



Table of Contents

Mission Statement	4
Philosophy and Principles	5
About Cutting Loose	6
Section I – The Beginning of Your Journey	9
Employment-at-Will	10
Welcome Letter	11
Salon Belief System	12
About the Executive Board	13
What is a Guest? (Ten Commandments of Great Service)	16
Exceeding Expectations - E ²	17
Section II – Employee Guidelines	18
A. Policies	20
Team Member Communication	20
Job Opportunities	21
Probationary Period	21
Non-Harassment Policy	21
Health and Safety	22
Service Release Forms	22
Use of Alcohol/Drugs	22
Employee Theft	22
Transition From Cutting Loose	23
Confidentiality – Salon/Employee	23
Miscellaneous Information	23

Salon Equipment Policy	24
Personal Data Changes	24
Paydays	24
Personal Appearance	24
Leave of Absence	25
Domestic Violence Leave	26
Front Desk and Cash Handling	26
Absenteeism and Tardiness	27
Lactation Accommodation	27
Meal Periods	28
B. Benefits	28
Medical Insurance	28
Vision Insurance	29
Life Insurance	29
Vacation	29
Holidays	30
Family Members Hair Services	31
Team Member Personal Hair Services	31
Salon Product	32
Employee Product	32
Continuing Education	32
Standards of Conduct and Professionalism at Training/Show	32
C. Position Descriptions	33
Salon Leader	33
Salon Reservationist	34
Artistic Director	35
Salon Educator	35
Floor Leader	36
Protégé	37
Recruiting and Training	38
Inventory Specialist	39

Section III – Artistic Development	40
Protégé Program	40
Guest Interaction	41
Cutting Loose Salon Tours	41
Shampooing Etiquette	42
General Etiquette	42
Salon Education	43
Stylists’ Journey	43
Section IV – Career Path	45
Stylist Levels	45
Protégé Level System	46
Team Member and Employee Acknowledgments	47

Mission Statement

$E^2 = \text{Exceeding Expectations}$

As a team, we are committed to inspire our guests and our community with an unparalleled dedication to service while enhancing beauty, inside and out.



Philosophy

Balancing Fun, Fashion, and Relaxation

“Life isn’t about finding yourself, life is about creating yourself.”

-George Bernard Shaw

Principles

Principles for creating the ultimate learning experience:

- Education is an adventure of discovery.
- People learn best when they are having fun.
- Making mistakes is not fatal. We make “discoveries” not mistakes.
- Learning is blocked when fear is present.
- Praise is the best motivator.
- The learning process is not good or bad; it is simply working or not working. If it is working, we improve it. If it is not working, we change it.
- The word education means to “draw out”, not to “put in.”
- Learning opportunities are everywhere.
- The goal of education is to inspire change in beliefs and behavior.
- You are always a student. You will never know everything.
- If you make a mistake, there is always another opportunity to make it right. What we call failure is not the falling down, but the staying down.
- There is no growth in comfort.
- A staff that trains together stays together.

About Cutting Loose

Our commitment to you when you join us and while you are here...

Our responsibility as owners, and leaders, is to develop a system that will attract new guests, and to retain and develop existing guests. To define, measure and see that the promises we make to our guests and to ourselves are being kept. As in your own life, if you buy anything and it lets you down, you won't have to think twice about buying it a second time - you just don't. People want quality and value for their money. People don't want to be treated poorly, not valued or delivered a substandard product or service. It is always possible to disguise talent, knowledge and expertise for a while, but in the end, customers have the last say as to whether they want the goods and services we offer and the business succeeds or fails based upon the guest.

So our job, above all, is to organize the resources, facilities, training and quality control, which will make the salon a success. A salon is just a building. Ideas, however good, are useless unless they are turned into action. Not just on one day, or for one guest when we feel good, but all the time. Beautiful flowers only grow in places where all the correct ingredients come together in the right balance in an environment of sunshine, moisture and nutrients. Our job is creating an atmosphere and experience in which the guest wants to be engaged.

The key to business and individual success is good ideas turned into action - not just occasionally, but every day. We want you to know what we feel is important to the people who entrust their careers to us and who believe in our ideas and work ethic. No one who is successful today will tell you it was easy to get there. Hard work and perseverance always pays off.

We believe that once a person is fully qualified and produces good results, the following should be their rewards for working with our team:

Money: Good pay for good results - the higher the better as far as we are concerned.

Recognition: We recognize achievements and those who accept challenges, those willing to "have a go", those who try new things and not give up at the first time they stumble. The longer you work in the right direction, the closer you are to your ultimate goal.

Time Off: The Leadership and Team should be flexible about time off. We don't just need attendance, we need results. Staff should feel good when they produce extraordinary results and give freely of their time. Management also must be flexible about time off. Don't count the days, make the days count.

Favorite Work: People do best what they like doing most. A business must produce goods and services which people want. Otherwise, it will simply fail. We are happy when our team is doing work, which pleases them and their guests. We want to help you find guests for your favorite work.

Advancement: We would like you to know there is simply no position in the salon which is not open to you. If you have the aptitude and commitment, you will also have the necessary training to help achieve the goals you have set for yourself. We are all faced with great opportunities brilliantly disguised as impossible situations. From Associate to Stylist, to Salon Leaders and Educators - whatever your mind can conceive and believe, it can be achieved.

Freedom: At the start of any career, a lack of knowledge and experience requires tight controls be kept on your performance. This is to ensure high standards are maintained and become second nature. We think your artistic freedom, where it does not compromise standards of quality and commitment is important and we want you to know you have freedom of choice at work regarding your artistry.

Personal Growth: In addition to advancement and freedom, we want people to have the full chance to optimize personal growth. We think it is important for people not only to be properly rewarded, but also to feel a sense of fulfillment about what they have done. To feel a sense of pride in the creative ability and the desire to get involved in special training, education and for example, to be chosen to represent the salon in shows and seminars. You get the best out of others when you give the best of yourself.

Ownership: Today we have a wonderful balance of successful people and so many young and talented individuals, some wanting to do their job well but others wanting more. Some people pursue happiness, others create it. Nothing would please us more than to see those wanting a career to become masters of their craft. When you work with us, you are a part of our family and for those who wish to accept the challenges and responsibility, the doors of progress will always be open. Maybe one day you will even want to be an owner of a new Cutting Loose Salon...

All these individual things, when combined with excellent hairdressing and first class service to guests form the building blocks of the future – a future we would like you to share with us. When we see things that are wrong or issues arising, we must love one another enough to address the problems as well as compliment good work and achievements.

Our work ethic includes a passion for excellence, a passion for doing things right and having the courage to accept and even welcome coaching. We only comment on someone's performance because we want them to succeed. Criticism may hurt but coaching shows you care about someone enough to help him/her win. It is better to lead by powerful example than an example of power. We will always have your best interest in mind.

There is also one more essential part to a successful career with us. To us, however important all the other points are, they are valueless unless there is fun in life. A true sense of happiness and well-being comes when you feel good about yourself. Most of your days at work should have a generous helping of fun and happiness. Why? Because that's what life should be about - being happy, helping yourself while helping others.

Each day brings new opportunity to turn your dreams into reality, remembering every problem or challenge becomes easier with a sense of fun and laughter and with the help and confidence that we care about you. The greatest success comes just one step beyond the point at which defeat overtakes you. Together we can convert defeat into stepping-stones of opportunity.

These things are our commitment to you as an individual and to your future as a professional with us. How will they be achieved? Through courage, confidence and genuine, truthful two-way communication. We believe you don't judge people by what they say, but by what they do. People and businesses will grow where actions demonstrate and prove there is a closeness of trust and respect within the entire team. Old ideas of "them and us" are out of date. The Team and Leadership cannot afford to work against each other. A successful future relies upon mutual respect and united strength. "Part of the crew, part of the ship."

Today people will grow where expectations are explained clearly, specifically, and the results are measurable. The goals we aim for are agreed upon and understood. They are a challenge, but within reach, and success and achievement is rewarded. Your mind is everything. What you think, you will become.

