



A Guide to Doing Business with Jacuzzi Hot Tubs

Jacuzzi Hot Tubs Welcomes You!

This document outlines key Jacuzzi policies and procedures. We sincerely hope this Guide will familiarize you with our operations and ease you into an efficient, cohesive relationship with Jacuzzi Hot Tubs. Should you have additional questions or concerns, we invite you to contact your Regional Manager.

Policies and procedures are subject to change without notice. We have the right to update and change this Guide based on new programs, business conditions, etc.

Our Commitment

As an organization, Jacuzzi Hot Tubs focuses on providing state-of-the-art products and optimal customer service. We understand each customer is an individual; often times with special circumstances, needs, and questions. We are earnestly committed to servicing all of your needs efficiently.

Our Welcome Mat is Out

You are a welcome guest at our Southern California facilities during normal working hours. Please call your Regional Manager at least two weeks in advance to arrange a tour and set appointments with the personnel you wish to meet. An escort must accompany guests throughout the facilities.

I. Ordering Policies and Procedures

Ordering Procedures

Submit all spa orders to the Order Department, as well as orders for marketing support materials, aftermarket products, and service parts. The Order Department and Service Department will process part orders that are accompanied with their respective part numbers. Orders can be submitted via the dealer website, fax, or email. Verbal orders are not accepted. When submitting an order, please provide the following information:

1. Company name and number
2. Your name
3. Ship to location
4. P.O. number or customer's name
5. Part numbers for each item
6. Any special instructions
7. A confirmed "requested ship date"
8. Terms requested, especially if terms are warranty-related

Spa orders must be ordered in the manner that you wish them to be shipped, and ordered on the same purchase order. We will consider your order as authorization and agreement to ship your order without further notification. When ordering make sure you take into account freight breaks and freight efficiencies as the number of spas on one order will likely result in the same number of spas on one shipment. Please include the requested ship date (this date is critical, especially if you do not want the spas produced and shipped right away) and any special shipping instructions or expediting requests at this time; **this includes arrival dates for special events.**

Lead-Times

Lead-times fluctuate throughout the year. Any Order Department representative can provide you with the current lead-time. We define lead-time as the time between the order date and the product's ready-to-ship date. For instance, if you receive a ten business day lead-time, please expect the shipment of your order to occur approximately ten business days from your original order confirmation date. However, delays may occur due to spas added within 2 days of the original order date or during the credit review process; it is your responsibility to ensure your account is current for your order to be processed on time.

The lead-time does not include transit time. We estimate a lead-time because we can manage and measure the time between the order date and the ready-to-ship date. If you do not want an order as soon as our current lead-time, please clearly state the requested ship date on your purchase order. Otherwise, the order may ship before you need it.

Web Orders – Preferred Order Method

Orders for North American dealers can be placed through the Jacuzzi Dealer Community website at <http://www.jacuzzipartners.com/> under the “Your Account” section and clicking on “Order Entry”. Web orders by-pass the Order Department and are submitted directly to our ordering system to ensure accuracy and timely processing. (Hawaii and Alaska dealers can order parts but not spas on-line.)

To change or cancel a web order, please call and speak with an Order Department representative. Watch for dealer updates on upcoming enhanced features.

E-mailed Orders

You can email your order to orderdesk@jacuzzi.com. For your convenience, electronic order forms are available on the Jacuzzi Dealer Community website.

Faxed Orders

You can fax your orders directly to the Order Department at (866) 924-7727.

Cancelling a Spa Order

There is a 2 day grace period to cancel a spa order without penalty. (Orders received on Monday can be cancelled without penalty through end of day Wednesday.) Each spa canceled after 2 business days will incur a cancellation fee of \$100 which will be debited directly to your account. In addition, cancellation charges also apply to expedited orders and spas from available stock even if cancelled prior to the two day window.

Changing a Spa Order

You have 2 business days to change a spa order; changes more than 2 days after the original order date is considered a new order. The 2-day window does not apply to expedited orders or spas taken from available stock. (Orders received on Monday can be changed through end of day Wednesday.) If adding spas to an order, please see the section below.

Adding Spas to an Existing Order

To add spas within a specified period of time that will ship with an order placed previously, you must call and speak with an Order Desk representative. Please inform the agent you speak with that you are adding spas to an order. The new spas you place will be added as new lines to the existing order. Note that this will not happen automatically.

If you place an order on Monday, you can add more spas for production through Wednesday (2 working days) and you can add “available spas” to it through Thursday (3 working days). Available spas include in-house stock, red tags and demos. The lead time of the consolidated order would change to the lead time of the added lines.

