Business & Advertising Compliance Policy

Effective April 1, 2016
Purpose of Hunter Douglas Business and Advertising Compliance Policy

Hunter Douglas greatly values the partnership of its dealers. In an effort to assist the dealers in their promotion of the Hunter Douglas brand and the sale of Hunter Douglas products, Hunter Douglas makes available to dealers a variety of proprietary products and marketing materials. Such marketing materials include the Hunter Douglas company name, trademarks, logos, marketing technology, support services, photography, videos, and collateral material.

In an effort to protect these assets as well as to preserve the Hunter Douglas reputation for excellence in the window covering industry, this Hunter Douglas Business and Advertising Policy (this “Policy”) sets forth:

A) the rules, requirements and limitations with respect to the manner in which the marketing materials and other assets provided by Hunter Douglas may be used in connection with the marketing, promotion, offer for sale, and sale of Hunter Douglas products by dealers and

B) the guidelines and procedures that dealers must adhere to with respect to their general business operations.

To ensure the continued prosperity of our dealer network and to make certain that this network has the ability to consistently and uniformly deliver the highest level of service to consumers, it is the policy of Hunter Douglas that only dealers with an active account in good standing with Hunter Douglas are permitted to sell Hunter Douglas products and utilize the assets described herein.

The term (“Dealer(s)”) as used herein shall mean Hunter Douglas Dealers with an active account in good standing with Hunter Douglas.

It is our sincere desire to resolve all potential Policy disputes in a collaborative and forward-looking manner. Should violations of this Policy be identified, all confirmed violations must be resolved by the Dealer immediately upon notification from Hunter Douglas. Failure to abide by the terms of this Policy will lead to penalties which may include, but are not limited to withholding of Co-op advertising reimbursement, suspension and/or limitation of access to Hunter Douglas marketing support materials, reduction in Hunter Douglas Alliance status, suspension and/or limitation Dealer’s ability to participate in the Hunter Douglas programs, including but not limited to Windows to the World programs, or termination of the Hunter Douglas Dealer business relationship.

Hunter Douglas Business Guidelines

What it means to be a Hunter Douglas Dealer:

These Dealers will meet the industry’s highest standard by providing consumers with sales and marketing excellence. These Dealers receive continued product education and training from Hunter Douglas. They provide expert service and help consumers choose and install the best window fashions for the consumers’ needs, ensure that the manufacturer’s warranties, rebates, and value-added programs are enforced, carry out their business with Hunter Douglas with diligence and professionalism and adhere to the highest standards of honesty, and integrity. This includes but is not limited to, being respectful and forthright with Hunter Douglas and its employees as well as with actual and prospective consumers and other third parties.

Alliance Program and Trade-Only Consumer Facing Designations:

Dealers may not employ any language or logo that suggests a program or relationship between them and Hunter Douglas that does not exist or is not authorized. The only Hunter Douglas Alliance Program that is consumer-facing is the Hunter Douglas Gallery® Dealer program. Gallery Dealers have authorization to present themselves as such by incorporating the Gallery logo in their consumer communications as long as it meets the Hunter Douglas guidelines. Showcase Priority, Priority and Centurion Dealer programs are trade-only designations with no associated consumer-facing logos, and must not be used for consumer communications.
Guidelines for Communicating Hunter Douglas Alliance Affiliation:

- In consumer-facing messaging, non-Gallery Dealers can refer to themselves as Hunter Douglas Dealer or Hunter Douglas Authorized Dealer or Authorized Hunter Douglas Dealer.
- Dealers may not incorporate the word “Gallery” as part of their own business name while using a similar typeface as used in Hunter Douglas Gallery. If the word “Gallery” is used as part of a Dealer’s registered business entity name, it may not be used in such a way as to suggest a legitimate Hunter Douglas Gallery designation that does not exist.
- Dealers who are Gallery nominees may not use the Gallery logo until the following activities are completed:
  - Activation Training
  - Installation of Gallery displays (complete with samples)
  - Opening store (with Gallery displays) to public
- Gallery Dealer nominations are evaluated on a store-by-store basis.
- For multi-store Dealers, Gallery designations will only apply to store locations that have successfully completed the Gallery activation process.
- When advertising multi-store locations, you must clearly state which location is a Hunter Douglas Gallery store.
- Dealers may not employ any consumer messaging that implies a unique selling relationship beyond that which is already established by Hunter Douglas Alliance Programs.

