

United States Bankruptcy Court District of Delaware		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): <b>Premier Salons Beauty Inc.</b>		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): <b>See Schedule 1</b>		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Social Security or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): <b>26-4119717</b>		Last four digits of Social Security or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, and State): <b>3762 14th Avenue # 200 Markham, Canada</b> <div style="text-align: right;">ZIP CODE <b>L3R 0G7</b></div>		Street Address of Joint Debtor (No. & Street, City, and State): <div style="text-align: right;">ZIP CODE</div>
County of Residence or of the Principal Place of Business: <b>N/A</b>		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): <div style="text-align: right;">ZIP CODE</div>		Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right;">ZIP CODE</div>
Location of Principal Assets of Business Debtor (if different from street address above):		
<b>Type of Debtor</b> (Form of Organization) (Check one box.)  <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	<b>Nature of Business</b> (Check one box.)  <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other  <hr/> <b>Tax-Exempt Entity</b> (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	<b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box)  <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13  <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding  <b>Nature of Debts</b> (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
<b>Filing Fee</b> (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached  <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.  <input type="checkbox"/> Filing Fee waiver requested (Applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		<b>Chapter 11 Debtors</b> Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000  Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
<b>Statistical/Administrative Information</b> <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
<b>Estimated Number of Creditors</b> <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000		
<b>Estimated Assets</b> <input checked="" type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		
<b>Estimated Debts:</b> <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input checked="" type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		



<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): <b>Premier Salons Beauty Inc.</b>
<b>Signatures</b>	
<p style="text-align: center;"><b>Signature(s) of Debtor(s) (Individual/Joint)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.                  (If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7) I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.</p> <p>(If no attorney represents me and no bankruptcy petition preparer signs the petition) I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____                  Signature of Debtor</p> <p>X _____                  Signature of Joint Debtor</p> <p>_____                   Telephone Number (If not represented by attorney)</p> <p>_____                   Date</p>	<p style="text-align: center;"><b>Signature of a Foreign Representative</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____                  Signature of Foreign Representative</p> <p>_____                   Printed Name of Foreign Representative</p> <p>_____                   Date</p>
<p style="text-align: center;"><b>Signature of Attorney*</b></p> <p>X _____                  Signature of Attorney for Debtor(s)</p> <p><b>Joseph M. Barry (No. 4221)</b>                  Printed Name of Attorney for Debtor(s)</p> <p><b>YOUNG CONAWAY STARGATT &amp; TAYLOR, LLP</b>                  Firm Name</p> <p><b>The Brandywine Building</b>  <b>1000 West Street, 17th Floor</b>  <b>Wilmington, DE 19801-0391</b>                  Address</p> <p><b>(302) 571-6600</b>                  Telephone Number</p> <p><b>July 6, 2010</b>                  Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>	<p style="text-align: center;"><b>Signature of Non-Attorney Bankruptcy Petition Preparer</b></p> <p>I declare under penalty of perjury that: 1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; 2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b), and, 3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official form 19 is attached.</p> <p>_____                   Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____                   Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer (Required by 11 U.S.C. § 110))</p> <p>_____                   Address</p> <p>X _____                   Date</p>
<p style="text-align: center;"><b>Signature of Debtor (Corporation/Partnership)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor. The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____                  Signature of Authorized Individual</p> <p><b>Brinn Luborsky</b>                  Printed Name of Authorized Individual</p> <p><b>Chief Executive Officer</b>                  Title of Authorized Individual</p> <p><b>July 6, 2010</b>                  Date</p>	<p><b>Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.</b></p> <p>Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person</p> <p><small>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</small></p>

## SCHEDULE 1 TO VOLUNTARY PETITION

The Debtors have used the following other names during the previous 8 years, which includes trade names the Debtors have registered with various states:

Trade Secret  
Beauty Express  
Everyday Beautiful  
Trade Secret Salon Boutique  
BeautyFirst  
Capelli Trade Secret  
PureBeauty  
Beauty Studio  
Beauty Warehouse  
Urban Essentials  
BeautyFirst Beauty Store Color Salon Spa  
Club PureBeauty

## **SCHEDULE 2 TO VOLUNTARY PETITION**

### **AFFILIATED ENTITIES**

On the date hereof, each of the affiliated entities listed below (including the debtor in this chapter 11 case) filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware. Contemporaneously with the filings of such petitions, the below entities are filing a motion requesting joint administration of their chapter 11 cases.

Premier Salons Beauty Inc.  
Trade Secret, Inc.  
Premier Salons Trade Secret Inc.  
BeautyFirst, Inc.  
Trade Secret Beauty Stores Inc.  
Trade Secret Exclusive Stores Inc.  
Trade Secret Luxury Stores Inc.  
PureBeauty, Inc.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

TRADE SECRET, INC., *et al.*,<sup>1</sup>  
Debtors.