Please note these additional details:

- The window to add new spas does not apply if the original order consists entirely of available spas since these orders are expedited.
- New lines must clear credit within 2 days of the addition if a production spa, or within 3 days if an available spa is added
- Orders cannot be added more than 2 or 3 days past the original order date, even if within 2 or 3 days of the second order.
- If you do not request that a new order is added to an existing order, the orders will not be consolidated and may not ship together.

Separate Orders to Ship Together

To consolidate the shipment of orders with different payment terms (ordered within 2 business days of each other), you must call and speak with an Order Department representative. At the time of the later order, you must request that the orders ship together. The same timeframes, guidelines and details that apply to adding spas to an existing order apply except that separate orders will be processed. See the preceding section for details.

Order Confirmations

Once your order is processed, our system will automatically generate an order confirmation and email it to the email address on file by the next business day. Please review your order confirmation and notify us immediately of any discrepancies. To change the email address where confirmations are being sent, contact Sales at 866-234-7727, ext. 2164. Web orders will generate an immediate confirmation.

Order Status

Checking the status of open and shipped orders, as well as shipments in transit and tracking information, is available online, even if your order was not placed through the website. To view the status of your orders or shipments, logon to <http://www.jacuzzipartners.com/> and click on “Your Account” and select either the “Orders” or “Shipments” link. Shipping information is available, as well as links for tracking UPS and FedEx shipments. This information is live data and reflects up-to-the-minute transactions.

Terms Requested/Spa Orders

If you have more than one account term option (like GE, Prepay Wire Transfer), be sure to specify which term you want to use on each spa order. We will create separate orders for each different term requested.

Covers with Spas

You can mix and match colors and models as you desire, just ensure it is clearly stated on your purchase order. If you do not specify the color of the cover with a spa, you will receive one in the color that corresponds to the hot tub skirt. Tri-fold covers, where available, have an additional up-charge.

If you do not want a cover when ordering a spa, please clearly state “no cover” when ordering and you will receive a \$100 cover credit with that spa.

Completed Spas

If your completed order is not released to ship by the AR department, the order can only be held for up to five days. After that time, the order may be canceled and cancellation charges debited to your account. (To clarify, orders ready on Monday (order due date) must be cleared by the following Monday which is 5 business days.)

Spas in Stock

We maintain an available list of spas in stock that you can request from your Order Department representative. A spa can be put on hold until the end of that business day (5:00 PM PT) to ensure availability while you work with a customer.

The available list itemizes red-tags and demos, as well as first quality spas. The definitions are:

Red Tag: A new spa with a surface imperfection. It may have a reduced warranty on the surface, but comes with the standard equipment warranty.

Demo: A returned (normally used) spa that has a reduced warranty on the surface and/or the equipment.

First Quality Spa: A new spa that meets all quality standards.

Parts, Accessory, and Marketing Material Orders

Submit your order to the Order Department with the quantity needed and item numbers for service parts, accessories, and marketing materials. We will send these items via common carrier ground unless otherwise specified at the time of order. Generally, these items are not able to ship with spas and have a \$25.00 minimum order requirement. To minimize freight charges and other fees, we recommend that you consolidate your orders and order once or twice a week.

Viewing Orders Online – Preferred Method of Follow-Up

Open and closed orders, as well as shipments in transit and tracking information, are available for viewing online – even for orders not placed online. This information is live data and reflects up-to-the-minute transactions. To view the status of your orders or shipments, logon to

<http://www.jacuzzipartners.com/> and click on “Your Account” and select either the “Orders” or “Shipments” link.

Extra Covers

For load planning, you can order extra covers when you order spas. You can place a special cover order for hot tub models manufactured within the last ten years without an extra charge. These orders for older spas are available to ship approximately ten business days after you place your order, if not in stock at the time of order. Please note that extra covers will incur additional freight charges, even when shipped with spas.

II. Accounting and Credit Policies and Procedures

Credit Terms and Conditions

The Accounts Receivable Department will review spa orders prior to production and shipment to determine if your account balance is within your terms and credit guideline. If there are concerns that would prohibit production or shipment, the Accounts Receivable Department will notify you as soon as possible. Information regarding your credit status is sensitive and we will only discuss these matters with the designated contact or business owner. This may delay our communication with you on credit issues, as we try to reach the appropriate person. To avoid delays, please ensure we have up-to-date contact information and note that your accounts status may delay your orders.