Internet Commerce Guidelines

It is the goal of Hunter Douglas to provide consumers with high quality products as well as a satisfying and successful purchasing experience. It is the belief of Hunter Douglas that internet-only business operations do not provide the level of product education, direct measuring and installation support services needed to ensure a top-quality consumer experience.

Prohibited Activities:

- Quoting or selling Hunter Douglas products on transactional websites (i.e. sites equipped with shopping cart functionality or any other product ordering capability).
- Selling Hunter Douglas products by businesses that are not physical store-front showrooms or do not have associated shop-at-home services.
- Quoting or selling Hunter Douglas products via toll-free or dealer-direct telephone sales services, mail-order catalogs, email, regular mail, or any other sales method that:
  - A) Procures a sale outside the Dealer’s geographic service area,
  - B) Requires drop shipping of product or,
  - C) Precludes direct measurement and installation support
- Quoting or selling Hunter Douglas products via dealer-related social media properties or platforms such as Facebook, Twitter, Pinterest, Houzz, etc.
- Dealer use of social media properties to solicit Hunter Douglas product sales from consumers outside the Dealer’s geographic service area
- Quote, offer or reselling of new Hunter Douglas products or any Hunter Douglas retail product displays bearing the Hunter Douglas name on any web-based auction, inventory liquidation or second-hand listing sites such as, but not limited to, eBay®, eBay Express or Craigslist.

Auction Site Restrictions:

Dealer pre-owned, used, returned, or mis-measured Hunter Douglas products may be sold via web-based auction sites with the following restrictions:

- Hunter Douglas product warranties are non-transferrable and void on these sales venues. Dealers or re-sellers are prohibited from representing to potential buyers that these products are protected by any Hunter Douglas warranty.
- Hunter Douglas product brand photography and marketing materials may not be used to support these sales.
- Any auction or resale listing may not be linked to the Hunter Douglas website or any part therein.
Dealer Independent Websites:

Some Hunter Douglas Alliance Dealers may choose to maintain their own independent business websites in addition to their Hunter Douglas Alliance sponsored sites. The following statements apply to the promotion or sale of Hunter Douglas products on these Dealers’ independent websites:

- These sites may not solicit home measurements or Hunter Douglas product purchases directly from consumers, or provide web-based Hunter Douglas product price quotes or shipping estimates.
- Use of Hunter Douglas trademarks should be in the context of directing consumers to visit the Dealers’ store or arranging a Shop-At-Home appointment in the Dealers’ geographic area.
- These sites may feature links to the Hunter Douglas Alliance sponsored website and may feature approved Hunter Douglas syndicated content.

Hunter Douglas Advertising Compliance Guidelines

Advertising Style and Content:

- All advertising must be dignified and upscale and should not harm the established reputation of the Hunter Douglas brand.
- The primary focus should be on the Hunter Douglas brand, products and services, not discounts or price-driven messaging.

Hunter Douglas Trademark Usage:

The brand name Hunter Douglas, its logo and trademarks are recognized in the industry and consumer marketplace, hence are marketing assets to protect. While they are made available to Dealers to promote Hunter Douglas products, they must be protected from misuse and abuse. Each instance of improper use or infringement contributes to the erosion of the integrity of the brand. The following statements apply to all use of Hunter Douglas trademarks:

- Trademarks may only be used by Dealers who sell products that the trademarks represent.
- Trademarks must always be depicted in their proper designated form with proper trademark symbols (i.e. ® or ™ symbols) and associated category descriptors (e.g. Silhouette® window shadings or Duette® honeycomb shades).
- Abbreviated category descriptors such as Duette® shades or Silhouette® shadings may be used in applications where space is limited.
- Trademarks may not be used in a plural form (e.g. Silhouettes) and should always be located within close proximity of the Hunter Douglas name, clearly attributing Hunter Douglas as manufacturer of that brand.
- Trademarks may not be used as generic window covering category descriptors; such as Silhouettes as a reference to sheer shadings or Duettes as a reference to honeycomb or cellular shades.
- Trademarks may not be used to redirect consumers to or associate the Hunter Douglas brand with generic, private label or any other competitive products.
- Trademarks may not be used as a comparative reference (e.g. Silhouette-like or as good as Silhouette but lower cost, etc.) to enhance non-Hunter Douglas product sales.
- Dealer must transition the use of outdated Hunter Douglas trademarks (e.g. From Vignette® window shadings to Vignette® Modern Roman Shades) immediately upon notification from Hunter Douglas.
- Dealer independent websites may not use Hunter Douglas trademarks for any purpose other than promoting Hunter Douglas products, inviting potential consumers to view Hunter Douglas products at showrooms, or arranging a shop-at-home appointment to show Hunter Douglas product options.
- Dealers may not use the Hunter Douglas name, any abbreviated version of the Hunter Douglas name (e.g., HD) or any of the Hunter Douglas registered trademarks in the Dealer’s own web domain names or email addresses (e.g., hunterdouglasdirect.com). Dealers found to be owners/registrants of domain names and email addresses using the Hunter Douglas name or any diminutive thereof will be required to reassign ownership to Hunter Douglas or relinquish ownership at their own cost and expense.
Copy Restrictions:
When advertising Hunter Douglas products, Dealer advertisements must abide by the following restrictions:

- Advertising must only contain statements that comply with the product claims made by Hunter Douglas.
- Advertising cannot imply a direct wholesale buying relationship with Hunter Douglas. Examples would include terms such as wholesale pricing or factory-direct prices.
- Descriptions suggesting false business relationship terms are prohibited (e.g. Hunter Douglas Exclusive Dealer).
- Advertising must comply with the established discount levels as listed in this document. Any advertised warranties or guarantees must conform to Hunter Douglas standard policies.
- The Art of Window Dressing™ trademarked tagline or any derivation thereof may not be included in any Dealer advertising.
- Advertising claims must be substantiated prior to running the advertisement.
- Making claims or representations that are false or tend to deceive, mislead, or misrepresent are prohibited.
- Using the “Bait and Switch” tactic to promote goods and services not intended for sale but designed to lure the consumer into purchasing substitute goods or services are prohibited.

Prohibited Statements:
Any advertisement that contains language that may mislead a consumer about any material fact or characteristic of a product, service, or business relationship is strictly prohibited.

Examples of false and misleading statements include but are not limited to:

- Biggest Hunter Douglas showroom
- Biggest sale ever
- Buy direct and save
- Cheapest prices ever
- Discount prices or pricing
- Factory direct prices
- Guaranteed most competitive pricing
- Hunter Douglas exclusive dealer
- Hunter Douglas “City Name” (i.e. LA)
- Hunter Douglas Lifetime Warranty
- Hunter Douglas outlet or factory
- Hunter Douglas Showroom
- Hunter Douglas Store
- Largest Hunter Douglas showroom
- Low price guarantee
- Lowest prices of the season
- Most trusted dealer
- No sales tax
- Nobody beats our prices/service
- Only dealer
- Only Hunter Douglas dealer (validation required)
- Prices too low to advertise
- The best/better price or selection
- Unbeatable guarantee
- Warehouse prices
- We are a dealer service center of Hunter Douglas products
- We are Hunter Douglas
- We won’t be undersold
- Wholesale pricing

Messaging Suggestions:
Advertising messages with a consumer call to action, an indication of immediacy and/or a reinforcement of value improve the effectiveness of Dealer advertising. Below are some examples that can be considered:

- Affordable Elegance
- Affordable Luxury
- Competitive Pricing
- Design at a Price
- Elegance at a price you can afford
- Free [ ] Book with purchase
- Free Measuring and Installation (provided such services are being offered free of charge)
- Now on Sale
- Sale good through (end date)
- Semi-annual Sale
- Shop & Compare our Prices
- Special Pricing Available
- Spring Savings (any season)
- Visit our website to see our offers
Hunter Douglas Identity Guidelines

Hunter Douglas Logo Usage

The Hunter Douglas logo should be displayed prominently and clearly to maximize its impact. Allow the logo to breathe by preserving a clear space area around all four sides. The diagrams below show, in grey, the minimum space that should be free and clear of other elements.

The logo should be displayed above a minimum size to avoid illegibility and reproduction limitations. When producing the logo on materials such as leather, plastic, or metal, the minimum size should be carefully considered due to differences in production methods.

Logo Color

The distinctive use of color is a key element of the Hunter Douglas visual identity. The primary logo colors are a specially selected orange, gray, plus white. These make up the symbol and wordmark colors and should be used whenever possible.

Clear Space and Minimum Size

The minimum clear space equal to “X” (marked on the diagrams shown to the right) for each specific logo. The logos must be surrounded on all sides by the space shown.

Use the clear space area between the logo and any other graphic elements such as type, images, or logos to ensure that the Hunter Douglas logo retains a strong presence wherever it appears.

Minimum Size

On typical print communications, the logo should never be displayed smaller than 1.25” in width for the horizontal logo, and 0.75” for each vertical logo.

On the web and screens, because of pixilation, the minimum width of the horizontal logo is 135px, and 100px for each vertical logo.
Hunter Douglas Preferred Horizontal Logo
The logo is the combination of the Hunter Douglas symbol and wordmark in a horizontal arrangement. This preferred logo should be used whenever possible. The symbol always appears to the right of the wordmark, achieving a balance with the boldness of the “H” in the wordmark.
Never alter any elements of the preferred horizontal logo. Always use the original and approved art.

Vertical Logo A
The vertical logo A is the combination of the Hunter Douglas symbol and wordmark in a vertical arrangement. Use the logo when the design or space is not adequate to use the preferred horizontal logo, or where a larger symbol is appropriate.
Never alter any elements of the vertical logo A. Always use the original and approved art.

Vertical Logo B
The vertical logo B is the combination of the Hunter Douglas symbol and wordmark in a vertical arrangement. Use this logo when the design or space is not adequate to use the preferred horizontal logo, and where a larger wordmark is appropriate.
Never alter any elements of the vertical B. Always use the original and approved art.
Hunter Douglas Gallery Preferred Horizontal Logo

Shown here are the approved logos for use by Gallery Dealers. As before, the logo is the combination of the Hunter Douglas symbol and wordmark in a horizontal arrangement, but now with Gallery prominently shown on the right side of the symbol. This preferred logo should be used whenever possible.

Never alter any elements of the preferred horizontal logo. Always use the original and approved art.

Hunter Douglas Gallery Vertical Logo

Hunter Douglas Gallery
Marketing Assets, Technology, and Support Service Guidelines

All marketing assets provided by Hunter Douglas, including but not limited to photography, videos, imagery, designs and technology are the property of Hunter Douglas. Unless otherwise authorized, these assets may only be used in the promotion of the product for which they were created, in accordance with applicable law and Hunter Douglas policies. Hunter Douglas shall at all times retain all rights to such materials and technology, and is providing these for use by Dealers subject to the terms of this Policy. Each dealer must agree to Hunter Douglas’ terms and conditions of limited use as a condition to gaining access to my.hunterdouglas.com.