We want you to know that we truly believe we have a great team, a great concept, and a great approach to enjoying a fulfilling career and life. We want you to succeed with us!

Section I

The Beginning of Your Journey

**“Change the way you look at things,
Thing’s you look at will change.”**



Robert Cromeans

Global Artistic Director for John Paul Mitchell Systems

Employment-at-Will

Your continued relationship with Cutting Loose is at-will. This Team Member Handbook is not intended as, nor does it constitute, a contract or guarantee of continued employment between Cutting Loose and any one or all of its personnel. The policy of at-will employment means that employment with Cutting Loose is voluntarily entered into, and you are free to resign, at will, at any time, with or without notice or cause.

The policy also means that Cutting Loose may terminate your employment, at will, at any time, with or without notice or cause. **This includes, but is not limited to, termination based on layoff, change in operational situations and other economic conditions. This list is not exhaustive nor is any language throughout this handbook considered exhaustive as to the reasons for termination of employment by Cutting Loose.**

This right to terminate employment with or without cause of notice also applies to decisions regarding other terms of employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work.

This is the entire agreement with Cutting Loose with respect to your employment and no individual other than the CEO of Cutting Loose has an authority to enter into any agreement for employment for a specified duration or to make any agreement for employment other than at-will. Any such agreement must be by individual agreement, in writing and signed by you and the CEO.



Welcome

Dear Team Member:

Please feel free to refer to this manual during your first few days here at Cutting Loose. It is also recommended that you bring a notebook to the salon, to take your own notes, and also keep on file any educational materials or memos you receive. There are no “stupid” questions at Cutting Loose and it’s better to ask as many times as needed until you fully understand than to do something incorrectly.

The most important things you can do to familiarize yourself with our policies and procedures is to thoroughly read the policy manual, educational manual, and any notices posted in the dispensary. There are also a number of educational videos and handbooks in the office and on our member website.

This manual provides basic guidelines and information on what is expected of you and what you can expect from the company. From time-to-time the information included in this handbook may change. You will be informed immediately and in writing of any policy changes.

Compensation and personal satisfaction gained from doing a job well are only two of the reasons most people work. Some other reasons may be pleasant relationships and working conditions, career development, promotional opportunities and employee benefits. Cutting Loose is committed to doing its part to maximize the potential of your work experience.

We look forward to working with you. May our commitment to education and excellence bring success and fulfillment to us both.

Coral Pleas
CEO

Salon Belief System

Our goal is to establish and maintain a well-educated team that finds satisfying challenges providing the finest services and techniques available. To make this happen we will adequately compensate and provide the benefits of continuing education that will keep them happily employed in their career with Cutting Loose.

We Believe...

That a relationship that benefits all concerned will last. A relationship that is only good for one will fall apart and end.

We look forward to creating a long-term relationship both internally and externally that benefits Cutting Loose, our team, our guests and all those with whom we do business.

To fulfill our mission of E², we strive to meet the following objectives:

Guests: Exceeding Expectations
Team: Excellence through Education

Commitment to Education and Excellence: Team Members and the salon grow only when knowledge is consistently expanding. We believe in continually being open to and seeking out new ideas and techniques. We expect our team to maintain a high level of self-motivation and commitment to learning. We are not what we know, but what we are willing to learn.

Customer Service: It is our philosophy and practice that the customer is not always right, but it is not our job to make them wrong and they always deserve the absolute best our salon can offer. Our point-of-difference is based on providing value-added services and Exceeding Expectations above the average salon experience.

Salon Environment: Our commitment to providing our guests with the best extends to the environment in which we serve them. We expect every team member to join us in presenting a salon that is always sparkling clean, soothing and calming, with relaxing and appropriate music, aromas and attitudes.

“A goal is a dream with a deadline” - Old Chinese Proverb

About the Executive Board

Coral Pleas

Coral Pleas is a Master Stylist and Business Owner with 30+ years' experience in the fashion/beauty sector and 20+ years' experience as a Salon Owner.



Coral served on the Board of the Directors of Intercoiffure Mondial America/Canada, as Secretary. Coral has been certified as a National Educator and Platform Artist for Paul Mitchell in the United States and the United Kingdom, teaching the latest hair trends along with business building ideas. She has performed as a Platform Artist alongside legends such as Robert Cromeans and Jeanne Braa.

As the Visionary, Founder & CEO of The Cutting Loose Salons, Coral grew her business from one location in 2008 to four salons and 70+ employees in 2016. Coral credits her success to providing excellent experiences for her clients, and she achieves that through highly trained and educated stylists. The Cutting Loose Salons are the recipient of numerous prestigious awards including "Young Business of the Year" by the chamber of Commerce and Salon Today's Top 200.

A firm believer in industry education, Coral attends and presents at numerous educational events globally including London, Miami, and New York. Her work and styling techniques have been published in various national styling magazines. She is an Editorial Stylist for Style Magazine/Sarasota Herald Tribune, and you can see her monthly on ABC News as the expert hair makeover specialist.

Always forward-thinking and innovative, Coral believes the next generation of hairdressers are changing the way we teach and learn and accordingly. She established the highly successful, proprietary Protege, The Academy which provides 18-24 months of color, styling and customer service training to millennials interested in pursuing and creating a career successful career of their own. The majority of her students who complete the training program become Stylists at The Cutting Loose Salons, from which point they can rise to Master Stylists or Salon Owners.

Travis Scheuer

Travis was born and raised in Sarasota, Florida. After graduating high school, he pursued his love for creative cooking. After receiving his degree two years later, he decided to take his creativeness to the beauty industry.

Travis started his journey working with his mother, Coral at her salon while he completed his cosmetology education and graduated from beauty school in 2003.



After being on the floor for two short years he was tapped by Paul Mitchell and Keith Chandler, President of 3-6-5 Premier Education, to teach nationally and abroad. His photo work has been published in various industry magazines. Travis has worked on stage and back stage with some of the best hairstylists with his association with Paul Mitchell and attending Intercoiffure events.

After ten years he is now the managing partner at Cutting Loose Salon Lakewood Ranch where he has the opportunity to lead of team of stylists while also working behind the chair.

He enjoys all types of hair designing, but specializes is shorter styles. His guests not only enjoy leaving looking beautiful, but also enjoy the time in his chair feeling beautiful!

Outside of work you can see Travis enjoying time with his family which includes his son Owen and daughter Rylee.



Taelor Pleas

Taelor Pleas was born and raised in the industry and has grown to learn every facet – from sweeping in the salon and cleaning brushes during her early years to opening Protégé Salon by Cutting Loose at the age of 20. A Florida native, Taelor’s passion for hard work and educating others shines through in her dedication to her team at the salon and providing the best for her Guests. She is an Educator at Cutting Loose Salon and a Certified Dream

Coach®. She has attended numerous training seminars such as: Fierce Conversations, Serious Business, Paul Mitchell the Gathering and Business Revolution, Immersion with Bumble&Bumble, Champ Camp and Cash Flow Camp. She has also been recognized as the Young Professional of the Year in Sarasota.

Taelor has had the opportunity to work with companies like Inspiring Champions and Zeezor, and has been a speaker at the Paul Mitchell Business Revolution, sharing the stage with Van Council and Robert Cromeans. She has also traveled internationally as an educator for Balay Business with the Pleas Formula. As a strong advocate for education, Taelor regularly speaks at salon schools to share her insight into the industry and her tips, tricks, and tools to being a successful hair designer.

Passionate about passionate people, Taelor lives to be “Allergic to Average.” She believes that: Talent without passion is a job, Passion without talent is a hobby. When passion and talent come together, that is your calling.

What is a Guest?

