



Independent Stylist Agreement

USA

This Independent Stylist Agreement sets forth the terms and conditions that govern the contractual relationship between Color Street, LLC ("Color Street" or "Company") and Independent Stylist. Color Street and Independent Stylist are collectively referred to below as the "Parties" and may each be referred to as a "Party." Upon enrollment, Independent Stylist agrees to the following:

- 1. Legal Age.** I am of legal age in the State in which I enter this Agreement.
- 2. Color Street Agreement.** I understand that this Independent Stylist Agreement is subject to acceptance by Color Street. Upon acceptance by Color Street, the terms and conditions contained in this Independent Stylist Agreement, together with the Color Street Policies and Procedures for Independent Stylists (the "Policies and Procedures"), Privacy Policy and the Color Street Compensation Plan (the "Compensation Plan"), all of which are incorporated into this Independent Stylist Agreement by reference, shall constitute the entire agreement (the "Agreement") between Color Street and myself.
- 3. Independent Contractor.** It is expressly understood that as an Independent Stylist I will be an independent contractor and this Agreement does not constitute a sale of a franchise and this Agreement is not intended and shall not be construed to create any association, partnership, joint venture, employment, or agency relationship between Color Street and me. As an Independent Stylist I am responsible for my own business activities with sole control over the manner and means of my performance under this Agreement. I shall have the right to sell the products and services offered by the Company in accordance with the terms of this Agreement. I am solely responsible for setting my work hours and for paying expenses incurred by me in the operation of my business. I understand that I am not eligible to participate in any vacation, group medical or life insurance, disability, profit sharing or retirement benefits, or any other fringe benefits or benefit plans offered by Color Street to its employees. I UNDERSTAND THAT I AM NOT AN EMPLOYEE OR AGENT OF COLOR STREET AND I WILL NOT BE TREATED AS AN EMPLOYEE FOR INCOME, PAYROLL, SOCIAL SECURITY, OR OTHER FEDERAL OR STATE TAX PURPOSES. I acknowledge that Color Street is not responsible for income withholding and that it will not withhold or deduct any tax from any compensation I receive from Color Street commissions or bonuses. As an independent contractor, the Independent Stylist is responsible for (i) abiding by any and all federal, state, county and local laws, rules and regulations pertaining to this Agreement and/or the acquisition, receipt, holding, selling, distributing or advertising of Company products; (ii) at the Independent Stylist's own expense, filing all such reports and obtaining such licenses as are required by law or public authority with respect to this Agreement and/or the receipt, holding, selling, distributing or advertising of Company products; and (iii) declaration and payment of all local, state and federal taxes as may accrue because of the Independent Stylist's activities in connection with this Agreement.
- 4. Other Business Activities.** As an Independent Stylist, I understand that I may be engaged or employed in any other business, trade, profession, or other activity that does not place me in a conflict of interest with Color Street; provided that, during the term of this Agreement, I will not be engaged in any business activities that do or may compete with the business of Color Street without Color Street's prior written consent. Due to the visibility of our higher-ranking Independent Stylists, Independent Stylists at the rank of Executive Director or above agree not to participate as a distributor in any Direct Sales company regardless if the company sells competing products or not. This includes building a downline with, consulting with or receiving compensation from any company that is in the direct sales, party plan or network marketing business channel. Additionally, participation in non-direct sales companies that compete with Color Street are equally prohibitive.
- 5. Prohibition on Large Quantity.** The company's program is built upon retail sales to the ultimate consumer. For this reason, a retail sale for bonus purposes shall include sales to non-participants, as well as sales to Independent Stylists for personal or family use which are not made for purposes of qualification or advancement. It is company policy to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the Compensation Plan. Independent Stylists may not inventory load nor encourage other Independent Stylists to purchase large quantities of Inventory.
- 6. Starter Kit & Monthly Fees.** No purchase or investment is necessary to become an Independent Stylist other than the purchase of a Starter Kit, which is sold "at cost." (Purchase of a Starter Kit is optional in North Dakota). This "at cost" kit fee covers basic and ongoing sales and marketing materials and support in both written and electronic and online media formats, including product and service updates. In addition, Independent Stylists pay a \$9.95 monthly

