

PROFESSIONAL SALON CONTRACT

Four Star Salon Services distributes and sells high quality brands of hair care, skin care, cosmetic, lip and nail products ("Professional Beauty Products"). The Professional Beauty Products are designed and intended for sale only in professional salons. A professional salon is owned by or employs one or more licensed cosmetologists on a full time basis at each location, is current in all state licensing for its business and maintains a reasonable area devoted to salon services. Distributor is contractually obligated to the manufacturers of the Professional Beauty Products to sell the products only to licensed professional cosmetologists and Salons for their use or for resale with professional recommendation to Salon customers.

The undersigned salon ("Salon") wishes to purchase Products from Distributor and Distributor agrees to sell reasonable quantities of the Professional Beauty Products to Salon in consideration of the Salon's promises and subject to the terms and conditions set forth below:

1. All Professional Beauty Products purchased by Salon from Distributor will be used by Salon on its premises associated with providing services to Salon or, in the case of retail products designed for home use, sold to Salon's customers from the Salon's premises and only in quantities meeting their customers home consumption needs.
2. Salon will use and apply "professional use only" products only in connection with professional services performed on our premises for Salon's customers. Salon will not sell or otherwise transfer "professional use only" products to anyone.
3. Salon will not sell Professional Beauty Products by use of the Internet, catalog sales or other methods of distance selling, including taking orders by telephone, all of which are incompatible with professional recommendation at the time of sale. This provision does not restrict Salon from using the Internet to advertise professional services.
4. Salon will not remove, obliterate or tamper with any codes applied to Professional Beauty Products by the manufacturer or Distributor.
5. Salon will not resell Professional Beauty Products to any diverter or redistributors of products. Salon will report immediately to Distributor any person who attempts to buy the Professional Beauty Products for any purpose other than their personal use in quantities meeting their home consumption needs. Salon will maintain records of all sales of Professional Beauty Products exceeding \$100 and will make such records available for inspection by Distributor or the manufacturers.
6. Salon acknowledges that the diversion of Professional Beauty Products to non-salon outlets damages the reputation of the manufacturer of the Professional Beauty Product, the goodwill with the manufacturer's

customers and damages the manufacturer's business relations with distributors and salon customers. Because actual damages to the manufacturer's business relationships, goodwill and reputation are difficult to measure, Salon agrees to pay the manufacturer \$100 per product unit sold by Salon in violation of this agreement.

In addition, Salon hereby agrees that Distributor and the manufacturer shall be entitled to the following in the event Salon violates this agreement: (i) An injunction against Salon prohibiting Salon's violation of this agreement; and (ii) Salon will reimburse Distributor and the manufacturer all costs associated with the repurchase of the Professional Beauty Products sold or transferred by Salon in violation of this agreement (iii) Salon may be identified in public announcements as involved, directly or indirectly, in diversion of Professional Beauty Products; and (iv) reasonable attorney fees and costs incurred by Distributor and manufacturer in any legal action(s) taken against Salon for injunctive relief and damages as set forth above.

7. Salon's owner is responsible to ensure performance of this agreement. Salon will take appropriate action to make each employee and each cosmetologist working on Salon's premises is aware of Salon's obligations under this contract and secures their compliance with this agreement.
8. This agreement is intended to benefit Salon, Distributor and the manufactures of the Professional Beauty Products and each may enforce this contract. The parties acknowledge that this agreement does not create a partnership or franchise relationship.
9. This agreement may be terminated with respect to future purchases without penalty at any time by either Salon or Distributor upon written notice.

Four Star Salon Services _____

Salon name

By: _____
Distributor signature date

Salon address

By: _____
Salon owner signature date

Print Name