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Thank you for considering membership in Transitions International Group.

This Membership Application packet contains the following documents:

- Membership Application Form
- Licensed Use Of Transitions Trademarks
- Membership Summary Agreement
- Transitions Member To Member Client Referral Agreement
- Proper Use Of Transitions Group Server
- Summary and Instructions for Submittal

Please read the entire contents of this membership application packet carefully, fully complete and sign all forms, and return to the Transitions International Group Administrator in accordance with the instructions at the end of the Membership Application Form.

If you have any questions or concerns, please don't hesitate to contact me.

Greg Taylor, Administrator
Transitions International Group

GregTrans@SBCGlobal.net

(650) 589-2689

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1641 El Camino Real ■ Millbrae, California 94030 ■ USA
(650) 589-2689

Application for Membership

COMPANY NAME: _____

OWNER/APPLICANT NAME: _____

BUSINESS ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

BUSINESS PHONE: _____ FAX: _____

E-MAIL: _____ WEB: _____

BUSINESS STATUS: CORPORATION PARTNERSHIP SOLE OWNER

APPLICANT'S HOME ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

HOME PHONE: _____ PARTNER/MANAGER'S NAME: _____

NUMBER OF YEARS AT CURRENT LOCATION: _____ NUMBER OF YEARS IN HAIR REPLACEMENT: _____

DO YOU HAVE ADDITIONAL LOCATIONS: YES NO HOW MANY EMPLOYEES DO YOU HAVE: _____

(If you have more than one location, please list complete address of each location on a separate sheet.)

TYPES OF NON-SURGICAL ATTACHMENTS OFFERED: WEAVE FUSION LIQUID BOND VACUUM TAPE/CLIP OTHER

DO YOU OFFER WOMEN'S HAIR SYSTEMS? YES NO

WHAT IS YOUR PRICE RANGE (HIGH/LOW) FOR:

AN INDIVIDUAL MEN'S SYSTEM _____

AN INDIVIDUAL WOMEN'S SYSTEM _____

A MEN'S PROGRAM SALE/MULTIPLE SYSTEMS _____

WHAT IS THE APPROXIMATE YEARLY DOLLAR VOLUME OF YOUR NON-SURGICAL HAIR BUSINESS? LESS THAN \$250K \$500K TO ONE MILLION
 \$250K TO \$500K OVER ONE MILLION

DO YOU HAVE A CLIENT SALES AGREEMENT? (If so, please attach a copy.) YES NO

DO YOU OFFER PRODUCTS TO STIMULATE HAIR GROWTH? YES NO

WHAT ARE YOUR CURRENT ADVERTISING MEDIUMS? TV RADIO PRINT YELLOW PAGES OTHER

HOW MUCH DO YOU CURRENTLY SPEND ON ADVERTISING, YEARLY, ON NON-SURGICAL HAIR? _____

DO YOU OFFER HAIR REPLACEMENT SURGERY? YES NO

IS SURGERY PERFORMED AT THE ABOVE PREMISES? YES NO

HOW DO YOU CHARGE/PRICE OUT YOUR SURGERY? _____

WHAT IS THE APPROXIMATE YEARLY DOLLAR VOLUME OF YOUR SURGICAL BUSINESS? LESS THAN \$50K \$100K TO \$200K
 \$50K TO \$100K OVER \$250K

HOW MUCH DO YOU CURRENTLY SPEND ON ADVERTISING, YEARLY, ON SURGICAL HAIR? \$ _____

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ARE YOU A MEMBER OF THE BBB? YES NO

WHAT OTHER ORGANIZATIONS DO YOU BELONG TO? _____

WILL YOU BE ABLE TO ATTEND THE REQUIRED TWO AND A HALF DAY TRANSITIONS MEETING EVERY SIX MONTHS, WHEREVER THEY MAY BE HELD, AS DETERMINED BY A MAJORITY VOTE? YES NO

ARE YOU WILLING TO SHARE REASONABLE ADDITIONAL EXPENSES WITH OTHER TRANSITION MEMBERS TO PRODUCE TV COMMERCIALS, INFOMERCIALS AND OTHER ADVERTISING MATERIALS AND CERTAIN DEVELOPMENTAL EXPENSES THAT MAY BE INCURRED BY THE GROUP, AS DETERMINED BY A MAJORITY VOTE? YES NO

DO YOU UNDERSTAND THIS GROUP IS NOT A PLATFORM FOR SELLING YOUR PRODUCT OR SERVICES, BUT IT IS ABOUT SHARING AND CREATING MARKETING IDEAS AND MATERIALS? YES NO

ARE YOU A WHOLESALE DISTRIBUTOR OF HAIR-RELATED PRODUCTS OR DO YOU OFFER OTHER SERVICES TO THE HAIR-RELATED INDUSTRY? (If so, please tell us what and to whom you distribute or supply and describe your territory on a separate sheet.) YES NO

ARE YOU AFFILIATED WITH ANOTHER HAIR REPLACEMENT GROUP OR ASSOCIATION? (If so, please tell us who and describe the relationship, on a separate sheet.) YES NO

DO YOU DEVELOP YOUR OWN MARKETING MATERIALS? YES NO

HAVE YOU PURCHASED OR LEASED MARKETING MATERIALS FROM WHOLESALERS? (If so, please describe what type of materials you needed.) YES NO



I have read and understand the requirements of the Trademark, Membership Summary, Member-to-Member Referral and Proper Use of the Server Agreements, have signed them, and have included them with this Application.

