









CO-OP PROGRAM GUIDELINES & FORMS



Burn Display Program Details

The Program

The intent of the Burn Display Program is to help dealers off set the expense of having an Enviro unit in use in their showrooms. This can be a highly effective sales tool, and dealers should consider this a worthwhile investment into their displays.

Requirements

There are a few requirements that must be met before a burn credit claim will receive approval.

- All burn claims must be accompanied by an image of the installed unit burning in a showroom.
- The supplied photo must confirm the model indicated in the Burn Credit Application.
- The photo must be taken in such a way that installation in a showroom or other display setting is evident.
- The installation must be complete and finished.
- Display units must be kept in a presentable condition.
- Product is required to remain on display for 12 months unless discontinued.
- Burn Credits must be submitted within 90 days from the time of installation on showroom floor.
- Dealers who are not in good credit standing during the course of the year will have all Burn Program Applications placed on hold until the time that their account is brought current.
- Invoice must be paid within terms.
- Burn Credit Invoices to be used toward future purchases.
- Minimum 10 unit annual purchase required to qualify for one burn model.
- Maximum 5 burn credits per store per calendar year.
- See Pages 2 & 3 for details and examples.

Limitations

- New burn models cannot replace the same Enviro model.
- Claims will be reviewed for approval within 30 days of submission.
- Credits to be processed within 30-60 days of approval.
- Installation labor charges, freight, venting and taxes are not included.
- Burn claims are only applicable to current product offerings.
- Trailers or other mobile displays must be pre-approved.
- Gas units will be evaluated on burn quality.

Burn Claim Image Guidelines

To ensure your burn claims are approved it is important that the images provided serve to clearly demonstrate a few key points:



 \mathbf{V}

 \checkmark

The unit is clearly in a storefront or similar display setting (min. 10ft distance preferred, not zoomed in).

The unit is the correct model as entered on the claim form, with approved accessories/ options.

The unit is in use while on display (please take the photo while it is burning).

- The installation includes any required options, ie surround panels.
- Images must not be distorted, for clarity purposes and ease of identification (not stretched horizontally or vertically out of proportion).



Is this a showroom?

This photograph was taken too close to effectively show whether the unit has been installed in a showroom or other display setting. This claim would require an image with view of the surroundings before receiving approval.



Burn Claim Image Guidelines

Is it a complete installation?

- X
- This image shows an insert installed without one of the available surround panels. It also does not clearly indicate a showroom setting.



Is the unit in use?

The freestanding unit pictured is neither burning nor fully installed. This claim would be denied without proof that the unit was in use and ineligible for resale.





Burn Display Application Form

The Program

The intent of the Burn Display Program is to help dealers off set the expense of having an Enviro unit in use in their showrooms. All burn claim applications are subject to requirements as listed in the Burn Display Program Guidelines.

Claim Details

In addition to the below information, an appropriate image of the unit burning in a finished showroom installation will be required.

Dealer Na	ime:	City:				
Address:		State/Prov:				
Unit SKU:		Install Date:				
Unit Seria	ıl:	State/Prov:				
Unit Acces	ssories/Options:					
Note:	Burn Credit Invoices to be used toward future purchases. All claims are subject to review and approval according to the Enviro Burn Claim Guidelines. Please consult with your Distributor for any additional requirements or clarification.					
	Empire Distributing 7406 Route 98 Arcade, NY 14009 promotions@empiredistributing.net					
		Page				



Applicable CO-OP Materials

The Co-op Claim program is intended to support dealers and assist with their efforts to connect with potential consumers, promoting themselves as representatives for our brand. To that end, certain types of advertisements or promotional materials are encouraged, while others may not be accepted as effective brand representation. Promotional items provided through Sherwood Industries can be claimed for a credit of 50% of their cost, while similar locally produced items should be pre-approved to ensure they qualify.

