



Mikuni American Policy and Procedures for Revenir and Charme

Revenir and Charme have been enjoying steady growth in unit sales as well as active distributor growth that understand the market potential of this new technology in the United States. There have been growing concerns among Wholesale distributors, Independent reps on how Mikuni will provide protection to those who have established distribution and retail networks. We also feel it is necessary to outline the roles and responsibilities of each distribution channel; these are now clearly outlined in the company policies and procedures for Revenir and Charme in North America.

Mikuni America believes that successful distribution is based on partnerships and relationships and we expect to include only distribution accounts that provide the highest level of service, and support to their network, which will be a reflection of the quality and service of our products.

There are five channels of distribution that will allow products to flow to the consumer. Each distribution channel's Role and responsibilities are outlined.

Wholesale Distributor Accounts

All Wholesale distributor accounts will be evaluated by the company to ensure they have the structure necessary to be able to provide support, training and the ability to expand their Revenir/Charme network.

Role and Responsibilities of a Wholesale Account

A Wholesaler is any company that will warehouse inventory and place a minimum order of 50 units plus equal or more amount of solution per order. We will consider a reasonable ramp up period of six months to achieve this monthly requirement. MAC will notify Wholesale distributors on the ramp up period and minimum quantity requirements of 25 units a month for a Wholesale Distributor during this ramp up period. If Minimum requirements are not met during the ramp up period the Wholesale account will be automatically converted to Mikuni IR Distributor responsibilities, including pricing and reduced minimum requirements after the six month ramp up period.

The Wholesaler's primary target market is a retailer. (i.e., Day Spas, Medical Spas, Dermatologists, Plastic Surgeons, etc.)

Wholesaler may also bring on reps to distribute their inventories.

Wholesaler will be responsible for rep's commissions

Terms of Wholesaler will be determined individually between Mikuni American Corp. And terms based on credit performance. A credit application will need to be submitted.

Wholesaler's primary goal is to develop a retailer network to expand the Revenir and Charme business in the USA.

Wholesaler's role is to provide support and product information to help develop retailer's business.



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Independent Representatives

The Company will seek highly motivated professional individuals that have an entrepreneurial spirit and will work to develop a strong network for the distribution of the Revenir and Charme Skincare Systems.

Independent Representative's Roles and Responsibilities

Independent Representatives ("IR") are individuals that build to promote and distribute Revenir and Charme products to the Retailers.

The IR's primary goal is to develop a network of Retailers in their home regions to distribute Revenir and Charme products.

The IR is responsible for providing support and product information to help develop the Retailer's business.

The IR is able to work outside of their home territory as long as they are able to provide satisfactory business and product support.

IRs are required to sell a minimum of 16 units a month to ensure they receive the lowest IR pricing, or 8 Business Start up Packages. This requirement will be enforced after a four month ramp up period. IRs who cannot meet this sales target will see a 5% increase on their purchase cost, this ensures the fairest price structure to our active IR distributors.

IRs are able to promote Revenir and Charme products to Wholesaler with an understanding that they will be paid up to 5% commission based on distribution, and not the current IR commissions.

IRs are able to retail products to the consumers on an individual basis.

IRs will **fax completed order forms** to MAC for processing. IRs can also carry inventory if they wish, but this is not required.

Retailers

Mikuni believes that for this new technology to be accepted in the United States, it has to first be accepted by professionals. Therefore these products will be retailed through professional spas, salons, medical spas, dermatologists, plastic surgeons, holistic skincare centers, and wellness centers. ***It is critical that professionals understand the science behind the products, the benefits they will see and provide to their clients. We have to educate them on their financial benefits by easily incorporating them into the treatment room and residual income on C-Solution to their clients.***

Retail distributors are required to follow the MAC training program to ensure correct understanding of the product technology. We encourage all distributors but especially our Retailers to complete our Training Program so they can display their Training Certificate to Revenir and Charme customers. MAC will also identify Distributors who



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have completed the Training Program on our Website Dealer Directory so consumers who are looking for the Product can identify the most qualified Retailers who can educate them on the benefits of the Technology.

Retail distributors are required to follow up with their retail clients to ensure the best results for the clients.

Retail distributors are required to sell a minimum of 2 units a month after a four-month ramp period. There will be a 5% increase on cost of product purchase for any Retail Distributor who does not meet the minimum requirements after the ramp up period. This policy ensures the best possible pricing structure for our active Retail distributors.

Retailer's Roles and Responsibilities

The Retailer is any company or individual that chooses to warehouse inventory and distribute to their end retail base, or Retailers will have the option to submit completed product order forms to MAC for processing and drop ship to their clients.