I understand my exclusive Membership Territory is determined by the Transitions Designated Market Area Map, as shown on the Web site unless otherwise specified by the Transitions Administrator.

I understand that all of the information on these Applications and Agreements will be held in the strictest of confidence and will not be discussed with anyone other than Transitions Members.



APPLICANT'S SIGNATURE

DATE

TRANSITIONS MEMBER SPONSOR

DATE

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Please give us a brief "bio" to describe your background/experience in the hair loss profession. We would also like you to describe what you want/expect from the Transitions Marketing Group AND what you could bring to the Group.

(Need more space? Please attach another sheet of paper.)

Please include this summary with the other signed forms and your deposit.

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"We appreciate you taking the time to answer the in-depth questions we have asked, however, it is important we know as much about potential members as possible to guarantee the continued growth of the best, most-effective marketing organization in the world!"

Please submit the following signed documents with this Application for Membership form:

- Licensed Use of Transitions Trademarks
- Membership Summary Agreement
- Transitions Member-to-Member Client Referral Agreement
- Proper Use of Transitions Group Server
- Include your \$1,000 membership fee deposit, made payable to Transitions International Group. (Your deposit is fully refundable if the Application is denied.)

Mail all signed documents and your deposit fee to:

Greg Taylor
Transitions International Group
1641 El Camino Real, Suite 201
Millbrae, CA 94030

Your Application will be submitted to the entire membership for review and final determination. This usually takes 30 to 45 days.

If the Administrator informs you your Membership Application has been approved, you will need to:

- Send the remaining \$1,000 Membership Fee Final Payment within 30 days of notification of approval.
- Send the Administrator electronic photos of the entrance of your Studio (street shot) and a photo of yourself.

Starting on the month of our next meeting, following the acceptance of your Application, your ongoing monthly Membership Dues of \$200 per month will begin.

If your Membership Application is approved, and you become a Transitions Member, you are encouraged to join us at our next scheduled International Marketing Meeting. These meetings are held every six months in May and November.

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LICENSED USE OF TRANSITIONS TRADEMARKS

Transitions International Group owns the federally-registered trademark #2,016,842, "TRANSITIONS."

Any member in good standing of the Transitions International Group has a license to use the Trademark for advertising and promotions, within the parameters of the Corporate By-Laws. Members may also elect to use the Trademark as a d/b/a for the name of their business entity, but not as the name of their Corporation.

Members understand that a Trademark is a symbol that allows the consumer to identify goods or services, source and quality. As owner of the Trademark, the Transitions International Group is responsible for quality control. It is imperative that uniformity exists in the Trademark usage. Uncontrolled use will dilute the Trademark and cause it to lose any significance it may have.

Any and all use of the Trademark must cease in the event that a member is in default in the payment of their dues or ceases to be a member in good standing with the Corporation, under the terms of the By-Laws, whether voluntarily or involuntarily. Cessation of the use of the Trademark must occur within 30 days of the notice of disassociation. Cessation of use includes the distribution and sale of products, materials, advertising, logos, photos, videos, promotions, as well as the business name and displays associated therewith, if it includes the name "Transitions" in any form.

Additionally, use of materials and photos not carrying the "Transitions" name, but produced and/or distributed by Transitions, must cease within 90 days of notice of disassociation. Any current "generic" materials or products purchased from Transitions by the disassociating member may, at the sole discretion of the Corporation, be purchased back by the Corporation at the original purchase price. No customized materials will be re-purchased by the Corporation under any circumstances.

Members of Transitions International Group understand and accept that the use of the TRANSITIONS Trademark, or any other Trademarks currently owned or held on an exclusive basis by Transitions, and any Trademarks made available to members by Transitions in the future, are subject to the same conditions as set forth above.

I, _____ d/b/a _____,
as a member in good standing of Transitions International Group, understand that my use of the TRANSITIONS Trademark is subject to the conditions set forth above.

