



Help New Sunshine Fight Diversion

New Sunshine understands diversion hurts your business; Products need to be sold at the point of sale where we all have invested in training your salon professionals in order to educate and advise the consumer of proper use to achieve the best results. Diversion hurts the entire industry by weakening the credibility of your salon professionals. Credibility that has been built over time by aligning your actions, words, and values with your consumer values and needs. It takes years to build this reputation but little time to tear it down.

At New Sunshine, we are committed to protecting the value of your investment and the brands you represent to your clientele: Australian Gold, California Tan, Designer Skin, Swedish Beauty, and JWOWW. We have been aggressively enforcing our distributor and sub-distributor contracts, sourcing outside diversion specialists, as well as employing advanced tracking techniques to identify and cut off diverters. This has helped to strengthen our brands, but we need to continue to fight the unauthorized sale of products until we have accomplished our end goal.

Because of this, it has become a necessity to implement Professional Salon Contracts as is standard policy in the professional beauty industry. This action guarantees that all salons representing our brands understand clearly our industry expectations. Please help us support the industry and your salons by completing the agreement and returning to New Sunshine or your distributor.

Sincerely,

Jason Brooks
Director of Indoor Sales

7/1/2021

Mail:
New Sunshine, LLC
ATTN: Customer Service
8001 Woodland Drive
Indianapolis, IN 46278

Email: agcustomerservice@australiangold.com



Professional Salon Contract

WHEREAS, New Sunshine LLC is in the business of developing, manufacturing, distributing, and selling high quality tanning and skincare products under the brands Australian Gold, California Tan, Designer Skin, Swedish Beauty, and JWOWW hereto referred to as "Professional Products".

WHEREAS, Professional Salons are owned by or employs trained specialists in indoor tanning, are current in local and state regulations and are current in all state licensing for its business. Professional Salons have invested in specialty equipment and have received training on operation and use of such equipment. Professional Salons maintain a reasonable area devoted to product sales. Professional Products are designed and intended for sale in Professional Salons.

WHEREAS, Distributor is in the business of reselling, distributing, marketing, and selling various Professional Products from New Sunshine LLC to Professional Salons.

WHEREAS, Distributor is contractually obligated to resell products only to Professional Salons reselling Professional Products to consumers purchasing services on site in Professional Salons.

WHEREAS, Customer means a consumer who is buying tanning services in Professional Salons as the end user of Professional Products and receiving instruction on proper use.

The undersigned Professional Salon (Salon) wishes to purchase Professional Products from a Distributor. Distributor agrees to sell reasonable quantities of Professional Products in proportion to the Salon's business in consideration of the Salon being subject to the terms and conditions being set forth below.

1. All Professional Products purchased by the Salon will be sold on the premise to Customers in association to the services it sells. Salon will only sell to consumers the quantities meeting the customers' needs or could reasonably be used by consumer in the use of onsite services. Salon will not resell Professional Products to any diverter or re-seller of products.
2. Salon will not sell Professional Products by use of the Internet. Salon may use the Internet to describe the products and their use. Because New Sunshine considers advertising of prices directly or indirectly constitutes an offer to sell, Professional Salon shall not use the Internet to advertise Professional Products prices. This provision does not restrict the Salon from using the Internet to advertise the salons Professional Services.
3. Salon will only purchase Professional Products from a contracted New Sunshine Distributor. Salon will not remove or tamper with any systems or codes applied to Professional Products.

4. Salon's owner is responsible for adherence to this contract. Salon will take appropriate action to make each employee aware of Salon obligations under this contract and their acquiescence to its clear direction. Salon will report immediately to Distributor or New Sunshine any person who attempts to buy the Professional Products for any other purpose than personal use in quantities meeting their needs for home consumption.
5. Salon will maintain records of all sales of Professional Products and will make such records available on request to New Sunshine if there is reason to suspect potential violation of this contract.
6. New Sunshine shall have the right to suspend this Contract and to deny Professional Salon the opportunity to purchase Products from Distributor and to delay the delivery of Products purchased by Salon, if, and for as long as, in its sole discretion, New Sunshine has reason to believe that an investigation is necessary to determine if any breach of this contract has occurred. If New Sunshine reinstates this Contract after a suspension, Salon acknowledges and agrees that Salon's rights and remedies with respect to the New Sunshine's suspension of the Contract are limited to reinstatement, and New Sunshine shall not be liable in any manner or amount to Salon for any losses, expenses or other such costs incurred during the suspension.
7. Salon acknowledges and agrees that New Sunshine has a substantial interest in protecting the goodwill associated with its Intellectual Property and Professional Products. That the diversion of Professional Products damages the reputation of the manufacturer of Professional Products, the goodwill with New Sunshine's customers and damages the manufacturer's business relations with Distributors, Professional Salons and salon customers. Because the actual damages to the manufacturer's business relationships, goodwill and reputation are difficult to measure, Salon agrees to pay the manufacturer whichever is higher, \$100 or the full Manufacturer Suggested Retail Price, per product unit sold by Salon in violation of this contract.
8. Salon agrees that New Sunshine shall be entitled to the following in the event Salon violates this Contract:
 - a. Injunctive relief against Salon prohibiting Salon violation of this contract; and
 - b. Salon will reimburse New Sunshine all costs associated with the repurchase of Professional Products sold by Salon in violation of this contract; and
 - c. Salon may be required to turn over all Professional Products in their possession to New Sunshine. Including all expenses associated with such transaction including but not limited to cost of goods, packaging and shipping; and
 - d. All legal fees and costs incurred by New Sunshine in any legal action taken against Salon for injunctive relief and damages as set forth above in (8.a.b. & c.)
9. The provisions of this contract are intended to benefit Professional Salon, Distributor and manufacturer of Professional Products, New Sunshine. The parties acknowledge that this contract does not create a partnership or franchise between any parties hereto.
10. The contract may be terminated with respect to future purchases without penalty at any time by either Salon or New Sunshine upon written notice; via facsimile, email, letter or courier.

11. Governing law and jurisdiction: This Contract and all transactions contemplated hereby shall be construed, governed and enforced in accordance with the laws of the State of Indiana and shall be treated in all respects as a State of Indiana contract without regard to laws related to choice or conflict of laws. The parties acknowledge and agree that this Contract was negotiated and executed in the State of Indiana. The parties hereto irrevocably consent to the jurisdiction and exclusive venue of the courts of Marion County in the State of Indiana and/or the United States District Court for the Southern District of Indiana with respect to any and all actions in any way related to this Contract or its enforcement, and the parties to this Contract irrevocably waive any and all objections thereto. The Company shall, in its sole discretion, have the right to litigate any action relating to this Contract in the venue where the breach occurred or where any defendant may be found.

Salon Name

Owners Name (Printed)

Owners Signature

Address

Email Address

Date