The Retailer is responsible for educating their clients on the benefits of the Revenir and Charme Skincare Systems and incorporating these products into their home treatment program.

Retailers are encouraged to set up C-Club memberships with their clients to ensure a hassle free process for their clients to receive regular supplies of solution, which maintains high retention on the solution usage from the Retailers' clients. The C-Club Membership can be set up directly from the Retailer or can be arranged through MAC for a 5% service fee to the Retailer.

The Retailer's objective is to generate income from incorporating the Revenir and Charme products into their service menu.

The Retailer's terms between Retailer and Wholesaler will be negotiated independently

The Retailer's term between Retailer and Mikuni American Corp. will be based on Retailer's credit performance. A credit application will need to be submitted.

Warranty

MAC has a one-year warranty on manufacture defects of Revenir and Charme units. A Return Authorization Procedure has been established to facilitate any such returns in an efficient manner. This will be explained at the beginning of your distribution.

Product Returns.

MAC does not require monthly minimum purchase of units at the Independent Representatives or Retail level; there are only sales requirements at these levels to ensure the lowest distributor price. This policy is reflected in the "Distributor Roles and Responsibility" section for Independent Representatives and Retail Distributors. For this reason, we do not encourage the purchase of more units than is actually required by the



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Independent Representative or Retail Distributor. Therefore we do not accept returns on products unless arrangements are made due to certain circumstances, in which case a 25% product and service inspection including a restocking fee would apply on returnable merchandise only.

No refunds will be given if the products are not in a resalable condition.

Wholesale distributors are required to purchase or arrange drop shipments of a minimum of 25 units a month to ensure the lowest wholesale price. If a wholesale distributor cannot meet these requirements, we expect product order requirements to be put on hold to avoid overstock. Again, the normal 25% service inspection and restocking fee would apply on returnable merchandise only.

No refunds will be given if the products are not in a resalable condition

Private Label

Mikuni is willing to evaluate all potential Private Label inquires. The decision to peruse will be based on whether the business strategy does not jeopardize Revenir and Charme Product Systems. The following are a few of the Private label conditions.

Wholesalers, Retailers, Independent Representatives are able to peruse private label contracts. Commission paid will be negotiated between MAC and the individual based on the size of the contract and the terms of the contract.

A minimum order commitment of 3,000 units which can be ordered over one year and a minimum order commitment of 1,000 units per order.

Only minor Cosmetic changes such as color and logo design as well as packaging and material changes can be made. If design changes are necessary, then they will be reviewed on an individual basis based on the business plan and order commitments.

No returns on a private label except for warranty issues.

Celebrity Endorsement

We have begun to see an increase in distributor interest to peruse different celebrity endorsement opportunities. The company is excited by the interest and each endorsement will be negotiated separately between the distributor and Celebrity.



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Distributor Price Protection

The company has issued their suggested retail price structure. The Company will take necessary steps towards any distributor that negatively affects the image or business of Revenir and Charme products in the United States. We understand that there will be slight fluctuations between prices depending on region, support and services provided by each distribution channel.

Distribution Network Protection

Mikuni American Corporation values the efforts made by Wholesalers, Independent representatives and retailers in introducing this new innovative technology and feels strongly that it must, as a company, do everything necessary to protect the hard work that has gone into establishing distributor networks. The following guidelines will clearly explain the company's position as well as outline the ethical distributor conduct that is expected by everyone distributing the Revenir and Charme Skincare Systems.

Wholesalers are expected to take every step necessary to ensure they are not prospecting an existing account of another distributor. This is easily done by:

- First asking if they have heard of Revenir or Charme.
- If the answer is yes, they must end any prospecting to that client, NEVER discuss pricing, and only share POSITIVE benefits of the product ONLY.
- NO BUSINESS DISCUSSION SHOULD CONTINUE IN ORDER TO PROTECT CURRENT DISTRIBUTOR INTERESTS.
- If the answer is no, or if the client has heard of the product or seen the product but no business relationship exists with another distributor then it is safe to continue prospecting.
- Any distributor violating this policy will risk termination of their distributorship.
- Mikuni American will fully investigate any instances of distributor violations and determine if termination will result from the distributor's unethical business conduct.
- All distributors will be required to sign the "Mikuni American Policy and Procedures for Revenir and Charme" contract so they acknowledge their understanding of Mikuni's position on distributor protection.

If a distributor feels that another distributor may have used unethical behavior to secure new business, then this has to first be reported to the company directly so it can be fully investigated. To ensure that no conflicts arise we would prefer that all complaints be first directed to the company.

I have read and clearly understand the information contained in the Mikuni Policy and Procedure for Revenir and Charme, I understand and agree to the Roles and Responsibilities as it pertains to my specific Distributorship.

Signed

Date