Date

Signature

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MEMBERSHIP SUMMARY AGREEMENT

- Each member shall be a practicing Hair Replacement Retailer.
- Any member who fails to attend two (2) consecutive meetings shall lose Membership unless the Membership determines good cause exists to allow the member to retain Membership.
- Each member will be the only member from their assigned territory. Member's rights may not be assigned or transferred without prior written approval of the Group.
- The Group will not create any hair transplant materials.
- All promotional materials distributed through the Corporation may be used by the individual Member only. All materials must be used within the context as originally intended by the Corporation. Members may not give, sell or otherwise distribute materials received from the Corporation to any non-member for any purpose whatsoever.
- The privileges of Membership in the Corporation may be suspended by the Board of Directors for the member's failure to maintain, in good standing, their Membership in the Corporation, or for any other reason. Members are given 30 days to rectify the matter. If unresolved the Membership, at the next Business Meeting, may vote to remove Membership of said member.
- Each member shall pay annual dues as stipulated by the Membership.
- All additional rules and regulations, as stipulated in the Corporation's By-laws, must be met and maintained by each member.

Signature

Date

Studio Name - Please Print

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MEMBER-TO-MEMBER CUSTOMER REFERRAL PROGRAM

PROPER, ADVANCE COMMUNICATION IS THE KEY TO A SUCCESSFUL REFERRAL

One of the benefits of being a Member of Transitions International Group is the ability to refer clients to other Transitions studios that offer the same standards and professionalism as you do. We have all worked hard to attract new clients and retain existing ones; therefore it is imperative that we treat ALL clients as carefully as possible. How you service another member's client reflects not just on you and your staff but, from the client's perspective, on the member who referred them and the entire Transitions organization as a whole. Transitions referral clients should be treated beyond your normal service standards.

The components required to successfully refer one of your clients to another Transitions Studio are as follows:

PROPER USE OF THE TRANSITIONS REFERRAL FORM (Program & Non-Program)

Instructions for the Referring Studio

1. Fill out the first four lines of the Referral Form.
2. Determine the Studio to which you will be referring your client (Servicing Studio).
3. Call the Studio and talk to the Owner / Transitions Member *directly*.
4. While on the phone clarify if the client is Program Hair or Non-Program.
 - A. If the client is Program Hair, service pricing is already locked-in. The client will not be charged for services, the Referring Studio will be charged.
 - B. If the client is Non-Program, then discuss the services needed and the associated pricing so the client can be informed prior to the visit.
5. Also discuss (and fill out all the details on the Referral Form) of the referral including type of system, what specific services are required, and what technician (name) will be servicing the client. Try to set the appointment at this time, if possible, and review all other special instructions.
6. Fax a copy of the Referral Form to the owner of the Servicing Studio.
7. Give your client the "Introduction Sheet" along with the pre-stamped Customer Satisfaction Survey.
8. Call the Servicing Studio, following the scheduled service time, to make sure everything went as planned.
9. When you receive the billing from the Servicing Studio remit a prompt payment.

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Instructions for the Servicing Studio

1. Immediately upon receiving the faxed Transitions Referral form, sit down with the assigned stylist and review the details. If there are ANY questions, call the Referring Studio immediately.
2. Make sure the appointment is scheduled (on the books) and inform your receptionist of the details so they are ready to properly greet the Transitions Client.
3. If the client is Program Hair, no money (other than a possible tip) is to change hands when the client visits your Studio. Bill the Referring Studio the agreed upon amount (as shown on the Program Hair Referral Price Schedule). The Referring Studio will make prompt payment.
4. If the client is Non-Program, charge the client the process agreed upon with the Referring Studio and collect the charges directly at that time.
5. Unless otherwise specifically agreed upon, the Servicing Studio is NOT allowed to attempt to sell new hair or convert the referred client to their Studio. Inform your staff (technicians and salespeople) of this rule.
6. The Servicing Studio is NEVER to make negative comments about the referred client's hair unit, the style or the Referring Studio! If there is a concern, call the owner of the Referring Studio directly. Inform your staff (technicians and salespeople) of this rule.

Signature

Date

Studio Name - Please Print

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PROPER USE OF TRANSITIONS GROUP SERVER

- The main purpose of the Group's server is to share information or news, regarding our Group's business or activities, or our profession's business or activities. These may come in the form of updates from the Administrator or from individual members.
- Members may ask for information on specific hair loss or profession-related topics from the Group. (Responses should be sent directly to the requesting member, not through the server.)
- The Administrator may ask for information, commitments, etc. from the members. (Responses should be sent directly to the Administrator, not through the server.)
- Political, religious and social commentaries are not business-related, and are not allowed. (Holiday and special event comments are excepted.)
- Under NO circumstances are negative personal evaluations or opinions to be sent through the server.
- Messages of a personal, humorous, political, religious or social nature should be sent directly between members, if appropriate.
- The use of the Group's server by its members is a privilege and may be revoked, and the member's access to the server denied, by the Board of Directors for misuse, as prescribed above.

Signature

Date

Studio Name – Please Print