

PAYOT

P A R I S

14th March 2006.

Dear Payot Staff,

I would like to bring to your attention an article that appeared in the April addition of **Harpers Bazaar** magazine written by **Lucinda Mendel (attached)**. The article is about counterfeit cosmetics being sold via the internet.

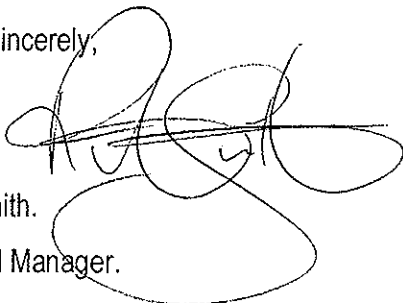
The article amongst other things points out that counterfeit cosmetic products are fake, and **“are manufactured in Shanghai and there is a real possibility that whatever lies inside the fake packaging could leave you with a skin or eye irritation or serious allergies”**.

In a recent court case the French Cosmetic Association (FCA) won a case against an internet company selling Payot illegally. Payot have stated officially that **“we cannot guarantee the authenticity and freshness of the Payot products sold on the internet”**. They specifically named the Strawberry internet company which has a site operating out of China.

Our position in Australia is that, “we only guarantee the authenticity of Payot products purchased from a recognised Payot account customer”.

Payot Australia will only recognise returns of products purchased from the principal company in Australia.

Yours sincerely,



Rita Smith.

General Manager.