Chapter 11

Case No. 10-\_\_\_\_\_ (\_\_\_\_)

(Joint Administration Requested)

**CONSOLIDATED LIST OF CREDITORS  
HOLDING 20 LARGEST UNSECURED CLAIMS**

Trade Secret, Inc. and certain of its direct and indirect affiliates and subsidiaries, the debtors and debtors in possession in the above captioned cases (collectively the “Debtors”), filed voluntary petitions in this Court for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* This list of creditors holding the twenty (20) largest unsecured claims (the “Top 20 List”) has been prepared on a consolidated basis, from the Debtors’ books and records as of July 5, 2010. The Top 20 List was prepared in accordance with Rule 1007(d) of the Federal Rules of Bankruptcy Procedure. The Top 20 List does not include: (1) persons who come within the definition of an “insider” set forth in 11 U.S.C. § 101(31); or (2) creditors who assert that their claims are secured by the assets of one or more of the Debtors. The information presented in the Top 20 List shall not constitute an admission by, nor is it binding on, the Debtors. The information presented herein, including, without limitation the failure of the Debtors to list any claim as contingent, unliquidated, disputed or subject to a setoff does not constitute a waiver of the Debtors’ rights to contest the validity, priority, nature, characterization and/or amount of any claim. The Debtors’ rights with respect to all claims are hereby reserved.

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<sup>1</sup> The Debtors in these cases, along with the last four (4) digits of their federal tax identification numbers (if applicable) are: Premier Salons Beauty Inc. (EIN XX-XXX9717); Trade Secret, Inc. (EIN XX-XXX1292); Premier Salons Trade Secret Inc. (EIN XX-XXX9005); BeautyFirst, Inc. (EIN XX-XXX1954); Trade Secret Beauty Stores Inc. (EIN XX-XXX9804); Trade Secret Exclusive Stores Inc. (EIN XX-XXX9902); Trade Secret Luxury Stores Inc. (EIN XX-XXX9865); PureBeauty, Inc. (EIN XX-XXX4358). The address for each Debtor is 3762 14th Avenue, # 200, Markham, Ontario L3R 0G7, Canada.

Rank	Name of creditor	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff <sup>2</sup>	Amount of claim
1	PROCTOR & GAMBLE	PROCTOR & GAMBLE 6109 Desoto Avenue Woodland Hill, CA 91367 PH 1-800-789-9617 FX 1-678-229-3404	Trade Debt		\$1,168,875.71
2	LOREAL GROUP	LOREAL GROUP 575 Fifth Avenue New York, NY 10017 PH 1-330-655-1281 FX 1-330-655-1292	Trade Debt		\$1,084,344.00
3	KENRA LABORATORIES, INC.	KENRA LABORATORIES, INC. 22 E. Washington Street, 5th Floor Indianapolis, IN 46204 PH 1-800-930-7777 FX 1-317-308-2185	Trade Debt		\$718,012.09
4	SEXY HAIR CONCEPTS, LLC	SEXY HAIR CONCEPTS, LLC 21551 Prairie Street Chatsworth, CA 91311 PH 1-818-435-0875 FX 1-818-435-0891	Trade Debt		\$667,080.80
5	FAROUK SYSTEMS	FAROUK SYSTEMS 250 Pennbright, Suite 150 Houston, TX 77090 PH 1-281-876-2000 FX 1-866-449-9025	Trade Debt		\$657,810.25
6	KPSS, INC.	KPSS, INC. 981 Corporate Blvd. Linthicum Heights, MD 21090 PH 1-800-288-9118 ext. 3105 FX 1-410-684-2966	Trade Debt		\$559,336.75
7	JOHN PAUL MITCHELL SYSTEMS	JOHN PAUL MITCHELL SYSTEMS 20705 Centre Pointe Park Santa Clarita, CA 91350 PH 1-661-298-0296 FX 1-661-298-7628	Trade Debt		\$439,261.80
8	OPI PRODUCTS, INC.	OPI PRODUCTS, INC. 13034 Saticoy Street N. Hollywood, CA 91605 PH 1-630-213-8990 Ext. DESK FX 1-630-213-8661	Trade Debt		\$373,072.74

<sup>2</sup> The Debtors reserve their rights to dispute the claims on this schedule on any basis.