Marketing Assets (still photography, video, etc.):

- Hunter Douglas artwork and photography should not be used generically or in conjunction with any other competitor’s products.
- In all instances of use, Hunter Douglas brand photography must be clearly identified as to the specific brand the photo layout was designed to promote.
- Hunter Douglas photography may not be used to promote other non-competitive home fashion categories without appropriate photo attribution.
- In lieu of individual photo identification, Hunter Douglas will occasionally approve the use of its photography along with a more general statement such as “All product photos courtesy of Hunter Douglas Inc.”. Prior approval for this action is required.
- Dealers may not modify any Hunter Douglas product images, branded TV, and videos, without explicit previous permission from Hunter Douglas Corporate Marketing.
- Starbursts or text boxes with acceptable information may slightly overlap the Hunter Douglas image as long as the overall aesthetic impression of the image is not compromised.

Marketing Support Technologies:

- The iMagine™ Design Center, product videos, television/radio commercial content, and product brochures are the sole property of Hunter Douglas and in most cases such materials are copyrighted material.
- The iMagine™ tool is permitted on Hunter Douglas Alliance sponsored sites as well as Dealer independent websites, provided an Authorization Request Form is submitted by the Dealer and is approved by Hunter Douglas. Sites where the tool is activated must remain in full compliance for the duration of the time the tool is active. Hunter Douglas reserves the right to de-activate the iMagine tool if an approved website is altered and is no longer in compliance with this Policy.
Hunter Douglas Discount Compliance Guidelines

I. Restricted Product Line (Discount Advertising Not Permitted)
Discount advertising (i.e. assigning a percentage discount off price) may not be used in connection with the promotion of Hunter Douglas Restricted Products. This group of products has been created and manufactured exclusively by Hunter Douglas for the Dealer network to market and sell. These products have unique qualities that provide consumers with exceptional benefits and have substantial value.

- Dollar amount deductions such as “$xx off” are permitted.
  - The Alustra® Collection
  - Design Studio Collection
  - Duette® Architella® Collection
  - Luminette® Privacy Sheers
  - Pirouette® window shadings
  - Silhouette® window shadings
  - Skyline® Gliding Window Panels
  - Solera® Soft Shades
  - Vignette® Modern Roman Shades

II. Non-Restricted Product Line (Discount Advertising Permitted with Limitations)
- Non-restricted Hunter Douglas products may be advertised using a discount, but carry a maximum allowed discount cap indicated below.
- In cases where a statement such as “up to ___%,” is desired, the number following the words “up to” cannot exceed the maximum discount levels indicated below.

A. 10% Maximum Advertised Discount
  - Cadence® Soft Vertical Blinds
  - Crosswinds® Wood Vertical Blinds
  - Heritance® hardwood shutters

B. 25% Maximum Advertised Discount
  - Duette® honeycomb shades
  - NewStyle® hybrid shutters
  - Palm Beach™ polysatin shutters
  - Somner® Custom Vertical Blinds

C. 30% Maximum Advertised Discount
  - Applause® honeycomb shades
  - Designer Roller Shades
  - Designer Screen Shades
  - Everwood® Collection Alternative Wood Blinds
  - First Edition™ Alternative Wood Blinds
  - Modern Precious Metals® Aluminum Blinds
  - Nantucket™ window shadings
  - Pleated Shades
  - Parkland® Wood Blinds
  - Provenance® woven wood shades
  - Vertical Solutions® Vertical Blinds

D. Shutter Minimum Allowed Price per Sq. Ft.
  - Heritance® hardwood shutters (cannot be advertised with price per sq. ft.)
  - NewStyle® hybrid shutters (minimum $23 per sq. ft.)
  - Palm Beach™ polysatin™ shutters (minimum $22 per sq. ft.)
Discount Advertising with Multiple Product Lines:
When promoting discounts in a single advertisement that includes more than one Hunter Douglas product, the following guidelines apply:

- A disclaimer must be used that clearly indicates that all restricted product lines are excluded from the promotion or the “percentage off” discounts. (e.g. Restricted products are excluded from this offer)
- It must be clear to the consumer that the restricted products are not included in the promotion or part of the “percentage off” discount.
- When promoting multiple discount levels, a discount must be listed for each product line.
- All discounts must be in the same typeface and font size. Font size must be clearly visible to consumers. The fact that restricted products are not part of the discount offering should be very clear and easy for consumers to see and understand.
- Products advertised at a higher discount should have a clear visible separation from the restricted products (i.e. by adequate border or white space).