NOTE: Please note that the spa lead-time begins after the Accounts Receivable Department releases the order. If you have any concerns about your account status, please call your Accounts Receivable representative.

Credit Guidelines

We recommend the use of a financing company such as GE Commercial Finance. For your convenience, we pay the first 45 days of interest on spas and accessories financed through GE in the US and Canada. Please contact your Regional Manager for details.

Credit guidelines will be established based on the information obtained through the credit review process. Questions about these guidelines should be directed to your Accounts Receivable representative. Based on the terms of sale, the Accounts Receivable department may request additional or updated credit information or documents from time to time to establish your continued credit worthiness.

Invoices, Credit Memos and Statements

We have switched to a paperless invoice system and no longer mail invoices. You have access to our online system where you can view and print all invoices, month end statements and credit memos through the “Your Account” area of the Dealer Community.

The standard website security setting for “Your Account” allows anyone with Order Entry authorization to access invoices and credit memos. To change security settings, please call extension 2164.

Viewing and printing invoices is easy. Go to the Dealer Community website, then:

1. Click on the “Your Account” link (it will open a new window)
2. Enter your Your Account Area Username and Password in the new window (if you need a password to access the Your Account area of our website, contact our sales/contract administrator at extension 2164)
3. Select Account on the top navigation, then select “Invoices/Pay” to locate your invoices.

If you need assistance in accessing your invoices or navigating this portion of the website, please contact your accounts receivable representative or email us at AR@jacuzzibrands.com.

Automatic Email/Fax Available for Invoices

If you wish to enroll in our automatic fax or email services for invoices, please contact your accounts receivable representative or email AR@jacuzzibrands.com.

Credit Release of Spas

Under certain conditions, spa orders may be produced before spas are credit-released for shipment. If your order is produced, but not released to ship, you have 5 business days to arrange for release once the order is complete (for example, confirmation of wire transfer, pay outstanding invoices, arrange additional credit line with GE, etc). For North America, orders that are not released within 5 business days from the latter of the anticipated ship date (order due date) and the notification date by your Accounts Receivable representative that your order is ready may be cancelled and cancellation fees will be charged to your account. (To clarify, orders ready on Monday (order due date) must be cleared by the following Monday which is 5 business days.) Please plan accordingly and work closely with your Accounts Receivable representative to assure that orders will be released to ship timely.

ACH Payments

Dealers and Service Centers in the USA can now process ACH payments through the “Your Account” section of the Dealer Community. ACH transactions are very common in the banking industry and are used by local utilities, service providers and others. In fact, many of you likely already use this process to pay other invoices for your home or business. It is fast, convenient and safe.

The ACH payment option is accessible through Dealer Community:

1. Click on the “Your Account” link (it will open a new window)
2. Enter your “Your Account” Username and Password in the new window (if you need a password to access the Your Account area of our website, contact our sales/contract administrator at extension 2164)
3. Select “Invoices/Pay” under the Account tab on the top navigation to locate your invoices

Just check the invoices you wish to pay. Partial payments and payments on account (for pre-payments) are also welcome. To submit a prepayment, please select the “Pay Selected Invoices or Make a Prepayment” located in the bottom right hand corner of the Invoices/Pay screen.

Should you wish to change who in your organization has access to ACH payments, please let us know by calling extension 2164.

Credit Cards

Credit cards were discontinued as an acceptable form of payment on orders in 2012.

Application of Checks

To ensure accuracy, please provide us with reference numbers for each check when submitting payments. Reference numbers include our invoice, order, or credit memo number. Anticipated credits and unauthorized deductions are not permitted. Providing reference information will expedite the application of payments to your account.

Application of Credits

Credits are applied as requested in your payment detail. However, as of the 60th day, any pending credits may be applied to past due invoices. To maintain accuracy, please communicate with your AR representative on a regular basis.

Delinquent Accounts

Delinquent accounts delay production or shipment of spas, parts, or other products. Additionally, volume discounts may be applied to past due balances, finance charges are incurred, and your account may be terminated. There are added benefits for maintaining your account in good standing including our great promotional programs.

Returned Checks

Accounts are placed on hold for NSF checks or for issuing a Stop Payment. This causes an interruption to your daily operation as it places all future orders on hold until payment is received. Additionally, fees are applied for all returned checks. If you are unsure of your account status, please contact us at any time.