The following types of co-op claims are accepted provided they meet specific requirements (outlines in the following pages):

Print Ads

- Newspaper
- Magazine
- Flyer
- Phonebook

Broadcast Media

- Radio Advertisements
- Television Advertisements

POP Materials (purchased through Enviro)

- Branded Clothing
- Posters
- Mugs, or other similar items

POP Materials (independently produced)

Promotional items that are not described above or in the following pages and are independently designed/ produced by dealers or distributors are not guaranteed for approval and should be submitted for review prior to production to ensure they qualify for this program. Such items will be evaluated based on type of item, brand prominence, their effectiveness as a promotional tool, and their intended usage or recipients.

Tradeshow Booths & Related Materials

Tradeshow participation must be discussed with the distributor's Enviro Sales Manager for approval, in addition to meeting requirements listed on Page 7 of this document.

CO-OP Claim Guidelines

Advertisement Guidelines

The final credit amount of any claim is directly affected by the percentage of the ad that is dedicated to Enviro products. Sherwood Industries will evaluate the claimed amount and then credit 50% of the applicable value (see examples below).

There are a number of factors that can affect the determined percentage of ad related to Enviro:

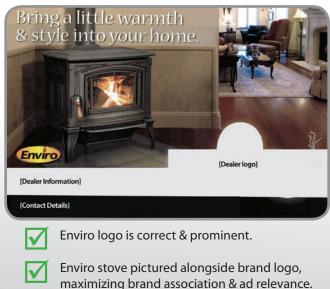
- Logo size, prominence, and placement.
- Quality of Enviro product imagery.
- Number of times Enviro brand is mentioned in the body of text or script.
- Context of the ad, or relation between services offered and the Enviro brand.
- Prominence of Enviro and/or products in an ad featuring multiple brands.
- Proximity between stove/fireplace images and Enviro logo in an ad featuring multiple brands.

Requirements and Limitations

- All claims must have proof of cost attached (scanned invoice).
- All print ad claims must include a scanned copy of the actual ad.
- Print ads featuring the Enviro logo without product imagery or additional mention in the ad copy may be evaluated based solely on logo ink coverage, or will be rejected if brand relevance is too low.
- Phone book ads are limited to one per dealer per year.
- All radio or TV ad claims must include a scanned copy of the script.
- Radio or TV ad scripts should make 3 or more Enviro brand mentions. Specific Enviro models, if mentioned, may also count towards this requirement.
- Claims may request credit for Net costs only; taxes are not applicable.

Print Ads

Magazine Ads, Mailout Flyers



Print Ads

Phone Book Ads

As previously mentioned, phone book ads are subject to the additional limitation of one ad per dealer per year. Should special arrangements be required (such as monthly installment payments for a single ad) please contact Empire Distributing for confirmation and include reference to any arrangements in the comments section.





Print Ads

Newspaper Ads



not promote the sale of Enviro products and



maximizing ad relevance for Enviro.

Reminder

Print ads may be rejected or receive only minimum credit if:

• No product images are included.

would not receive credit.

- No additional Enviro brand mentions are included in the body of text.
- The ad has limited effectiveness as a sales pitch for Enviro product.

Print Ads

Shared Ads



Enviro is one of 8 brand logos represented. All things being equal, the % related to Enviro might then be 1/8 or 12.5%. However, product images and logo size are also taken into account. Enviro brand relevance is reduced when the featured products are from competitors' brands and the Enviro logo takes up a small amount of space in a large ad. This ad would receive a maximum credit of 5% related to Enviro.

TV / Radio Ads

V

 \checkmark

TV and radio ads must have an invoice and any applicable script materials attached. If any audio or video clips are available, these can also be uploaded or linked to.

		Copy So	cript	
	Contract #			
	Client Name			
	Campaign			
	Length	30		
	Start Date	01/11/2012	End Date	01/28/2012
	Tape Name			
	Telecaster	BOSTON		
30 (90 WORDS) AIR DATES: 1/11 - 1/28/12 WHICH WOOD STOVE IS RIGHT F				STON PERFORM YEAR AFTER YEAR
WITH LONG BURNING TIMES AND AVAILABLE AT THE		AND TWO STILES, I	REESTANDING OR	FIREPLACE INSERT BOTH

Script submitted as an attachment along with invoice.

Three combined mentions of Enviro brand and specific model: two "Enviro", one "Boston".