Ten Commandments of Great Service:

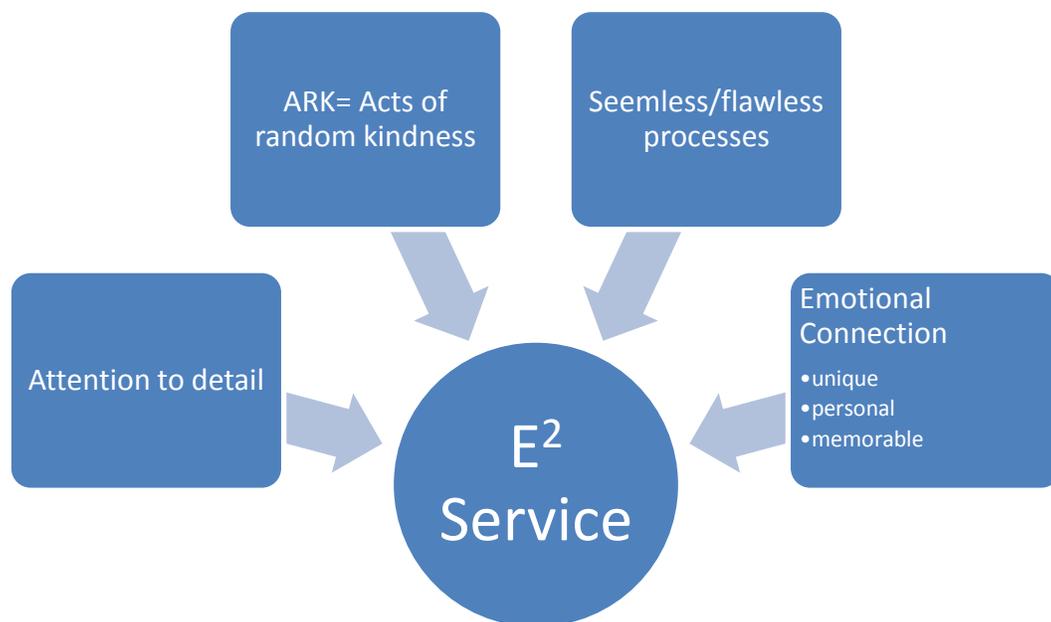
- A guest is the most important person in our salon both in person and on the phone.
- A guest is not dependent on us – we are dependent on each and every one of them.
- A guest is not the interruption of our work – they are the purpose of it.
- We are not doing a guest a favor by serving them they are doing us a favor by giving us the opportunity to service them.
- A guest is not an outsider to our business they are a part of it.
- A guest is not a cold statistic – they are real and each is unique to us.
- A guest is not someone to argue or match wits with – no one ever wins an argument with a guest.
- A guest is a person who brings us their wants and needs. It is our job to offer them solutions.
- A guest is deserving of the most courteous and attentive treatment we can give them.
- A guest is the life blood of our business.
- What else is a guest to you...?

Our job description

Psychologist	Mediator	Purchasing Agent
Booking Agent	Educator	Display Artist
Sales Person	Bookkeeper	Fashion Statement
Inventory Control Analyst	Secretary	Public relations manager

Exceeding Expectations

- We strive for excellence
- The person who is responsible for excellence is you
- Engaged guests are better than satisfied guests.
 - Engaged guests are easy to solve problems, more forgiving
 - Enthusiastic about us
 - Passionate about our brand
 - Best ambassadors for us
- The small things are the big things
- The guest time is the most valuable time
- If we don't have guests, we don't have a home
- Excellent service is about consistency, connecting with the guest
- Consistently doing the ordinary things extraordinarily well
- Never underestimate the power of you. No matter what your position, you touch the brand several times a day
- Take control of guest attitude
- If you are going to have a bad day, DON'T come in
- You never get a second chance at a first impression
- Cleanliness is next to excellence
- Every day is a special occasion



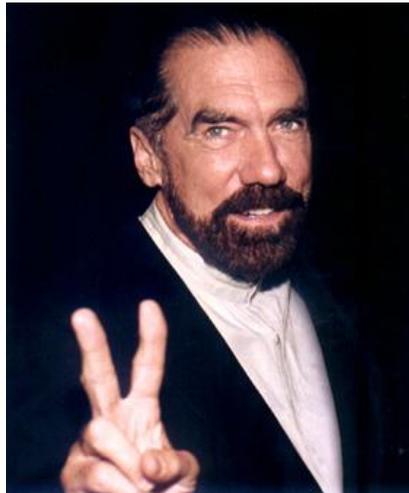
Section II – Employee Guidelines

Be the Professional you want to be

- You represent you and your company in and out of the workplace
- Make sure you are always being a positive ambassador... ALWAYS
- As a positive ambassador, you are always representing the Cutting Loose brand.
- We do not discuss our competitors, we are the standard!
- Dress for the job you want, not the one you have

Discussion Box

“Successful people do what unsuccessful people will not do.”



John Paul DeJoria
Co-Founder and Chief Executive of John Paul Mitchell Systems
Co-Founder Patron Tequila

We can all choose to...

- Welcome change
- Be happy
- Be friendly
- Be flexible and helpful
- Be part of a learning organization
- Pursue being exceptional
- Be truthful with ourselves and others
- Have honor in all we do
- Seek first to understand
- Have a passion to learn new things
- Have the same passion for quality, doing things the best way
- Know that gossip is harmful and never participate in it
- Always do our best
- Do what's right
- Admit mistakes, accept responsibility and then move on
- Treat others the way we wish to be treated
- Not sulk
- Not justify or lay blame
- Be forgiving and compassionate
- Take the initiative
- Resolve difficulties with those involved in a pro-active way
- Not be wasteful
- Focus on results not just the activity
- Love the guests
- Strive for balance in all things
- Help people achieve what they want without compromising
- Be consistently profitable in simple and easy ways
- Value our personal power and use it wisely
- Know that we don't know what we don't know
- Treat ourselves and other with dignity and respect

From the book *Be Nice or Else*
By: Winn Claybaugh



Discussion Box

A. Policies

Team Member Communication

We employ an “open door” policy, which allows for two-way communication between Team and the members of Leadership.

5 Minute One-on-One's

Team Members will have regular huddles “5 minute one-on-ones” with a Team Leader twice a month. At this time they will review the previous weeks tracking sheet “Keep score and do more” philosophy. What worked best for them the previous week and what could be done better? If all that is needed are a BIG HIGH FIVES then that's all we do.

Team Celebrations

Once a month 2 hours are scheduled for our regular team celebration. Too often people get caught up with the hard work that goes into succeeding within any work environment. We like to gather everyone together from all the salon locations in an enjoyable, positive atmosphere, while enabling team members to gain insight and knowledge at the same time. We expect all team members to attend and participate in the monthly meetings. When challenges, ideas and questions are discussed monthly, problems get solved, ideas put into use and everyone can be clear about policies. Big problems start off as small and become larger if they are not addressed correctly or at all.

Pep Talks

Pep Talks are daily. We like to meet and share information, product promotions, contest information and updates, product knowledge, and successes.

Performance Reviews

We view job performance evaluations as a means of insuring that obligations by Cutting Loose team members are met.

Annually Team Members of Cutting Loose will have the opportunity to evaluate their own job responsibilities and have their performance reviewed by their Team Leader. At this time, a Team Member may request:

- A work schedule change if eligible
- Any advancements within Cutting Loose or the industry
- Make suggestions to management on operations and/or education
- Express anything else on their mind

At Cutting Loose, our policy is to pay each Team Member according to the value and quality of his/her contribution to the efficient operation, profit and growth of the salon. In this regard, Cutting Loose's Leadership Team and our Team Members have an obligation to each other.

Job opportunities

We encourage diversity in our hiring process and encourage all interested to apply when there is a Team opening. We also pay a \$50 bonus to Team Members who refer new employees to Cutting Loose after the new Team Member has completed three months continuous satisfactory employment.

Probationary Period

The Probationary Period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Cutting Loose uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Cutting Loose may end the employment relationship at will at any time during or after the probationary period, with or without cause or advance notice.

All new and rehired employees work on a probationary basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend a probationary period by the length of the absence. If Cutting Loose determines that the designated probationary period does not allow sufficient time to thoroughly evaluate the employee's performance, the probationary period may be extended. The 90 day probationary period does not guarantee or coincide with benefit eligibility.