Statements and Disputes

To assist you with account reconciliation, statements are available for downloading and printing through the Dealer Community at <http://www.jacuzzipartners.com>. Select “Your Account” under the Quick Links option, click the “Statements” link, and choose the statement you want to review. It is important that all payments are made according to the terms stated on each invoice and not your statement. For any billing inquiries, please contact us. Prompt action on your part will enable us to resolve any discrepancy quickly.

Warranty Parts Terms

Invoices for warranty parts have 60 day payment terms (on approval of credit). This allows for the necessary time to follow the warranty guidelines (see details in Section IV of this manual) and obtain proper credit. As of the 60th day, invoices with warranty terms become past due and can cause subsequent warranty parts to be sent out on other terms as assigned by the Accounts Receivable Department. Please make sure to follow the warranty guidelines and avoid delays in providing quality service to your customers.

Name, Address, or Phone Number Changes

Changes in your company's name, ownership, address, contact names, phone or fax numbers should be submitted your Regional Manager in writing either by fax or by email. A change in ownership may require a new Dealer Agreement.

If you own more than one store, having current contact information for each location allows us to help increase your sales by referring customers to your nearest location and forwarding consumer leads directly to the email address that corresponds to each location.

Remittance Instructions

Please make all checks payable to Jacuzzi Hot Tubs, Inc. and send payments to:

USA and International Dealers:	Canadian Dealers:
Jacuzzi Hot Tubs	Jacuzzi Hot Tubs
7283 Collection Center Drive	c/o 914611
Chicago, Il 60693	PO Box 4090 STN A
	Toronto, ON M5W 0E9

Wire Transfer Instructions – USA and International Customers

Wire transfers can take up to 5 business days to post to your account. Please plan your wire transfers accordingly.

Address of Receiving Bank:

Bank of America
1850 Concord Gateway
Concord, CA 94520 Phone: 800-577-9473 Fax: 925-675-7244

Swift Code: BOFAUS3N

Special Instructions: Please notify customer upon receipt.

Routing: 0260-0959-3

Beneficiary:

Jacuzzi Hot Tubs
Account # 8188-0-04662

Wire Transfer Instructions – Canada Customers

Account Name: Sundance Spas Inc.
Account Number: 50579103
Currency: USD

Address of Receiving Bank:

Bank of America N.A, Canada Branch
200 Front Street West, Ste 2600
Toronto, ON M5V 3L2

Bank number: 241

Transit number: 56792

Routing Transit for Wires: 024156792

SWIFT Code for Wires: BOFACATT

III. Shipping Policies and Procedures

Spa Shipments

Spa orders must be submitted in the manner that you wish them to be shipped. We will consider your order as authorization and agreement to ship your spa order without further notification. When ordering make sure you take into account freight breaks and freight efficiencies as the number of spas on one order will likely result in the same number of spas on one shipment. If a shipment is ready more than 2 days prior to the anticipated ship date, you will be contacted for approval to ship. If the order is ready within 2 days of the anticipated ship date, shipment will be scheduled without notification or calls from our order or shipping department. (An order with an anticipated ship date of Friday may ship without notice on Wednesday or after.) Please make sure that any special shipping instructions or expediting requests were noted on the original order.

There are certain conditions where you can add to a spa order or have two separate orders ship together. Please see the Ordering Policies and Procedures section of this manual for details.

Van shipments may be intermodal (train) or over-the-road. Spas will be shipped flat in vans with the current style pallets. Van shipments have less probability of freight damage, strapping of the covers is not required, and provide other shipping benefits.

Rates for spa shipments on select carriers will not exceed the Rate Schedule (before fuel surcharge) that is posted on the Dealer Community website.

Select Carrier Program

For all North American spa orders (except Hawaii, Alaska, will-call orders and shipments from Canadian warehouses), our Select Carrier Program will apply. Under the terms of this program, we will select and contract with a carrier on your behalf for the shipment of your spas. The carrier used will be of our choosing from the list of approved carriers. Standard quantity freight breaks apply (i.e., 1-2 spas, 3-6 spas, etc) so it is important that you consolidate your spa orders before submitting to us to save freight. Your preferred carrier may or may not be used based on many factors including other shipments in your area. You will continue to pay the carrier directly for shipments to you.

We will make every effort to provide the most competitive freight rates possible, but cannot guarantee to match any special rate or service that you might currently have. We strive to ensure that spa orders are shipped complete and on-time.

Orders will be shipped when ready on or about the quoted anticipated ship date (order due date). If an order is ready to ship more than 2 days early, you will be contacted for approval to ship. If the order is ready within 2 days of the anticipated ship date, the shipment will be scheduled without notification or calls. Once the shipment is made, we will fax or email a shipment notification to you, and the carrier will contact you to arrange an appointment for delivery.