Reference to product benefits or features is made along with mention of multiple sizes and styles.

Tradeshows

Tradeshow contributions should be discussed with your regional Sales Manager in advance of any commitment. Any relevant invoices must be attached to the claim along with imagery of the display. Multiple images are acceptable to help convey the size of the display while providing closer detail of display units and signage. Enviro may contribute towards the cost of the tradeshow based on a number of factors:

- Prominence of Enviro signage, literature and/or products in the tradeshow display.
- Number of other brands also included in the display.
- · General quality and effectiveness of display.





Photo does not indicate a tradeshow environment or display.



Enviro prominence among other brands cannot be discerned.



Enviro signage or other materials not visible.





Full display visible in tradeshow environment.



Enviro prominence among other brands can be evaluated.



Enviro signage & products visible.

POP Materials

The cost of approved POP materials (shirts, jackets, product guides or other promotional items) purchased through Enviro can also be included in co-op claim applications. The invoice from your order must be scanned and attached to the claim. As with other co-op advertising claims, Enviro may credit up to 50% of the total cost of your POP order.



Certain promotional clothing items are stocked by Enviro and/or are ordered on demand.

There have also been instances in which a distributor or dealer ordered Enviro-branded clothing or other items locally, in which case Enviro may share the cost through a co-op credit claim, provided the claim meets certain requirements:

- Enviro brand logo must be visible on the outside of the item.
- Quote for the order must be provided to Enviro along with proof-of-concept artwork for pre-approval.
- Items are judged on brand promotion effectiveness during the pre-approval process, based on brand prominence, type of item and intended recipients.



CO-OP PROGRAM

DATE REC'D _____

CLAIM FORM

Dealer Name:						Date:
Address:						
						Zip:
Contact Name	:					
Phone #:			Email:			
Media Type:	N-Newspaper	R-Radio	M-Magazir	ne	H-Home Show/Fair	

Clothing

Dealer Use Only

T-TV

Media Type	Date of Run	Media Name	Cost \$

F-Flyer

Distributor Use Only

Phonebook

Approved	% Of Run	Credit Issued

Co-op Advertising Application Requirements

- Co-op application forms must be submitted within 60 days of advertisement
- Include invoice for advertisement
- Attach sample advertisement with proof of date
- Print ads must contain the Enviro logo and photo of unit featured in the ad
- Radio ads must include a copy of the script
- TV ads must display the Enviro logo in a prominent matter
- Trade Show must display the Enviro logo in a prominent manner (photo of booth and list of products exhibited must be included)

Submit this form, copy of invoice, and required copy of ad to:



Empire Distributing 7406 Route 98, Arcade, NY 14009 promotions@empiredistributing.net



Employee Discount Program

50% Employee Discount

An employee from a retail store that has one of our units burning in his or her home is a far better sales person for our products. The sales person will gain confidence and knowledge about our product. Here is how the program works:

- Available to employees only.
- Only available to dealers who support the product.
- This Program is only available to the employees of Enviro-displaying dealers and at the discretion of their representative.
- A maximum of 1 Employee Discount is allowed per 10 units purchased in a calendar year (maximum of 1 Employee Discount unit is allowed every 4 years per employee).
- A maximum number of 2 Employee Discount units are allowed per dealer in a calendar year.
- Enviro/Empire will give a 50% discount on the dealer cost.
- Credit will be issued to the dealer to be used toward future purchases.

Employee Discount Program ~ Please complete this form <u>in full</u>.

Dealer:	Date:
Address:	Prov/State:
	Postal Code:
City:	Fax: ()
Phone: ()	Email
Employee Name:	# of units purchased in the last calendar year:
# of Enviro Burn Units on Display at Dealer:	# of Enviro Static Units on Display at Dealer:
Unit Requested:	Serial #
Option 1:	Combined Cost:
Option 2:	50% Employee Discount:
Option 3:	
Distributor Representative	Enviro Representative

Submit this form, copy of invoice to:



Empire Distributing 7406 Route 98 | Arcade, NY 14009 promotions@empiredistributing.net