Non-Harassment Policy

It is our policy to prohibit harassment of an employee on any basis, including, but not limited to: age, race, color, handicap, national origin, religion or sex.

Harassment comes in many forms, which certainly includes slurs, threats, derogatory comments, unwelcome jokes, teasing, sexual advances, requests for sexual favors and other similar verbal or physical contact.

Any employee who feels that he/she is a victim of such harassment should immediately report the matter to the Salon Leader. Violations of this policy will not be permitted and may result in discipline up to and including termination.

The purpose of this policy is not to regulate our employee's personal morality; rather, it is to assure that, in the workplace, no employee may harass another on any level. Cutting Loose promotes compliance with this policy through our employees in practice and in spirit.

Health and Safety

Team Members are expected to follow state regulations in the storage, usage and sanitation of implements, capes and color robes, salon fixtures and personal cleanliness. The salon provides sanitizers and disinfectant preparations.

It is our policy to provide our Team Members with a safe working environment. Please report any defects in your plumbing, electrical or other equipment. Do not attempt repairs yourself.

Service Release Forms

Whenever there is a questionable situation in the use of a chemical solution on a guest, such as scalp abrasions, excessive chlorine deposits or previous damage where the guest is insistent upon having the service performed over your professional reservations, it is our policy to have the guest sign a Service Release Form that releases you and the salon from any liability resulting from the application of such procedures. These forms are kept in the office in a labeled file. Please have a Team Member witness your use of this form.

Use of Alcohol/Drugs

The use of alcoholic beverages or illegal drug substances or the abuse of legal prescription drugs during work hours will not be tolerated. The possession of alcoholic beverages or illegal drug substances on the salon's property is forbidden and will result in immediate termination and/or legal charges.

Employee Theft

Theft involves the taking of money and/or products. Theft also involves taking any guests information, tickets and records, sales and marketing information, and company records that are the legal property of the salon. Stealing will result in termination and possible prosecution.

Transition From Cutting Loose:

Return of Property

Employees are responsible for all Cutting Loose property, materials, or written information issued to them or in their possession or control.

Employees, on or before their last day of work must return all Company property. The Company reserves the right to seek legal remedies if such property is not returned in working order to the Company.

Resignation

Resignation is a voluntary act initiated by the employee to terminate employment with Cutting Loose. Although advance notice is not required, the Company requests at least 2 weeks' written resignation notice from all employees.

Final Pay

Final paychecks will be distributed on the next regular payday following separation. Final paychecks will be mailed to the employee's home address unless other arrangements are made in advance. Accrued but unused vacation will be paid out upon separation.

Confidentiality – Salon/Employee

The business' information of Cutting Loose is considered private. It constitutes trade secrets unique to the salon. This information is developed, acquired and compiled by the salon at great effort and expense and is the property of the salon.

All personnel records are confidential. All individual employee information is private.

Privacy issues could be:

- Guest records/formulas/information/tickets
- Product use and information
- Marketing strategies
- Pending legal matters
- Vendor/supplies information
- Trade secrets
- Any and all financial concerns
- Mailing lists
- All records, forms, manuals and printed matter of Cutting Loose

Miscellaneous Information

Business cards: Cutting Loose cards will be made available to you at salon cost. They are the only business cards acceptable.

Licenses: Your professional license (or a copy) must be present at your station and laminated. Cutting Loose must keep a current one on file.

Salon Equipment Policy

Cutting Loose has selected the best equipment to ensure the salon environment is exceptional. Please use proper care when using salon equipment and property. If any equipment is broken, damaged, or lost, please report it to management immediately. No salon property or equipment may be removed from the salon at any time without management approval.

Broken combs, clips, and other tools are never to be used. You should immediately cease use of any appliance showing signs of wear, poor connections, frayed wires, etc. It is your duty to take care of your equipment and the salon equipment that you use. All electrical appliances should be turned off and unplugged at the end of the day.

Personal Equipment: It is not appropriate to use another employee's personal equipment without their prior consent. You should never leave the salon with someone else's tools or equipment.

Personnel Data Changes

It is the responsibility of each employee to promptly notify Cutting Loose of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, an employee should notify management.

Paydays

All employees are paid bi-weekly on Friday. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

If a regular payday falls during an employee's paid time off, the employee's paycheck will be available upon his or her return.

Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image Cutting Loose presents to customers and visitors. Because we work in a public-oriented, fashion-beauty industry, it is essential that we present a professional, fashionable appearance to our customers and represent the Cutting Loose brand with honor and dignity. During business hours or when representing the Company, employees are expected to present a clean, neat, and tasteful appearance.

Employees should dress and groom themselves according to the following standards:

- All employees are expected to wear healthy, shiny hair color and a great haircut, black, white and gray clothing and a smile.
- Protégés will wear black clothing when assisting stylists along with shirts provided by Cutting Loose. When working behind the chair, protégés may wear black, white and/or gray clothing.
- On Saturdays, Cutting Loose employees may choose to participate in a fundraiser for the Lisa Kreider Scholarship Fund where the team may wear colored jeans with a \$5 donation.
- Our clothes should reflect our individual style and personality. Denim, sweatshirt fabric and terry are not appropriate. Logoed t-shirts are not allowed unless the logo is Cutting Loose, Paul Mitchell, Bumble and Bumble or Oribe. Be mindful of how low-cut tops are how short skirts are on your body.
- Athletic footwear (tennis type shoes i.e. Nike or Adidas) or beach flip-flops are not appropriate.
- Attention must be paid to personal hygiene with special attention to breath and body aroma. Gum chewing is not allowed. Wear a smile! If you talk the talk, walk the walk, wear only our color line and wear only our product selections.
- Employees who smoke need to be constantly aware of their personal aroma. The smell of smoke on one's hands, clothing, hair and breath is offensive to most guests. Smoking is prohibited at the entrance or in view of the guests.

If the employee's Team Leader feels the employee's personal appearance is inappropriate, the employee may be asked to leave the workplace until he or she is properly dressed or groomed. Under such circumstance, non-exempt employees will not be compensated for the time away from work.

Reasonable accommodation may be made to a person with a disability or religious/moral beliefs.

Leave of Absence

Cutting Loose provides leaves of absence without pay to employees who need to take time off from work. Full-time employees may request leave of absence only after having completed the probationary period. As soon as an eligible employee becomes aware of the need for a leave of absence, they should request a leave in writing from the CEO.

A leave of absence may be granted for a period of up to 4 weeks every rolling calendar year. An employee will be required to use any available paid time off at the beginning of

this leave. Company provided paid time off benefits do not extend the length of the leave of absence, but run concurrently with the leave.

Requests for a leave of absence will be evaluated based on a number of factors, including anticipated business needs, workload requirements and staffing considerations during the proposed period of absence. The Company reserves the right to request documentation of the need for a leave of absence.

Employees with health insurance benefits will be offered COBRA while on leave subject to the time frame, terms, conditions and limitations of the applicable plan. When the employee returns from a leave of absence, health benefits will again be provided in accordance with the applicable plan provisions.

Use of this leave will not result in the loss of any employment benefit that accrued prior to the start of the employee's leave, however further accruals under any paid time off policy offered by the Company will cease during periods of leave.

When a leave of absence ends, the employee may be returned to the same position, if it is available, or to a similar available position for which the employee is qualified. However, depending on business needs, the Company cannot guarantee reinstatement in all cases. If an employee fails to report to work promptly at the expiration of the approved leave period, the Company will assume the employee has resigned.

Domestic Violence Leave

Eligible employees who have been a victim of certain crimes are able to take up to 3 working days of unpaid leave in a 12 month period. Employees who take leave must provide sufficient documentation and notice as soon as possible. Please contact your supervisor to request this leave.

Front Desk and Cash Handling

The front desk is vital to our daily operations and must remain as uncluttered as possible. This is a guest's first impression and last impression of our salon and it should not be one of sloppiness and disorganization.