E-Suite fee for “at cost” ongoing sales and marketing materials support, including but not limited to, back office support, accounting review, training updates, replicated website and communication tools to support the sales and marketing process. By submitting this Independent Stylist Application and Agreement, Independent Stylists specifically authorize this monthly fee to be charged to the Independent Stylist’s on-file debit or credit card (or other form of payment acceptable to the Company) each month for as long as he or she remains an Independent Stylist.

7. Term of Agreement and Renewal. The term of this Agreement is one month. The Agreement will renew on a month-to-month basis provided you pay the monthly E-Suite fee, unless sooner terminated in accordance with Section [8]. The E-Suite fee must be paid each month to avoid suspension or termination of your Color Street business affiliation. Suspension will occur if you do not pay for one month. If two consecutive months pass without E-Suite payment, your Agreement may be permanently cancelled. (Monthly E-Suite fees are not required for residents of North Dakota).

8. Termination of the Agreement.

a. An Independent Stylist or Color Street may terminate this Agreement without cause upon thirty (30) calendar days’ written notice to the other party. In the event of termination pursuant to this clause, Color Street shall pay you on a pro-rata basis any fees then due and payable for services completed up to and including the date of such termination.

b. Independent Stylist or Color Street may terminate this Agreement, effective immediately upon written notice to the other party, if the other party breaches this Agreement. Breach by Independent Stylist includes but is not limited to discrediting the Company’s name or misrepresenting the Company’s products or business opportunity by making statements or claims other than those set forth in official Company publications, product literature and product labels. Notice must be given in accordance with Section 23 of this Agreement. Color Street also reserves the right to terminate this Agreement if Independent Stylist relocates or changes his or her permanent residence to outside the United States or to a location where Color Street is not authorized.

9. Effect of Termination. If this Agreement is terminated for any reason, the Independent Stylist shall not be eligible to purchase products from Color Street at wholesale prices or make sales on behalf of Color Street, hold herself or himself out to the public as a Color Street Independent Stylist, utilize any Confidential Information or otherwise use any Color Street trademarks or marketing materials. In the event of termination or non-renewal of this Agreement, all rights of the Independent Stylist, if any, to any bonuses, commissions, or other compensation, whether or not related the productivity or sales activities of any other Independent Stylist, or otherwise, shall terminate. Upon any termination, the complete downline of the terminating Independent Stylist will roll up to the immediate sponsor of the terminating Independent Stylist.

10. Return of Unsold Inventory by Terminated Stylist. Upon any termination of this Agreement, an Independent Stylist may return the Starter Kit or any unsold Products that the Independent Stylist purchased from Color Street within the twelve (12) month period preceding the date of termination for a partial refund.

a. An Independent Stylist may only receive a refund if the returned Starter Kit or Products are current and in resalable condition. “Current and Resalable Condition” means any Product being offered for sale by Color Street on the date it receives the unsold Product from the terminating Independent Stylist, the items are returned in original packaging with the complete contents, and the items have not been not altered or damaged.

b. After Color Street’s receipt of the Starter Kit or products, Color Street will refund 90% of the net cost of the original purchase price, less applicable setoffs including but not limited to sales rebates. The refund will be in the form of a check from Color Street. Any returned Products that Color Street determines are not in resalable condition will be shipped back to the Independent Stylist at the Independent Stylist’s expense.

c. The twelve (12) month requirement is not applicable to residents of Maryland, Wyoming, Massachusetts and Puerto Rico.

d. Personalized business supplies, including personalized sales aids and two finger testers, are not eligible for return and will not be refunded. Similarly, E-Suite fees are non-refundable.