Rank	Name of creditor	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff <sup>2</sup>	Amount of claim
9	JOHN ROBERTS COMPANY	JOHN ROBERTS COMPANY 9687 East River road Minneapolis, MN 55433 PH 1-763-755-5500 FX 1-763-755-0394	Trade Debt		\$301,344.17
10	TIGI LINEA HAIRCARE	TIGI Linea 1655 WatersRidge Drive Lewisville, TX 75057 PH 1-800-259-8596 ext. 2929 FX 1-972-353-0443	Trade Debt		\$278,288.04
11	DEVA CONCEPTS	DEVA CONCEPTS 560 Broadway, Suite 206 New York, NY 10012 PH 1-212-343-0344 ext. 0121 FX 1-646-613-1428	Trade Debt		\$269,662.38
12	T3 MICRO, INC.	T3 MICRO, INC. 228 Main Street, Suite 12 Venice, CA 90291 PH 1-310-452-2888 ext. 0003 FX 1-310-450-3888	Trade Debt		\$266,328.00
13	JOICO LABORATORIES	JOICO LABORATORIES 300 Forge Road Geneva, NY 14456 PH 1-800-242-9283 FX 1-203-656-7771	Trade Debt		\$214,265.17
14	COLIMER GROUP	COLIMER GROUP 1515 Wazee, Suite 200 Denver, CO 80202 PH 1-303-968-1218 FX 1-202-291-1299	Trade Debt		\$212,143.86
15	GLOPROFESSIONAL	GLOPROFESSIONAL 600 W. Bayaud Avenue, Dept. 100 Denver, CO 80223 PH 1-800-232-0398 FX 1-303-892-8289	Trade Debt		\$204,723.73
16	HELEN OF TROY CORPORATION	HELEN OF TROY CORPORATION One Helen of Troy Plaza El Paso, TX 79912 PH 1-800-487-8432 FX 1-915-225-6836	Trade Debt		\$201,126.16
17	FORD & HARRISON LLP	FORD & HARRISON LLP 271 17th Street NW, Suite 1900 Atlanta, Georgia 30363 PH: 1-404-888-3800 FX: 1-404-888-3863	Professional Fees	Contingent, Unliquidated	~\$200,000.00

Rank	Name of creditor	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim
18	BEAUTYX/FHI HEAT, INC.	BEAUTYX/FHI HEAT, INC. 30575 Bainbridge Road Suite 200 Solon, OH 44139 PH 1-877-289-6287 FX 1-561-955-9879	Trade Debt		\$187,944.03
19	GENPAK	GENPAK 9611 James Avenue South Bloomington, MN 55431 PH 1-952-435-6658 FX 1-952-435-9577	Trade Debt		\$156,304.16
20	AMERICAN INTERNATIONAL INDUSTRIES	AMERICAN INTERNATIONAL INDUSTRIES 2220 Gaspar Avenue Los Angeles, CA 90040 PH 1-952-440-3244 FX 1-952-440-3248	Trade Debt		\$141,477.80

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

TRADE SECRET, INC., *et al.*,<sup>1</sup>  
Debtors.

Chapter 11

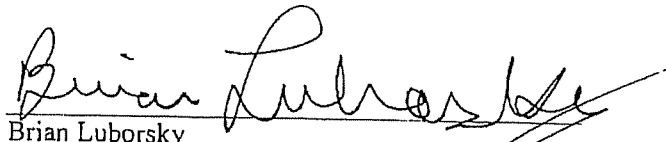
Case No. 10-\_\_\_\_\_ ( )

(Joint Administration Requested)

**DECLARATION CONCERNING THE DEBTORS' CONSOLIDATED LIST OF  
CREDITORS HOLDING THE 20 LARGEST UNSECURED CLAIMS**

I, Brian Luborsky, Chief Executive Officer of Trade Secret, Inc., one of the above-captioned debtors and debtors in possession, declare under penalty of perjury under the laws of the United States of America that I have reviewed the foregoing Consolidated List of Creditors holding the 20 Largest Unsecured Claims submitted herewith and that the information contained therein is true and correct to the best of my information and belief.

Date: July 6, 2010  
Markham, Ontario, Canada

  
Brian Luborsky  
Chief Executive Officer  
Trade Secret, Inc., on behalf of the Debtors

<sup>1</sup> The Debtors in these cases, along with the last four (4) digits of their federal tax identification numbers (if applicable) are: Premier Salons Beauty Inc. (EIN XX-XXX9717); Trade Secret, Inc. (EIN XX-XXX1292); Premier Salons Trade Secret Inc. (EIN XX-XXX0005); BeautyFirst, Inc. (EIN XX-XXX1954); Trade Secret Beauty Stores Inc. (EIN XX-XXX9804); Trade Secret Exclusive Stores Inc. (EIN XX-XXX9902); Trade Secret Luxury Stores Inc. (EIN XX-XXX9865); PureBeauty, Inc. (EIN XX-XXX4358). The address for each Debtor is 3762 14th Ave # 200, Markham L3R 0G7, Canada.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