The front desk is the workstation of the reservationists, and we require that you respect their space. Protégés/Stylists should not stand behind the front desk unless they have been asked to be there, or granted permission by the reservationist. If a protégé/stylist has been asked to temporarily answer the phones, remember that our salon greeting is always "It's a fabulous day here at Cutting Loose Salon (salon location), this is (your name) and who do I have the pleasure of speaking with?" When placing a guest on hold, always ask and wait for a positive answer, then place them on hold.

Team Members will not be interrupted while working on guests to take personal calls unless there is an emergency. Messages will be taken for personal calls at the front desk.

Only authorized individuals are to handle cash transactions. Only your Team Leader can assign this responsibility to you.

Employees are not allowed to discount prices to guests without approval of the Team Leader. There are base prices that must be followed.

Cashing personal checks or paychecks in the salon is not allowed.

Gratuities are not to be counted or even visible in front of customers and should be handled discreetly in the presence of other team members. They will be paid out at the end of your shift. If the gratuities are left on a credit card or check they will be added to your regular payroll.

Other Team Members are not allowed behind the desk at any time or for any reason other than what is approved by the Salon Reservationist or Team Leader. It is the responsibility of the authorized cash personnel behind the desk to see that this rule is enforced at all times.

Absenteeism and Tardiness

Employees are expected to be at work on time and to work their full scheduled hours as part of the essential functions of their position. Employees who report late to work or return late (more than 5 minutes) from: meal periods, breaks or leave prior to the end of the workday without permission, will be considered tardy.

Repeated absenteeism and/or tardiness will not be tolerated. An employee who will be absent from work for any reason must speak with their Team Leader at least 1-2 hours prior to the start time of their shift. If an employee is absent from work without prior authorization or without giving proper notice to their Team Leader, the employee will be considered to have voluntarily resigned from the Company. Employees must speak to the salon management, **DO NOT LEAVE A VOICE OR TEXT MESSAGE!** If an employee is absent from work due to illness the employee may be required to obtain and submit a physician's note, including any restrictions that may apply, stating that the employee is able to return to duty.

Lactation Accommodation

Non-exempt employees who are nursing mothers are permitted to take reasonable break time as frequently as needed to express breast milk for their children for one year after each child's birth (Lactation Breaks). The Company will designate locations (which will not be restrooms) for Lactation Breaks that are shielded from view and free from

intrusion by coworkers and the public while being used for Lactation Breaks. Lactation Breaks will be unpaid, however, if an employee is entitled to a paid break under another policy she may use that break as a paid Lactation Break (up to the paid time allowed under the other policy, unpaid if further time is taken). If applicable state or local law provides greater protections for Lactation Breaks, the Company will comply with it. Questions about Lactation Breaks should be directed to your Team Leader.

Meal Periods

All employees are provided with one meal period of 30 minutes in length during the workday. Managers may schedule meal periods to accommodate operating requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time.

B. Employee Benefits

Eligible employees at Cutting Loose are provided a wide range of benefits. A number of the programs (such as workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. The Team Leader can identify the programs for which employees are eligible. Details of many of these programs can be found in the plan documentation or elsewhere in this handbook.

The following benefit programs are available to eligible employees:

- Health Insurance
- Vision Insurance
- Life Insurance
- Vacation
- Holidays

Medical Insurance

The medical plan(s) the Company offers provides full-time employees and their eligible dependents access to medical insurance benefits. Medical plans Cutting Loose offers meet the minimum essential health-care coverage requirements of the Affordable Care Act.

Eligible employees may participate in the medical insurance plan subject to all terms and conditions of the agreement between the Company and the insurance carrier.

Medical Plan details are described in the Summary of Benefits and Coverage. The Summary of Benefits and Coverage and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact your team leader for more information about health insurance benefits.

Vision Insurance

The Company provides full-time employees and their eligible dependents access to vision insurance benefits.

Eligible employees may participate in the vision insurance plan subject to all terms and conditions of the agreement between the Company and the insurance carrier.

Details of the vision insurance plan are described in the Health Plan Options Booklet. The Health Plan Options Booklet and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact your Team Leader for more information about vision insurance benefits.

Life Insurance

The Company provides full-time employees access to life insurance.

Eligible employees may participate in the life insurance plan subject to all terms and conditions of the agreement between the Company and the insurance carrier.

Details of the life insurance plan are described in the Summary Plan Description. Contact your Team Leader for more information about life insurance.

Vacation

Vacation for rest and relaxation is available to eligible employees who work a minimum of 32 hours a week and have successfully completed one (1) year of employment.

Eligible employees must request vacation time in writing from their supervisor at least one month in advance. This request must be approved by the employee's supervisor in order to be paid for vacation.

After one year with Cutting Loose, up to 5 additional non-paid personal days off may be taken (either consecutive or nonconsecutive) and must be approved by Leadership one month in advance.

The Team Leader will determine the amount of leave available to the employee and approve or disapprove (all or part in 4 hour increments) requested. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Only under special circumstances will the employee be allowed to

complete the request after the vacation period, this is strictly up to the employee's Team Leader.

Accrued but unused vacation will not rollover for the employees use in the future and thus any remaining accrued but unused time will be forfeited at the end of the calendar year.

If an employee is unable to report to work due to illness, and has exhausted their sick time, the employee will have vacation time paid if accrued. If the employee does not have any accrued vacation time, days absent will not be paid.

The Company will pay out accrued but unused vacation upon separation.

Commission Employees:

- After one year (Styling/Designer), one work week @ \$400
- After one year (Senior/Master), one work week @ \$600
- After three years (Stylist/Designer), two work weeks @ \$400 per week
- After three years (Senior/Master), two work weeks @ \$600 per week
- After five years, three work weeks @ \$400 or \$600 per weeks based on level

Salaried Employees:

- After one year, one work week @ base pay
- After three years, two work weeks @ base pay per week
- After five years, three work weeks @ base pay per week

Hourly Employees:

- After one year, one work week @hourly rate
- After three years, two work weeks @ hourly rate per week
- After five years, three work weeks @ hourly rate per week

Holidays

Full-time employees are eligible for holiday pay. Identified days are subject to change; however, Cutting Loose will typically observe the following holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

For holidays which fall on a Saturday, the holiday will be observed on the Friday before. For holidays which fall on a Sunday, the holiday will be observed on the following Monday.

Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day. Holiday pay will not be counted as hours worked for the purposes of calculating overtime.

To be eligible for holiday pay, employees must work the last scheduled day immediately preceding and the first scheduled day immediately following the holiday.

If a recognized holiday falls during an eligible employee's approved time off, holiday pay will be provided instead of the vacation time.

Family Members Hair Services

Complimentary hair services are extended exclusively to 2 of the employees' immediate family members. These services are also only done on the stylist's day off or on non-peak hours.

For chemical services, the base products charge is \$10; if multiple color products are used; there will be a \$5 charge per extra service. Example: For simple process color there will be a \$10 charge. Highlights cost \$10, then color \$5.

Other products may not be brought into the salon for use by anyone at any time, no exceptions.

Prices will vary for specialty services such as Keratin, Brazilians, Olaplex, Extensions, etc.

Cutting Loose offers a Family and Friends discount for professionals to offer which allows 20% off services. Family and Friends discounts need to be approved by a member of the leadership team.

NO RETAIL DISCOUNTS.

Team Member Personal Hair Services

Services to Team Members are available at no charge to employees, with a \$10 chemical charge (\$10 for first bowl of color + \$5 for every additional bowl), and are to be performed during non-peak hours and on the off time of the person receiving the service. They are all subject to Leader discretion.

Tickets must be made out for all purchases and all services, regardless of cost or payment.

Salon Product

Team Members are expected to use salon products and tools on their own hair. “If you talk the talk, you need to walk the walk”. Our Belief System recognizes we recommend the brand we use ourselves to our guests because we feel it is a superior product. You may purchase products at salon cost.

Employee Product

Products that are part of the normal inventory of Cutting Loose may be sold to our team at the salon cost. Cost pricing is limited to team members only. Leadership will verify the salon cost.