11. Confidential Information. Independent Stylist acknowledges that Color Street may provide Independent Stylist with proprietary or non-public information and reports relating to Independent Stylist's sales activity, other Independent Stylists, Products or customers ("Confidential Information"). Confidential Information shall include, but not be limited to, downline reports and compilations generated by Color Street that are made available to Independent Stylist, contact and earnings information of other Independent Stylists, sales information, forecasts, projections or other materials furnished or prepared by Color Street for Independent Stylist's use.

- a. Independent Stylist acknowledges that Color Street is the sole owner of any and all Confidential Information provided to Independent Stylist pursuant to this Agreement. In this regard, Independent Stylist shall: (i) not directly or indirectly divulge, disclose, disseminate, distribute, license, sell, use or otherwise make known any Confidential Information to any third party or person or entity not expressly authorized or permitted by Color Street to receive such Confidential Information; (ii) use best efforts to prevent disclosure of any Confidential Information to any third party and exercise the highest degree of care and discretion in accordance with all express duties hereunder to prevent the same; and (iii) not directly or indirectly make any use whatsoever of the Confidential Information, except for purposes of performing services under this Agreement.
- b. The parties each acknowledge that the restrictions in this Section are reasonable efforts of Color Street to protect and maintain the Confidential Information. The obligation of Independent Stylist regarding confidentiality shall survive for so long as Color Street may, in its sole discretion, consider the Confidential Information to be confidential.
- c. Independent Stylist shall not directly or indirectly utilize Confidential Information in connection with any other business or commercial venture or the marketing or promotion of another company's products or services. Similarly, Independent Stylist shall not directly or indirectly utilize Confidential Information to solicit other Independent Stylists or customers to join another direct sales company or purchase products or services from another company.
- d. The obligations of the Independent Stylist under this section shall survive termination of this Agreement. Notice of Immunity Under the Defend Trade Secrets Act of 2016 ("DTSA"). Notwithstanding any other provision of this Agreement, you will not be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that:
 - (i) is made: (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or
 - (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the Company's trade secrets to your attorney and use the trade secret information in the court proceeding if you:
 - (i) file any document containing the trade secret under seal; and
 - (ii) do not disclose the trade secret, except pursuant to court order.

12. Non-Disparagement. During the term of this Agreement, Independent Stylist agrees to refrain from making negative, disparaging, untrue or misleading statements or comments about Color Street, its Products, the Compensation Plan or Color Street's officers, employees or other Independent Stylists.

13. Non-Solicitation. During the term of this Agreement and one (1) year following the termination of this Agreement, Independent Stylist agrees to not directly or indirectly (i) solicit any Color Street Independent Stylist to join, enroll or affiliate with another direct sales company; or (ii) terminate or alter any Color Street Independent Stylist's business relationship with Color Street. In this Section, "direct sales company" is defined to include a network marketing, multilevel marketing, party plan or social media company that sells products or services through independent sales representatives. In this Section, "solicit" is defined to include the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, another Independent Stylist to participate in another direct selling program. This conduct constitutes a violation of this provision even if the Independent Stylist's actions are in response to an inquiry made by another Independent Stylist. Examples of solicitation in violation of this provision include but are not limited to:

- Creating communication channels between yourself and other Independent Stylists in order to ask or entice them into joining you in some business other than Color Street;
- Creating a social media group for your other business and inviting Color Street Independent Stylists to join;
- Asking a third-party or spouse to contact an Independent Stylist on your behalf, or on the behalf of another direct selling company, in order to share with them a product or opportunity.

14. Remedial Actions. Color Street reserves the right to take remedial action as necessary to enforce the terms of this Agreement and ensure appropriate conduct by Independent Stylists. Breach of this Agreement or any illegal, fraudulent, deceptive or unethical business conduct by Independent Stylist may result, in Color Street's discretion, in one or more of the following: (i) a written warning; (ii) requirement that Independent Stylist take immediate corrective measures; (iii) loss of rights to purchase Color Street products at discount prices or receive future commissions and bonuses; (iv) suspension of Independent Stylist's right to engage in Color Street business; (v) termination of this Agreement; or (vi) any other measure or action that Color Street, in its sole discretion, determines to be appropriate. Written notice of any remedial action shall be sent to Independent Stylist in accordance with the terms of this Agreement. The remedies described in this Section are cumulative and Color Street reserves the right to pursue all available remedies at law including the institution of legal proceedings for monetary or equitable relief.

