/9/2003 |
| PUCKER UPS | 2418929 | 1/9/2001 |
| PUMP UP THE VOLUME | 3058114 | 2/7/2006 |
| QUICK WHITE | 2652574 | 11/19/2002 |
| QUICKSHIP | 2029967 | 1/14/1997 |
| RASPBERRY KAMIKAZE | 2861295 | 7/6/2004 |
| RHINO | 3127864 | 8/8/2006 |
| ROCK ON | 2675527 | 1/14/2003 |
| SALLY | 1763527 | 4/6/1993 |
| SALLY | 2316754 | 2/8/2000 |
| SALLY | 2612903 | 8/27/2002 |
| SALLY BEAUTY | 2920799 | 1/25/2005 |
| SALLY BEAUTY and Design | 2582384 | 6/18/2002 |
| SALLY BEAUTY and Design | 2810775 | 2/3/2004 |
| SALLY BEAUTY SUPPLY | 2799286 | 12/23/2003 |
| SALLY GIRL | 3127488 | 8/8/2006 |
| SALLYCARES | 2535551 | 2/5/2002 |
| SALON CARE | 2083563 | 7/29/1997 |
| SALON CARE | 2540686 | 2/19/2002 |

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|--|---------|------------|
| SALON CARE | 2301571 | 12/21/1999 |
| SALON CARE | 2765791 | 9/16/2003 |
| SALON CARE | 2850945 | 6/8/2004 |
| SALON FOCUS PROMOTION GUIDE and Design | 2930699 | 3/8/2005 |
| SAVAGE BRONZE | 2806741 | 1/20/2004 |
| SAVVY | 3068960 | 3/14/2006 |
| SCENTS OF WELLNESS | 2478296 | 8/14/2001 |
| SCENTS OF WELLNESS | 3071665 | 3/21/2006 |
| SECOND CHANCE | 759804 | 11/5/1963 |
| SHAKE IT UP SHINER | 2861223 | 7/6/2004 |
| SHEER GLORY | 820437 | 12/13/1966 |
| SHEER GLORY | 3011362 | 11/1/2005 |
| SILK ELEMENTS | 2935496 | 3/22/2005 |
| SILKEN CHILD | 3136681 | 8/29/2006 |
| SIMPLY SMART SIMPLY SALLY | 2366093 | 7/11/2000 |
| SKIN SAVVY | 2762134 | 9/9/2003 |
| SMOOTH SHOT | 2826521 | 3/23/2004 |
| SPIKE IT | 2885024 | 9/14/2004 |
| SPLIT DECISION | 2560396 | 4/9/2002 |
| SPLIT MENDER | 2830863 | 4/6/2004 |
| STIFF ENUFF | 2663411 | 12/17/2002 |
| STIFF HEAD | 2362945 | 6/27/2000 |
| STRAIGHT LACED | 3112537 | 7/4/2006 |
| STRICTLY PROFESSIONAL | 2166212 | 6/16/1998 |

| | | |
|---|---------|------------|
| STRICTLY PROFESSIONAL | 3159879 | 10/17/2006 |
| STRIP SEARCH | 2660222 | 12/10/2002 |
| SURE-BOND | 2088126 | 8/12/1997 |
| SURF WAX | 2837203 | 4/27/2004 |
| TERRIFIC TIPS | 2013919 | 11/5/1996 |
| TORNADO | 2783223 | 11/11/2003 |
| TRIPPED OUT | 2958454 | 5/31/2005 |
| VELVETEEN | 2958195 | 5/31/2005 |
| WEST COAST BEAUTY SUPPLY | 3163414 | 10/24/2006 |
| WET LOOK | 1284849 | 7/10/1984 |
| WHATEVER YOU WANT. WHENEVER YOU NEED IT. WHEREVER YOU ARE. | 2425130 | 1/30/2001 |
| WILDEST DREAMS | 2322182 | 2/22/2000 |

B. Trademarks Registered to Armstong McCall, L.P.

| <u>Trademark</u> | <u>Registration Number</u> | <u>Registration Date</u> |
|--|----------------------------|--------------------------|
| ARMSTRONG MCCALL | 1675418 | 2/11/1992 |
| ARMSTRONG-MCCALL | 1673793 | 1/28/1992 |
| ARNOLD'S (Stylized) | 2797492 | 12/23/2003 |
| ARNOLD'S | 2806580 | 1/20/2004 |
| ARNOLD'S BEAUTY SUPPLIES & EQUIPMENT SINCE 1884 and Design | 2775506 | 10/21/2003 |
| CHAIN LINK | 2756465 | 8/26/2003 |

C. Trademarks Registered to Innovations – Successful Salon Services

| <u>Trademark</u> | <u>Registration Number</u> | <u>Registration Date</u> |
|----------------------|----------------------------|--------------------------|
| COSMOPROF | 2025319 | 12/24/1996 |
| COSMOPROF (Stylized) | 2043011 | 3/11/1997 |
| AROMA AESTHETICS | 2929115 | 3/1/2005 |

U.S. Trademark Applications

A. Pending Trademark Applications of Beauty Holding Company, Inc. (the entity is now known as Beauty Holding LLC)²

| <u>Trademark</u> | <u>Application Number</u> | <u>Application Date</u> |
|--|---------------------------|-------------------------|
| BEE KISSED | 77019587 | 10/12/2006 |
| BRUSH STROKES | 78/521706 | 11/23/2004 |
| DESIGN FUSION | 78/506525 | 10/27/2004 |
| DESIGN LENGTHS | 77014504 | 10/5/2006 |
| HEEL TO TOE | 78/896909 | 5/31/2006 |
| HOT N SILKY | 77019581 | 10/12/2006 |
| ION SENSITIVE SCALP | 78/825521 | 2/28/2006 |
| LOME PARIS | 78/434754 | 6/14/2004 |
| MAD MUD | 78/535296 | 12/20/2004 |
| NATURAL 7 OIL | 78/844197 | 3/23/2006 |
| NATURAL IONIC ENERGY | 78/948734 | 8/9/2006 |
| NEGATIVE IONIC ENERGY | 77/019590 | 10/12/2006 |
| PARTY ON | 78/839776 | 3/17/2006 |
| SILK ELEMENTS REVIVE & RESTORE (Stylized) | 78/422156 | 5/20/2004 |
| STRICTLY PROFESSIONAL | 78/366711 | 2/12/2004 |
| WANT ME | 78/907907 | 6/14/2006 |
| WEST COAST BEAUTY SUPPLY | 78/336011 | 12/3/2003 |
| WEST COAST BEAUTY SYSTEMS | 78/821367 | 2/23/2006 |

² The change of name to Beauty Holding LLC will be recorded with the U.S. Patent and Trademark Office promptly after closing.