Continuing Education

We are committed and thrive on education. As a commissioned team member you are expected to complete 30 hours of continuing education annually. We have the privilege of having some of the best educators in the industry join us here at Cutting Loose. You can meet your education requirements by attending our in house education. We encourage that you take advantage of what we offer. However, if you choose to attend education outside of the salon we will apply those hours to your annual requirements. Please check with Human Resources before any outside education to receive approval and confirm the number of hours to be received.

Standards of Conduct and Professionalism at a Training or Show

- Dress up! Look like a successful professional.
- Bring all materials needed, including pen, paper, nametag, and your business cards.
- Cell phones must be set to silent.
- Arrive at all meetings, seminars, workshops, meals, and parties at least 15 minutes early.
- Sit in the front row.
- Attend all scheduled events. Do not skip anything!
- Do not leave classes early. You are there to learn.
- You are not there to be a critic. Do not critique the speakers, the educators, the music, the food, the other attendees, the hotel, or the entertainment! Again, you are there to learn.
- Remember, all eyes are on you. Be positive! If you don't feel positive, FAKE IT!
- There is a curfew. Stay sober, and be in your own bed no later than midnight!
- If you are sharing a room with anyone, then no personal friends or guests are allowed in your hotel room.
- Respect others and their personal property. Do not borrow clothing, tools, or supplies without asking permission.
- There will be zero tolerance for drugs, theft, or vandalism.

Remember, you are representing our company as well as our wonderful industry. Make sure the impression you leave is a positive one! Have fun!

C. Position Descriptions

SALON LEADER

Reports To: Salon Partner

Accountable For: The success the salon related services, employees, tasks and activities to ensure the salon is well staffed, professional, clean and organized so every guest has a great customer experience.

Responsibilities:

- Monitors, maintains and fills in all salon employees schedules
- Reviews revenue tracking & budgeting needs and makes suggestions accordingly
- Monitors performance level standards (PLS) staffing and scheduling,
- Maintains a seamless clean and well-organized salon floor.
- Performs front desk duties include greeting, booking and completing all sales with each guest.
- Ensures all guests satisfaction and resolves any guest complaints
- Monitors payroll including;
 - Overtime maintaining salon coverage.
 - Balances all registers including credit, cash, deposits
- Works with inventory manager to ensure all inventory is fulfilled
- Fulfills vacation requests in a timely manner
- Creates reports as needed – MR80 for weekly manager meetings
- Leads all team members in following Cutting Loose systems and processes
- Schedules and conducts monthly Front Desk meetings and Team celebrations.
- Participates in 1 on 1 coaching sessions with the team reviewing their PLS
- Demonstrates and fosters a culture of customer service, continuous process improvement and effective working relations
- Takes personal responsibility for the integrity of all work.
- Presents an appropriate Cutting Loose image at all times including apparel and attitude

SALON RESERVATIONIST

Reports To: Salon Leader

Accountable For: Exceeding all guest expectations through extraordinary customer service

Responsibilities

- Is the first and last point of entry for every customer and represent the Cutting Loose Brand well
- Presents an appropriate Cutting Loose image at all times including apparel and attitude
- Makes a great first and last customer impression with all our guests.
- Greets all guess immediately upon entrance into the salon
- Answer telephones using Cutting Loose dialogue and method
- Correctly book all guests reservation over the phone and re booking their next before they leave
- Review future reservation for oversights/errors
- Monitor demand force for requests, surveys, reviews, campaigns, updated information etc.
- Follow up on calls and requests from guests and staff
- Ensure confirmation calls have been completed
- Promotes all salon promotions
- Stocks retail products in take home area
- Opens, closes is accountable for all registers including cash and credit card transactions, cash counts, deposits and reports
- Achieves performance goals through tacking and continuous improvement
- Ensures salon is clean inside and outside including reception , color cafe and retail displays
- Demonstrates and fosters a culture of customer service, continuous process of improvement and effective working relations
- Takes personal responsibility for the integrity of all work
- Attends all salon meeting and team celebrations
- Participates in on-going education to continuously improve knowledge, skills and abilities
- Performance at all times will be within the confines of Cutting Loose policies and the directives of the salon leader and Partner
- Adheres to the approval process of the salon leader for all scheduled time off

ARTISTIC DIRECTOR

Reports To: Salon Owner

Responsible For: The Artistic Director is responsible for conceiving, developing, and implementing the artistic vision and focus of Cutting Loose Salon and is also responsible for major decisions about the ongoing development of the aesthetic values and activities of the salon after extensive consultation with the Salon Owner.

Responsibilities

- Identify the fashion trends for Spring/Summer and Fall/Winter
- Conceptualize themes for photo shoots
- Responsible for educating team members on upcoming fashion trends
- An Artistic Director must possess a love and a passion for the art and craft of hairdressing
- Natural leadership and strong communication skills
- Strong team orientation
- An understanding of the importance of customer service, retail, and the image of the salon
- A desire to grow professionally and personally
- The desire, ability and willingness to attend outside education and workshops
- Required personal email address for contact and message notifications
- Must be able to complete 9 months in this position without any disruptions unless approved through management with proper documentation

SALON EDUCATOR

Reports To: Salon Owner

Responsible For: A Salon Educator is a top stylist from the salon that leads the team in increasing technical skills and product knowledge, raising guest retention and retail sales, and maintaining an atmosphere of inspiration and creativity. A Salon Educator is to inspire, teach, share, mentor, and encourage all the team members to achieve and exceed their personal and professional goals, as well as the Salon's Business goals weekly, monthly, and annually.

Responsibilities

- Master knowledge of French Hairdressing and Balayage
- Educate Hair Designers and team members on product knowledge
- Encourage Hair Designers to provide consistency with 5 step recipes
- Drive retail while supporting the service side of the salon business
- Stay connected and loyal to salon product lines
- Attend classes and events and participate in all educational opportunities
- A Salon Educator must possess a love and a passion for the art and craft of hairdressing
- Natural leadership and strong communication skills

- Strong team orientation
- An understanding of the importance of customer service and retail within the salon
- A desire to grow professionally and personally as an educator
- The respect of his/her peers
- The desire, ability and willingness to attend outside education and workshops
- Required personal email address for contact and message notifications
- Collaboration to make sure education meets the needs of the team
- Time and resources to fulfill the role
- Frequent meetings to check progress
- Support for classes and continuing education including encouraging team participation
- Recognition of a job well done

FLOOR LEADER

Reports To: Salon Leader

Responsible For: A Floor Leader is a top stylist from the salon that leads the team in increasing technical skills and product knowledge, raising guest retention and retail sales, and maintaining an atmosphere of inspiration and creativity. The Floor Leader is to inspire, teach, share, mentor, and encourage all the team members to achieve and exceed their personal and professional goals, as well as the Salon's Business goals weekly, monthly, and annually.

Nature of Work

- Master knowledge of French Hairdressing and Balayage
- Educate Hair Designers and team members on product knowledge
- Leads all team members in following Cutting Loose systems and processes
- Drive retail while supporting the service side of the salon business
- Stay connected and loyal to salon product lines
- Attend classes and events and participate in all educational opportunities

Job Requirements

- A Floor Leader must possess a love and a passion for the art and craft of hairdressing
- Natural leadership and strong communication skills
- Strong team orientation
- An understanding of the importance of customer service and retail within the salon
- A desire to grow professionally and personally as an educator
- The respect of his/her peers
- The desire, ability and willingness to attend outside education and workshops
- Required personal email address for contact and message notifications

Support Provided

- Collaboration to make sure education meets the needs of the team
- Time and resources to fulfill the role
- Frequent meetings to check progress
- Support for classes and continuing education including encouraging team participation
- Recognition of a job well done
- Bonus on an individual basis

PROTEGE

Reports To: Salon Leader

Responsible For: Assisting hair stylists with technical and interpersonal skills in exceeding our guests expectations through extraordinary customer service

Responsibilities

- Protégé training
- Approximately 18-24 month training to learning the follow and master
- Paul Mitchell color system
- French hair cutting system
- Technical and interpersonal skills
- All aspects of customer service
- Professional etiquette
- Consultation process and our ABC culture
- Knowledge of retail products
- Increase confidence and expand knowledge

Other Duties

- Ensure salon is clean inside and outside including reception , color cafe and styling floor
- Sweep hair on floor as needed
- Wash, dry, and fold towels and robes
- Working with hair designers
- Services and promotions offered at Cutting Loose
- Assisting with all aspects of color
- Attending education classes and training with professional tools
- Cross-train on front desk

- Be coachable
- Attend all salon educational events and team celebrations
- Demonstrate and foster a culture of customer service, continuous process of improvement and effective working relations
- Take personal responsibility for the integrity of all work
- Present an appropriate CL image at all times including apparel and attitude
- Participate in on-going education to continuously improve knowledge, skills, and abilities

RECRUITING AND TRAINING

Reports To: CEO

Accountable For: Recruiting and evaluating job candidates and advise management on hiring. Creating and implementing training programs for the orientation period for all new team members.