15. Limitation of Liability. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY OR ANY FAILURE OF ESSENTIAL PURPOSE, IN NO CASE SHALL INDEPENDENT STYLIST OR COLOR STREET, LLC OR ITS OWNERS, SHAREHOLDERS, MEMBERS, MANAGERS, DIRECTORS, OFFICERS, EMPLOYEES, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, OR REPRESENTATIVES BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, HOWEVER CAUSED, ARISING OUT OF OR RELATED TO THE INDEPENDENT STYLIST AGREEMENT OR THE SUBJECT MATTER HEREOF (INCLUDING BUT NOT LIMITED TO THE COLOR STREET PRODUCTS, COLOR STREET MARKETING MATERIALS OR THE COLOR STREET COMPENSATION PLAN, REGARDLESS OF WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHER THEORY OF LIABILITY (INCLUDING BUT NOT LIMITED TO NEGLIGENCE OR STRICT LIABILITY), OR OTHERWISE, AND EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

16. Mediation. In the event a dispute arises between Color Street and an Independent Stylist as a result of breaches or apparent breaches of the Stylist Agreement, the parties agree to meet in good faith, prior to initiating arbitration or litigation, and to attempt resolution of such dispute through confidential non-binding mediation. One individual that both parties find acceptable shall be appointed as mediator. If the parties cannot agree on a mediator, the complaining party shall request that a mediator be appointed by the American Arbitration Association ("AAA"). The mediation shall occur no later than 60 days after the date on which the mediator is appointed. Parties agree to share equally between them the mediator's fees and costs, as well as the costs of holding and conducting the mediation. Each party will also agree to pay in full the party's portion of the fees and costs quoted as belonging to them at least 10 days in advance of the mediation. Each party shall pay its own attorney's fees, costs, and individual expenses. Mediation shall be held in Bergen County, New Jersey unless the Parties mutually agree in writing on another location. In the event the mediation is unsuccessful, the parties may resolve the dispute through arbitration as provided below.

17. Governing Laws & Venue. This Agreement will be governed by and construed in accordance with the laws of the State of New Jersey without regard to principles of conflicts of laws. The Parties agree that the Superior Court of New Jersey in Bergen County, New Jersey or United States District Court of New Jersey, Newark Vicinage shall be the sole and exclusive venue and forum for any lawsuit or court proceeding between the Parties and each Party consents to personal jurisdiction in such courts and waive any and all objections to venue, jurisdiction or forum that might otherwise be available to either Party.

18. Arbitration. THE PARTIES MUTUALLY AGREE THAT ANY CLAIM OR DISPUTE BETWEEN THEM ARISING FROM OR RELATING TO THIS AGREEMENT, THE COMPENSATION PLAN OR THE RIGHTS OF THE PARTIES UNDER THE AGREEMENT SHALL BE RESOLVED BY BINDING ARBITRATION BEFORE A SINGLE ARBITRATOR IN BERGEN COUNTY, NEW JERSEY PURSUANT TO THE COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION, WITH EACH PARTY BEARING ITS OR HER OR HIS OWN COSTS, EXPENSES, ARBITRATION FEES AND ATTORNEY'S FEES. The Commercial Rules of the AAA are available at www.adr.org. Although this Agreement is made and entered into between

the Independent Stylist and Color Street, Color Street's affiliates, owners, members, managers, and employees ("Related Parties") are intended third party beneficiaries of the Agreement, including this agreement to arbitrate. This arbitration agreement is governed by the Federal Arbitration Act and shall survive the termination of this Agreement. Any issues related to the arbitrability of any claim shall be determined by the arbitrator. If either party wishes to initiate arbitration, the initiating party must notify the other party in writing via certified mail, return receipt requested, or hand delivery via courier. The demand for arbitration must include a statement of the legal and factual basis of the claim(s) to be arbitrated. The parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure and the parties shall be permitted to bring motions under FRCP Rules 12 and 56. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a final judgment in a court of competent jurisdiction. The parties and arbitrator shall maintain the confidentiality of the arbitration process and matters disclosed during the arbitration. The prevailing Party in the arbitration shall be entitled to recover their reasonable attorney's fees and costs from the non-prevailing party, as determined by the arbitrator.