TRADE SECRET, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 10-\_\_\_\_\_ (\_\_\_\_)

(Joint Administration Requested)

**DEBTORS' OWNERSHIP STATEMENT PURSUANT TO RULES 1007(a)(1), 1007(a)(3)  
AND 7007.1 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

Pursuant to Rules 1007(a)(1), 1007(a)(3) and 7007.1 of the Federal Rules of Bankruptcy Procedure, the above-captioned debtors and debtors in possession (each a "Debtor" and collectively, the "Debtors") state as follows:

1. The Luborsky Family Trust II owns 100% of the ownership interests of Debtor Premier Salons Beauty Inc.
2. Debtor Premier Salons Beauty Inc. owns 100% of the ownership interests of each of Debtor Trade Secret, Inc. and Debtor Premier Salons Trade Secret, Inc.
3. Debtor Trade Secret, Inc. owns 100% of the ownership interests of each of Debtor BeautyFirst, Inc.; Debtor Trade Secret Beauty Stores Inc.; Debtor Trade Secret Exclusive Stores Inc.; and Debtor Trade Secret Luxury Stores Inc.
4. Debtor BeautyFirst, Inc. owns 100% of the ownership interests of Debtor PureBeauty, Inc.

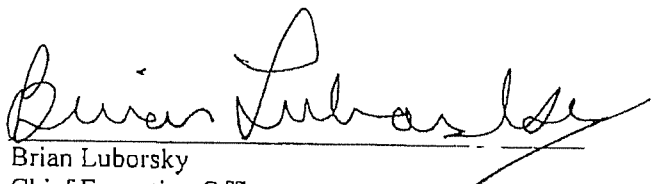
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**DECLARATION CONCERNING DEBTORS' OWNERSHIP STATEMENT  
PURSUANT TO RULES 1007(a)(1), 1007(a)(3) AND 7007.1 OF  
THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

I, Brian Luborsky, Chief Executive Officer of Premier Salons Beauty Inc., one of the above-captioned debtors and debtors in possession, declare under penalty of perjury under the laws of the United States of America that I have reviewed the foregoing Debtors' Ownership Statement Pursuant to Rules 1007(a)(1), 1007(a)(3) and 7007.1 of the Federal Rules of Bankruptcy Procedure submitted herewith and that the information contained therein is true and correct to the best of my knowledge, information and belief.

Dated: July 6, 2010  
Markham, Ontario, Canada

  
\_\_\_\_\_  
Brian Luborsky  
Chief Executive Officer  
Trade Secret, Inc., on behalf of the Debtors

**WRITTEN CONSENT OF DIRECTORS OF  
PREMIER SALONS BEAUTY INC.**

THE UNDERSIGNED, being all of the directors of Premier Salons Beauty Inc., a Delaware corporation (the "Company"), hereby consent that the actions recited herein shall be deemed the actions of the Board of Directors of the Corporation with the same effect as if taken at a duly noticed and called meeting of the Board of Directors of the Corporation, and direct that this writing be filed with the minutes of proceedings of the Corporation's Board of Directors, pursuant to the provisions of Section 141(f) of the General Corporation Law of the State of Delaware:

WHEREAS, the Board of Directors has reviewed and considered the financial and operational condition of the Company and the Company's business on the date hereof, including the historical performance of the Company, the assets of the Company, the current and long-term liabilities of the Company, the market for the Company's products and services, as well as the spa and hair salon industry, the overall retail market and credit market conditions; and

WHEREAS, the Board of Directors has received, reviewed and considered the recommendations of the senior management of the Company and the Company's legal, financial and other advisors as to the relative risks and benefits of pursuing a bankruptcy proceeding under the provisions of Chapter 11 of Title 11 of the United States Code;

NOW, THEREFORE, BE IT RESOLVED that, in the judgment of the Board of Directors, it is desirable and in the best interests of the Company, its creditors, stockholders and other interested parties, that a voluntary petition be filed by the Company under the provisions of Chapter 11 of Title 11 of the United States Code (the "Petition"); and it is further

RESOLVED that the Company shall be, and it hereby is, directed and authorized to execute and file on behalf of the Company all petitions, schedules, lists and other papers or documents, and to take any and all action which they deem reasonable, advisable, expedient, convenient, necessary or proper to obtain such relief; and it is further