Responsibilities

- Builds applicant sources on career plug
- Making presentations at local beauty schools and maintaining rapport
- Determines applicant qualifications by interviewing, analyzing responses and verifying references
- Conducts all orientations, creates orientation schedule and assigns mentors
- Develop, implement, conduct and monitor training programs
- Create training and testing material as needed
- Provide classroom training, demonstrations and on the job training
- Demonstrate and foster a culture of customer service, continuous process improvement and effective working relations
- Participate in on-going education to continuously improve knowledge, skills and abilities

INVENTORY SPECIALIST

Reports To: CEO

Accountable For: All in-store inventory, presentations and pricing best practices

Responsibilities:

- Supports all Salon Partners and Salon Leaders by maintaining accurate pricing, inventory and information on products for each location
- Leads and is the point person for all manufacturers of products, product services, promotions and marketing
- Ensures proper tagging, signing, and use of products to convey value to customers
- Maintains accurate inventory controls through adherence of company guidelines and policies and proper back room operations
- Provides exceptional customer service, with a focus on creating a customer centric environment
- Insures retail products are in stock, inventory counts are accounted and priced for and reorders are placed and received
- Tracks and monitors attainment toward the retail PPC goals
- Creates a strategy to improve results from in-stock, sales and shrinkage
- Identifies deficiency of product quickly in take home area, restocks as needed
- Reconciles and enters received purchases in millennium
- Places special request orders and informs guests when it is in
- Creates promotions for salon, orders and material necessary for the success.
- Keeping back bar purchases under 7%
- Restocks and cleans take home area
- Demonstrates and fosters a culture of customer service, continuous process of improvement and effective working relations
- Participates in on-going education to continuously improve knowledge, skills and abilities

Section III – Artistic Development

Protégé Program

At Cutting Loose the protégés are a valued and very substantial part of our team! They are the anchors of our business that help keep the Stylist afloat. Protégés are accountable for learning the necessary duties that help ensure punctuality, accuracy, cleanliness and providing helpful technical skills. They are perceived as the members of our team that are constantly working to maintain the desire and energy to go outside their comfort zone to conquer new and exciting ideas. To make this journey possible, Cutting Loose offers an extensive training and education schedule to help Protégés move along towards their goals. The protégé program is approximately twenty four months long during which Cutting Loose follows the ABC's, The Color System, Paul Mitchell and the French haircutting system. In order for protégés to take part in our protégé program, they must already be a licensed cosmetologist. Throughout that training the protégés will master:

- Technical and interpersonal skills concerning guests
- Skilled dealing with all aspects of customer service
- How to handle specific situations with guests
- Services and promotions offered at Cutting Loose
- The consultation process
- Knowledge of retail products
- The communication of retail products
- Increasing their confidence and expanding their knowledge

Protégé have particular duties for which they are responsible including:

- Keeping the salon presentable (refer to sparkle duties)
- Taking care of the guests needs
- Professional etiquette
- Working with the stylists
- Assisting in all aspects of color service
- Attending educational classes and training with professional tools to acquire the
- Dexterity and experience to enable them to work with guests

The salon is cleaned regularly throughout each day and then thoroughly at the end of the day. Protégés are responsible for helping to clean all areas of the salon, as well as any materials used during workshops. There are always things that need to be done throughout the salon and in the event that other stylists need help, the protégés are expected to make themselves available for them.

Guest Interaction

Always keep the conversation about the guest. If they inquire about you, politely respond in short answers, and turn the conversation back to them. All “thank you’s” from guests should be responded to with “my pleasure” or “our pleasure!” Greet every guest with a smile!

Cutting Loose Salon Tours

We do tours for ALL new guests so that they will feel comfortable in the salon. Always greet them with a smile, a handshake and make eye contact when you introduce yourself.

Starting in the front Take Home Area, step out from behind the desk so you’re standing with the Guest.

Shake their hand and say, “I’m _____. For this being your first experience with us I would love to give you a tour so you know where everything is.”

“Starting off in our Take Home Area, we offer a variety of hair care products like Bumble and Bumble, Oribe, Paul Mitchell and R+Co. We also offer nail polishes, candles, etc”

“Over here are our Designing Stations where all of your cutting and finishing work will be done. On the walls are our latest Artistic Team’s photoshoot.”

“We have 1 restroom in the front, 1 in the back of the Color Lounge, and 1 in Protégé.”

“In the back of the salon is our Advance Training Academy called Protégé, which means one who is chosen to be mentored by a master. This is where licensed professionals can come to further their training and master their craft.”

“On this side is our beautiful Color Lounge. This is where your color experience will happen. There are tables to relax at where you can enjoy your glass of wine and your book, work on your laptop, or even mingle with some of the other amazing Guest that are at your table.”

“Again I’m _____ and if there is anything I can do to enhance your experience please don’t hesitate to ask.”

Shampooing Etiquette

In response to industry surveys, guests overwhelmingly rate the shampoo as their favorite part of the salon experience. Whenever a product is used on a guest, including their shampoo, the staff member performing the service should tell them what they are using and recommend it for their maintenance program. When shampooing, apart from informing the guest what products you are using on them, you should remain quiet. Do not talk to others when you are shampooing a guest, and do not interrupt personnel who are doing a shampoo if you can help it. You are in close proximity to the guest when doing a shampoo, be considerate that your breath is fresh.

General Etiquette

Some examples of professional mannerisms that you will learn and adopt while at Cutting Loose include:

- Refraining from reaching in front of guests or stylists. Whenever possible, walk or reach from behind.
- If a cough or sneeze occurs, always step away from the guest and clean your hands afterwards.
- Never interrupt an existing conversation.
- Observe, whenever possible, all techniques.
- Dialog is very important to us here at Cutting Loose. It is one of the many things that separate us from the others. Our dialog shows education, experience and a commitment to excellence. This dialog sets the tone our guests are led to expect from our service.
- Vocabulary
 - Standard Vocabulary
 - Client
 - Smock
 - Re-book
 - Service
 - Coupon
 - Retail
 - Shampoo Bowl
 - Help
 - Free
 - Cutting Area
 - Cutting Loose Vocabulary
 - Guest
 - Color Robe
 - Future Reservation
 - Experience
 - Rewards
 - Take Home
 - Lather Lounge
 - Assist
 - Complimentary
 - Designing Station

More of these tips on professional mannerisms will be provided within/during the actual protégé program/training.

During the Protégé Program, it is important for all protégés to embrace the right attitude and have the appropriate willingness to perform all duties. Protégés are responsible for contributing to the salon's success, as well as, their fellow team members. One of the main purposes of the protégé program is to help protégés develop professional, polite and comfortable manners during interactions with a guest.

The program aims to help protégés feel more at ease with their abilities while encouraging them to eventually perform all duties within the salon. We also want protégés to become familiar with all aspects of the business and to feel entitled to fulfill their own goals and expectations while being a part of our team!

