



BREAKTHROUGH IN BEAUTY® FREQUENTLY ASKED QUESTIONS

PRODUCT QUESTIONS

Is there a particular type of product you are looking for?

Yes. Although we are open to various beauty innovations, we want to bring the best results possible to women all over the world by finding a delivery system or application that provides extraordinary results. Ideally, for our latest search, this includes **a color cosmetic line or product** that works as a system and has a natural appeal for the consumer.

What type of exclusivity agreement is required?

The success of our distribution model is based on offering the customer an extraordinary product that is available *only* through our network; therefore, we require complete exclusivity. We desire an exclusive right to distribute the product.

EVALUATION QUESTIONS

Why do I want to submit my product?

You have nothing to lose and everything to gain. Just having someone evaluate your product and giving you priceless feedback on your new product can save you tens of thousands on research and development. Plus, if you are selected, you will be the focus of a multimillion-dollar campaign that will offer your product international exposure and brand recognition.

Who will be evaluating my product?

All submitted products will undergo a full evaluation from the Breakthrough in Beauty expert panel and our internal team. The team consists of research and development directors, formulators, chemists, packagers, and female consumer experts. There will be no in-person presentations until the final three products are chosen.

How will my product be evaluated?

All critical components of bringing a product to market, as outlined in the business plan section, will be reviewed and scored. Each product will be scored and screened to determine if it places in the top three. The top three chosen products will be reviewed during a 2-day conference. Those products selected to be among the final three will be presented in person by the finalist. One product will be chosen to be the Breakthrough in Beauty winner.

TIMELINE AND PROCESS QUESTIONS

When will I hear something?

Breakthrough in Beauty will review every submission received. It is our goal to acknowledge that we are in receipt of all of your completed materials within 30 days after receipt. You will be contacted via mail and email. The decision process may take up to 3 months. When we select the three finalists, everyone will be notified.

What is the timeline?

Starting June 1, 2008 until September 1, 2008, we will be accepting submissions. Within a few weeks of receipt, we will send an Initial Acknowledgement Letter to you and we will request any missing information. By late September, we will be announcing our finalists. From this point, the excitement builds. We will conduct conference calls and discuss the next steps and answer any questions you have as we begin to form our partnership.

When will the winner be announced?

We plan to hold a 2-Day *Breakthrough in Beauty Conference* in October 2008 in Beverly Hills, CA. Shortly thereafter, the winner of the Breakthrough in Beauty search will be announced.

DISTRIBUTION QUESTIONS

If selected, where will my product be distributed to?

If selected, your product will most likely be distributed via a 30-minute infomercial, TV shopping channels (i.e., QVC), a catalog, the Internet, a national print campaign, alternative media, and a direct-selling and retail distribution network.

How is inventory risk managed?

We will be fully responsible for underwriting and managing all aspects of manufacturing and inventory management.

What is the estimated sales volume?

We anticipate investing in a product that will generate up to 100 million in sales annually.

What are the desired product price points?

Ideally, we are looking to package in the sizes most needed by the customer. Initially, this results in offering both a trial size and a full size. The price points will reflect the sizes and the system components offered.

How will I be associated with the product?

Your desired involvement in the press or as the spokesperson is something we will discuss together, and we will together determine what is most effective and agreeable to all parties.

PARTNERSHIP QUESTIONS

Will Breakthrough in Beauty sign a Nondisclosure Agreement (NDA) before I submit my product?

We do not initially sign Nondisclosure Agreements (NDAs). We receive multiple product submissions each week, many of which contain ideas and concepts that overlap with not only other submissions but with our internal development efforts. Accordingly, we cannot enter into NDAs until both parties (Breakthrough in Beauty and the product submitter) are confident that they are ready to move forward to further explore partnership opportunities together. In the meantime, we suggest that you do not send us product information that discloses your trade secrets. The best way to protect your idea is to first file for patent protection. If you have not yet filed, this is something that we can assist you with if we choose to move forward with your idea. However, rest assured, our reputation depends on our professionalism and our ability to maintain the trust of the entrepreneurs with whom we work. We will take great care to keep your materials confidential.

If selected, how will the partnership be structured?

Each partnership is structured to accommodate the interest of all involved parties. The proposed opportunity is based on many factors, including the go-to-market needs of the specific product such as additional research and development investment, clinical trial requirements, or your particular business goals.

How is the ownership of formulas and brand names managed?

A partnership is formed based on the individual needs of those involved and the type of product we are bringing to market together. This may include a full ownership of the formulas or it may include certain benchmarks and tiered ownership strategies that are beneficial for all involved.

Is this a distribution agreement only?

No. This is a partnership agreement.

Will I need to invest any financial resources in the partnership?

No.

How much money is Breakthrough in Beauty investing in this venture?

We are going to invest multimillions in our winning product.

What is the structure of the financial arrangement?

The winning entrepreneur will be paid an initial fee and a continued percentage of gross sales for as long as we mutually agree to sell the product.