RESOLVED, that any officer of the Company designated by the Board of Directors (collectively, the "Designated Officers"), be and each of them, acting alone, hereby is, authorized, directed and empowered, on behalf of and in the name of the Company (i) to execute and verify the Petition as well as all other ancillary documents and to cause the Petition to be filed with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") and to make or cause to be made prior to or after the execution thereof any modifications or amendments to the Petition or any other ancillary documents, and (ii) to execute, verify and file or cause to be filed all petitions, schedules, lists, motions, applications and other papers or documents necessary or desirable in connection with the foregoing; and it is further

RESOLVED that the law firm of Young Conaway Stargatt & Taylor, LLP (“Young Conaway”) be, and hereby is, authorized and empowered to represent the Company as its general bankruptcy counsel to the Company and to represent and assist the Company in carrying out its duties under Title 11 of the United States Code, and to take any and all actions to advance the Company’s rights, including the preparation of pleadings and filings in the Chapter 11 proceeding; and in connection therewith, the Designated Officers are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Young Conaway; and it is further

RESOLVED, that SSG Capital Advisors, LLC (“SSG”) be, and hereby is, authorized and empowered to represent the Company as its investment banker, with regard to the Chapter 11 proceeding and in connection therewith, the Designated Officers are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of SSG; and it is further

RESOLVED, that Epiq Bankruptcy Solutions, LLC (“Epiq”) be, and hereby is, authorized and empowered to serve as the notice, claims, solicitation and balloting agent in connection with any case commenced by the Company under the Bankruptcy Code; and in connection therewith, the Designated Officers are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Epiq; and it is further

RESOLVED that the Designated Officers be, and they hereby are, authorized and directed to employ any other individual and/or firm as professionals or consultants or financial advisors to the Company as are deemed necessary to represent and assist the Company in carrying out its duties under Title 11 of the United States Code, and in connection therewith, the Designated Officers are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the Chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of such firms; and it is further

RESOLVED, that the Designated Officers be, and they hereby are, authorized and directed on behalf of and in the name of the Company, to negotiate and take all actions necessary or appropriate for the Company to enter into one or more agreements for the usage of cash collateral during the Chapter 11 proceeding (collectively, the “Cash Collateral Documents”) with Regis Corporation (“Regis”), the Company’s existing secured lender and, if appropriate, such loan agreements, documents, notes, guaranties, security agreements, pledge agreements and all other documents, agreements or instruments (collectively, the

“Credit Documents”), in each case, as may be deemed necessary or appropriate by the Designated Officers; and it is further

RESOLVED that the Designated Officers be, and they hereby are, authorized and directed on behalf of and in the name of the Company to negotiate and enter into an agreement for the sale of all or substantially all of the Company’s assets to Regis and/or its assignee, pursuant to a credit bid of Regis’s secured debt, subject to higher and better offers; and it is further

RESOLVED, that the Designated Officers be, and they hereby are, authorized and directed, with full power of delegation, on behalf of and in the name of the Company, to execute, verify and/or file, or cause to be filed and/or executed or verified (or direct others to do so on their behalf as provided herein) all necessary documents, including, without limitation, all Cash Collateral Documents, Credit Documents, petitions, affidavits, schedules, motions, lists, applications, pleadings and other papers, and in connection therewith to employ and retain all assistance by legal counsel, accountants or other professionals and to take any and all actions which the Designated Officers deem necessary and proper in connection with the Chapter 11 case or with any cash collateral agreements contemplated; and it is further

RESOLVED, that each and every officer of the Company be, and each of them acting alone is, hereby authorized, directed and empowered from time to time in the name and on behalf of the Company, to (a) take such further actions and execute and deliver such certificates, instruments, guaranties, notices and documents as may be required or as such officer may deem necessary, advisable or proper to carry out the intent and purpose of the foregoing resolutions, including the execution and delivery of any security agreements, pledges, financing statements and the like, and (b) perform the obligations of the Company under the Bankruptcy Code, with all such actions to be performed in such manner, and all such certificates, instruments, guaranties, notices and documents to be executed and delivered in such form, as the officer performing or executing the same shall approve, and the performance or execution thereof by such officer shall be conclusive evidence of the approval thereof by such officer and by the Company; and be it further

RESOLVED, that all actions heretofore taken by any officer or director of the Company in connection with the foregoing resolutions be, and they hereby are, confirmed, ratified and approved in all respects.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the directors of the Corporation have executed this Consent as of the date or dates written below.

**DIRECTORS:**

/s/ Brian Luborsky

Brian Luborsky

Date: July 6, 2010

/s/ David Danziger

David Danziger

Date: July 6, 2010

/s/ Hobart Truesdell

Hobart Truesdell

Date: July 6, 2010