Hunter Douglas and Dealer Endorsements:
From time to time, Hunter Douglas executives and management may compliment Dealers on successful business achievements. These compliments should not be construed as, or quoted in trade or commercial advertisements, as individual Dealer endorsements. Any quotes for press releases or printed promotional advertising must have prior written approval from Hunter Douglas management.

Dealers may not employ any language or logo that suggests a program or relationship between them and Hunter Douglas that does not exist. Dealers must always use their own business entity name but may reference the Hunter Douglas name provided the communication clearly describes the two companies as separate entities.

Publishing Restrictions:
Dealers may not publish any portion of the following: this Policy, Hunter Douglas Measuring and Installation Guides, Hunter Douglas Dealer Cost Factors, Hunter Douglas pricing and/or purchasing terms applicable to transactions directly between Hunter Douglas and the dealer, Hunter Douglas dealer agreements, and any information that is intended to be used only by Dealers, including but not limited to any confidential and proprietary information of Hunter Douglas.

Advertising Restrictions:
- All printed materials in which the brand name Hunter Douglas, trademarks and logos appear, should not be distributed to consumers private mailboxes without contacting the relevant state, county or town municipality to ensure the practice is legal in that service area.
- When creating advertising materials or making an offer using the phrase “at no additional cost”, “free”, “without charge” “gift” and other similar phrases which tend to convey the impression to the consuming public that a product or service is free, Dealers should exercise extreme care to: (a) avoid any possibility that consumers will be deceived or misled, and (b) ensure that any such advertising materials and offers comply with all applicable laws and regulations. Note that a product or service should never be advertised as “free” with the purchase of another item unless the product or service advertised as “free” is truly being provided for “free” meaning that the price of the item that must be purchased (i.e., to receive the free product or service) should not be increased or otherwise marked-up above the regular price to recover, in whole or in part, the cost of the free product or service.
Mandatory Legal Disclaimers:

When using Hunter Douglas rebate promotion offers in advertising creative, the following rebate legal copy is required:

- Manufacturer’s mail-in rebate offer for qualifying purchases made (promotion start and end date) from participating dealers in the U.S. only. Rebate will be issued in the form of a prepaid reward card and mailed within 6 weeks of rebate claim receipt. Funds do not expire. Subject to applicable law, a $2.00 monthly fee will be accessed against card balance 7 months after card issuance and each month thereafter. Additional limitations may apply. Ask participating dealer for details and rebate form.

When using advertising creative that promotes the PowerView™ scheduling benefit the following legal copy is required:

- The PowerView™ App and additional equipment required for programmed operation.

Compliance with Applicable Laws and Regulations:

Dealers should become familiar with the applicable laws and regulations that pertain to their business operations and implement appropriate measures to ensure compliance with such laws and regulations. All advertising, promotions, offers for sale, sales and business activities involving or in any way related to the Hunter Douglas brand must comply in all respects with all applicable laws and regulations. By submitting any advertising or promotional materials to Hunter Douglas or any of its representatives or contractors for Co-op reimbursement, you are representing and certifying that such materials are in compliance with all applicable laws and regulations and you acknowledge and agree that Hunter Douglas will be entitled to rely on such representation and certification when providing any Co-op reimbursement (if any).

Modifications to this Policy:

Hunter Douglas reserves the right to modify or amend this Policy at any time and for any reason, including but not limited to changes to the Hunter Douglas business (including the inclusion of new types of products) and changes in legal or management requirements. Hunter Douglas will make reasonable efforts to ensure that its Dealers have access to the current version of this Policy at all times. If you are unsure if you have the current version of this Policy, please contact your Hunter Douglas Sales Representative.