- 19. Limitation on Time to Bring an Action.** If either Party wishes to bring an action against the other Party for any act or omission relating to or arising from the Agreement, such action must be brought within one (1) year from the date of the alleged conduct giving rise to the cause of action, or the shortest time permissible under state law. Failure to bring such action within such time shall bar all claims for such act or omission.
- 20. Class Action Waiver.** Independent Stylist agrees that by entering into the above agreement to arbitrate Independent Stylist is waiving Independent Stylist's right to have any dispute or claim brought, heard or arbitrated as a class or collective action, and an arbitrator shall not have any authority to hear or arbitrate any class or collective action. The Parties agree that any claim that all or part of this class action waiver is unenforceable shall be determined by the Superior Court of New Jersey, Bergen County, New Jersey or the United States District Court of New Jersey, Newark Vicinage and not by an arbitrator.
- 21. Court Actions.** Notwithstanding the Parties' agreement to arbitrate, either Party may bring an action in the Superior Court of New Jersey in Bergen County, New Jersey or United States District Court of New Jersey, Newark Vicinage to obtain a restraining order, temporary or permanent injunction, or other equitable relief that may not otherwise be available to either party in arbitration. The Parties may also seek judicial enforcement of an arbitration award in any court of competent jurisdiction.
- 22. Louisiana Residents.** Notwithstanding any other provision of this Agreement, if the Independent Stylist is a resident of Louisiana, the applicable law, jurisdiction and venue of any dispute between the parties arising from this Agreement shall be pursuant to Louisiana law.
- 23. Notice.** Unless otherwise provided in this Agreement, any notice or other communication required to be given under this Agreement shall be in writing and shall be deemed delivered to the other Party (i) upon personal delivery or delivery by professional courier; (ii) when sent by confirmed facsimile or electronic mail; or (iii) if mailed by registered, certified or express mail. If by mail, delivery shall be deemed effective by the date shown on the return receipt, or if there is no receipt, three (3) days after the date of mailing.

Notices to Color Street shall be sent to:
Color Street, LLC
922 Riverview Drive
Totowa, New Jersey 07512
ATTN: Legal Department
Email: legal@colorstreet.com

Notices to Independent Stylist shall be sent to the current mailing and/or email address on file provided by Independent Stylist to Color Street.

- 24. Amendments.** I understand that Color Street may amend this Agreement, including the Policies and Procedures and Compensation Plan, at any time as Color Street deems appropriate. Amendments shall be effective thirty (30) days after notice of an amendment is posted on the Color Street website or communicated to Independent Stylists through official Company publications. Amendments shall not apply retroactively prior to the effective date of the amendment.

All amendments are binding on all Independent Stylists and my continuation as an Independent Stylist after the effective date of any amendment constitutes my acceptance of such amendment. This Agreement, including the Policies and Procedures and Compensation Plan, in their current form and as may be amended supersedes all prior communications, understandings and agreements between Independent Stylist and Color Street and constitutes the entire agreement between the Independent Stylist and Color Street. To the extent that the provisions of any documents incorporated by reference into this Agreement conflict with these terms and conditions, these terms and conditions shall control. No waiver of any of the provisions of any Agreement shall constitute a waiver of any other provision.

25. Severability. If any provision of the Independent Stylist Agreement, in its current form or as amended, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Stylist Agreement and the remaining provisions shall remain in effect. The severed provision shall be reformed so that it is in compliance with the law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of action of an Independent Stylist against Color Street shall not constitute a defense to Color Street's enforcement of any term or provision of the Stylist Agreement.