

5. Salon Purchaser recognizes that the sale of KM USA products in any location other than an Authorized Salon will seriously damage KM USA's reputation with the public, and the reputation of its products, and will likely cause confusion as to KM USA's approval of the sale of its products through such unauthorized locations. Salon Purchaser acknowledges that diversion will disrupt KM USA's business relations with its Authorized Salons and KM USA distributors, and may cost KM USA substantial amounts of money to repurchase diverted products. Accordingly, Salon Purchaser agrees that if it violates this Agreement, KM USA and/or Distributor shall be entitled to obtain an injunction against Salon Purchaser in any court of competent jurisdiction prohibiting such violation, and a judgment that Purchaser pay to KM USA as damages a sum equal to the full retail price normally charged by Salon Purchaser for any KM USA products sold to Salon Purchaser that are resold by Salon Purchaser in violation of this Agreement, and that Salon Purchaser will also pay as Damages whatever costs and attorneys' fees are incurred by KM USA to recover any such diverted product and to enforce this Agreement.

6. Salon Purchaser agrees to take appropriate steps to advise all of its employees, if any, of the existence of this contract, and to assure their compliance with it. KM USA or Distributor has the right to withhold and not pay any credits, awards, money or other things of value that Salon Purchaser may otherwise be entitled to under any program offered by KM USA or Distributor, upon a determination by KM USA or Distributor that Salon Purchaser has breached a provision of this Agreement.

7. The provisions of this contract are specifically intended to benefit Salon Purchaser, KM USA and Distributor, and any one of them may bring an action to enforce the provisions of this contract. Either Salon Purchaser or Distributor may terminate this contract with respect to future purchases immediately upon notice for any reason or no reason.

Name of Salon/Licensed Salon Professional [PRINT]:

Address: _____

City: _____ ST: _____ Zip: _____

Phone: _____ Website Address: _____

Authorized Salon/Licensed Salon Professional Signature _____

Date_____

DSC Signature _____ Date_____

SSG Customer # _____

Purchase and Non-Diversion Agreement

Kevin Murphy USA Business Services Pty. Ltd. ("KM USA") manufactures and sells a unique line of hair care and related products under the "Kevin Murphy" mark, which are available for sale only to licensed salons or day spas, licensed cosmetologists and licensed barbers ("Licensed Salon Professionals") who qualify under and abide by all of KM USA's policies relating to the use and sale of its products. To qualify to purchase KM USA products a licensed salon or day spa must (a) generate at least 50% of its gross revenues from providing professional services, rather than from selling products and other merchandise; and (b) not be located on the premises of a self-service, mass merchandise, discount department, grocery or drug store, flea market or swap meet, or similar store or facility, or operating in connection with any such store or facility ("Authorized Salon"). The undersigned Authorized Salon/Licensed Salon Professional ("Salon Purchaser") wishes to purchase KM USA products from the undersigned distributor of KM USA products ("Distributor") and Distributor is willing to sell KM USA products to Salon Purchaser under the following terms and conditions:

1. Salon Purchaser warrants and represents that she/he is a Licensed Salon Professional or it is an establishment that qualifies as an Authorized Salon as defined in this Agreement above.
2. Salon Purchaser agrees that all KM USA products (a) will be used by Salon Purchaser in its Authorized Salon in connection with providing services to its clients, or (b) in the case of retail products designed for use at home, will be sold only in Salon Purchaser's Authorized Salon to its legitimate clients in quantities those clients reasonably need for personal use at home, and (c) will not be sold in any location that does not qualify as an Authorized Salon as defined in this Agreement above.
3. Salon Purchaser agrees that it will not resell KM USA products to any diverter or redistributor of products; will not sell KM USA products in bulk; will not sell KM USA products over the internet or through any form of mail-order or e-mail; and will not divert KM USA products in any other fashion. Salon Purchaser agrees that any products marked "For Professional Use Only," "Not For Retail Sale" or with similar language, including any hair coloring products or permanent waves sold by KM USA, shall not be resold by Salon Purchaser to anyone under any circumstances, but will be used by Salon Purchaser only in its Authorized Salon for the purpose of providing services to clients. Salon Purchaser agrees that it will not use KM USA products to refill previously used containers for sale to Salon Purchaser's clients. Salon Purchaser will permit Distributor and/or KM USA, at reasonable times and upon two days' notice, to enter the Salon Purchaser's premises and inspect and audit Salon Purchaser's records related to the purchase and sale of KM USA products, other professional products and professional services to ensure compliance with this Agreement and to combat diversion.
4. Salon Purchaser understands that KM USA and Distributor may apply codes to KM USA products for a number of reasons, including compliance with federal laws, protecting the public in the event of a recall and combating diversion. Salon Purchaser agrees that it will not remove, obliterate, alter or otherwise tamper with any codes applied to KM USA products.