We want to help you become not our best but your best! Each obstacle and new learning experience can either be a testimony to our determination or it can deter you from your goal of being what you want to be! Starting new tasks can be difficult, but overcoming the challenge is what makes it all worthwhile.

Salon Education

Protégés will complete four rotations of 16 week salon education curriculum as part of their program. Class are held every Monday. From 10:00am – 1:00pm protégés will study technical and theory and then hands on with models from 2:00pm – 6:00pm.

In each of the four 16 week rotations, 8 of the classes are cutting classes requiring models. If two of the cutting classes are missed for any reason or no model is scheduled, a protégé will be in "Epi" which means they will revisit that class cycle again. If a Protégé has been put in Epi 3 times, a course of action will be determined on a case by case basis.

Stylists' Journey

All levels of stylists are also given the opportunity to expand their expertise and grow as team members here at Cutting Loose. All stylists are expected to follow the Five Step Recipe along with the French Haircutting System. It is crucial for all stylists to be licensed and ready to take on new and exciting opportunities whenever possible. Similar to the protégé program, stylists are expected to maintain the same level of professionalism as the protégés. Their behavior, mannerisms and expectations are no less significant and will enable them to move forward. There are countless opportunities for our stylists and we are constantly working to pass on new programs, ideas and knowledge. We offer promotions based on performance and your ability to complete certain requirements. We encourage yearly promotions where management will evaluate you based on our criteria for promotion.

We also encourage stylists to become educators, passing on their expertise to other protégés and/or stylists. We believe that sharing one's knowledge and insight can be educational for both the teacher and students. The possibilities are endless and all

count on the stylist's ability to work hard, adapt to new learning opportunities and grow as a stylist!

All Stylist at Cutting Loose must complete 30 hours of education every year. (Please refer to Section B under Continuing Education.)

Section IV – Career Path

Stylist Levels

All stylist levels must meet weekly guest service and retail sales targets (PLS) based on level. See charts for more details.

CUTTING LOOSE STYLIST LEVELS

	Weekly	Commission	PPC	Rebook	Women	Men	Blowdry
Stylists	\$800-\$1,499	37%	.50	50%	\$40	\$30	\$27
Designer	\$1,500-\$1,999	40%	.50	50%	\$45	\$32	\$30
Senior 1	\$2,000-\$2,499	40%	.55	55%	\$50	\$35	\$30
Senior 2	\$2,500-\$2,999	42%	.55	55%	\$55	\$40	\$30
Master 1	\$3,000-\$3,499	42%	.60	60%	\$60	\$42	\$35
Master 2	\$3,500 & up	44%	.60	60%	\$65 & up	\$45	\$35

PERFORMANCE LEVEL STANDARDS

	Top 1%	Top 10%	Above Average	Average
Service Ticket	3 times greater	2 times greater	1 ½ times greater	Slightly higher
Rebooking	85% & up	75% to 84%	55% to 74%	34% to 54%
Retail	\$22.00	\$11.00	\$7.20	\$3.20

**Performance Level Standards provided by Inspiring Champions*

INCOME LEVELS

	Service Week	Annual Base*	Annual 10% tip*	Annual Income*
Stylists	\$800-\$1,499	\$14,800-\$27,732	\$4,000-\$7,495	\$18,800-\$35,227
Designer	\$1,500-\$1,999	\$30,000-\$39,980	\$7,500-\$9,995	\$37,500-\$49,975
Senior 1	\$2,000-\$2,499	\$40,000-\$49,980	\$10,000-\$12,495	\$50,000-\$62,475
Senior 2	\$2,500-\$2,999	\$52,500-\$62,979	\$12,500-\$14,995	\$65,000-\$77,974
Master 1	\$3,000-\$3,499	\$63,000-\$78,728	\$15,000-\$17,495	\$78,000-\$96,223
Master 2	\$3,500 & up	\$77,000 & up	\$17,500 & up	\$94,500 & up

**Based on an annual 50 week year (excludes 2 weeks paid vacation)*

Protégé Level System

Level 1

- 1 day of education/training
- 1 day protégé
- 3 days assisting at CL
- Goals: \$30 average ticket, 30% re-booking, .30 PPC, 50% first time guest retention

Level 2

- 1 day of education/training
- 2-3 days protégé
- 1-2 days assisting at CL
- Goals: \$37.50 average ticket, 40% re-booking, .40 PPC, 55% first time guest retention. Daily average of \$140.

Level 3

- You will be a level 3 until your goal is met
- ½ day of education/training
- 3 days protégé
- 1 day assisting at CL
- Goals: \$45 average ticket, %50 re-booking, .50 PPC. Daily average of \$200.

Dear _____:

We are pleased to offer you a position as an associate in training with Cutting Loose, Inc. This letter, together with the Team Member Handbook, access to which is being provided to you, will set forth the terms and conditions of your employment and affiliation with Cutting Loose as a “Team Member”.

You will be an employee at will, which means that your employment with Cutting Loose is voluntarily entered into, and you are free to resign at any time. Conversely, Cutting Loose may terminate your employment at any time with or without cause. It is contemplated that your initial affiliation with Cutting Loose will consist of training, which customarily encompasses the first twelve (12) months of your affiliation with Cutting Loose (“Training Period”). During the Training Period, you will receive compensation as follows

As a result of your affiliation with Cutting Loose, in addition to access to the Team Member Handbook, you will be provided other valuable information and counseling in various facets of the salon industry, which is being offered to you to enable you to become a hair stylist with Cutting Loose. Therefore, in the event that your employment or affiliation with Cutting Loose is terminated, for any reason, within the first twelve (12) months after the Training Period, you agree to immediately reimburse Cutting Loose for the cost of your training and counseling in the amount of \$2,000.00 (“Training Fee”). By accepting the position with Cutting Loose, you agree that the Training Fee is fair and reasonable consideration for the training and counseling offered by Cutting Loose during the Training Period, and is a reasonable amount to compensate Cutting Loose for these services.

During the Training Period and thereafter, if your affiliation with Cutting Loose continues, you will be given access to valuable, proprietary, confidential business information, which has been developed by, and/or is unique to, Cutting Loose (“Confidential Information”). This Confidential Information includes, but is not limited to, client records, formulae, product use, marketing strategies, vendor and supplier information, cutting and styling methodologies and techniques, and other information that is either contained in the Team Member Handbook, which is accessible to you, as a Team Member of Cutting Loose, confidentially on its website. By accepting your affiliation with Cutting Loose, you agree to not disclose the Confidential Information to any person or entity without the written authorization of Cutting Loose, and you agree to return any and all Confidential Information provided to you in a tangible form, or accessed through your affiliation with Cutting Loose, upon the termination of your employment.

Any and all other benefits which may accrue to you as a result of your affiliation with Cutting Loose are set forth more specifically in the Team Member Handbook, and you agree that you are entitled to no other compensation or benefits other than those that are set forth herein, or as provided in the Team Member Handbook from time to time. Nothing contained herein, or in the Team Member Handbook, constitutes a promise or guarantee of any specific benefits, as the same may change from time to time within the sole discretion of Cutting Loose.

We look forward to your association with Cutting Loose. As a condition of your association, you must execute a copy of this letter agreement and return it to Cutting Loose, which will evidence your understanding of, and agreement to, the terms and conditions contained in this letter.

Sincerely,

CUTTING LOOSE, INC.

By: _____
Coral Pleas, CEO

Date: _____

ACCEPTED AND AGREED TO:

By: _____

Date: _____

Employee Acknowledgement

The employee handbook describes important information about Cutting Loose, and I understand that I should consult with your Team Leader regarding any questions not answered in the handbook.

I have entered into my employment relationship with Cutting Loose voluntarily and acknowledge that there is no specified length of employment. Accordingly, Cutting Loose or I can terminate the relationship at will, with or without cause, at any time.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to Cutting Loose policy of employment at will. I understand that revised information may supersede, modify, or eliminate existing policies. Only the CEO has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE'S NAME (printed): _____

EMPLOYEE'S SIGNATURE: _____

DATE: _____