Unless you have an existing contractual agreement with us that states otherwise, all spas will ship “Freight Collect, FOB Chino.” This indicates that title for the goods passes from us to you at the time of shipment.

Intermodal Program

The Select Carrier Program does not affect the existing Intermodal program that has been in place for the last several years. Dealers who have an ‘Intermodal Application’ on file will continue to have individual pricing for their intermodal shipments, and those who want to participate can submit an application to get their pricing set up in our system. Intermodal pricing is set up to be updated quarterly with the stipulation that if freight rates change by 5% or more they could be adjusted more frequently. In prior years, rates were very volatile requiring us to review existing pricing monthly.

Will Call

If your account has been approved as a will call account, the shipping department will notify you when the order is complete. At that point you will have 5 business days from the anticipated ship date (order due date) to pick-up the order. Orders not picked up within 5 business days from the latter of the anticipated ship date and the notification date will be cancelled and a cancellation fee will be charged to your account. (To clarify, orders ready on Monday (order due date) must be picked up by the following Monday which is 5 business days.)

The Shipping Department's loading hours are seasonal and subject to change. However, appointments are generally available between 6:00 AM to 2:30 PM, Monday through Friday. 2:30 PM is the deadline to set up a pick up appointment. A 24 hour notice is needed for prompt loading. In the event you have to cancel your scheduled pick-up time, notify us of the change as soon as possible.

Specifying Truckers

The carrier used will be of our choosing from the list of approved carriers. Rates charged for shipments on any carrier will not exceed the Rate Schedule (before fuel surcharge) that is posted on the Dealer Community website. All trucking companies are subject to approval from the Shipping Department after authorities and insurance are verified. Any trucking company that does not follow our shipping procedures will be taken off the approved list and be refused for loading.

Fuel Surcharge

The fuel surcharge is a percentage added to the freight charges to compensate for the fluctuation of fuel prices. It is common practice for many carriers to use the fuel surcharge to make sure they cover their costs when fuel pricing is volatile. Every carrier establishes its own fuel surcharge scale, and they can vary greatly. Normally, the fuel surcharge is based on the National Average Fuel Price as established by the Department of Transportation.

These averages can be view at <http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>.

The averages are updated every Monday afternoon and we will update our fuel surcharge rate, if necessary, every Tuesday.

Shipment Confirmation

Following the completion of a spa shipment, dealers will be faxed or emailed a copy of the packing slips and bill of lading which will include name of carrier, item counts, etc. It will also indicate the type of equipment used to transport the spas (train, over-the-road van, flat-bed truck). The carrier will contact you to arrange delivery.

Shipment Status

Checking the status of shipments in transit is available online, even if your order was not placed through the website. For spa shipments, you will find the shipment date and the carrier name, and part shipments will show tracking information. To view the status of your shipments, logon to <http://www.jacuzzipartners.com/> and click on “Your Account” and select the “Shipments” link. Links can be found for tracking UPS and FedEx shipments. This information is live data and reflects up-to-the-minute transactions.

Shipments from Warehouses Outside the U.S.

We currently have stock spas available for immediate shipment at two Canadian warehouse locations: Toronto and Vancouver. Orders for stock spas from these warehouses require two business days to process. Spas can also be built per your order and shipped to these locations upon request.

Any orders not picked up or shipped within 10 business days of release documentation are canceled. In this case, the current warehouse fee per spa plus the standard \$200 per spa cancellation fee will be debited to your account.

If you are interested in a list of available stock, or procedures for shipment of spas from an off-site warehouse, please contact your Order Department representative.

Shipment of Extra Covers

If you require extra covers to be shipped with your spa order, they need to be included on your spa order. If all goods cannot fit on the truck and if the Shipping Department is unable to reach you, the extra covers will be removed first. Generally, negotiated freight rates for spas include one cover with each hot tub. Extra covers will incur additional freight charges. Back orders for extra covers and aftermarket items will be shipped when material is available and additional freight charges will apply.

We are not able to accommodate shipments for covers that you order directly with the cover manufacturers. If you choose to order your covers directly from them, please contact them to make shipping arrangements.

Shipment of Synthetic Aftermarket Products

If you require synthetic aftermarket products to be shipped with your spa order, it needs to be included on your spa order. Only select aftermarket products can ship with spas.

Contact the Shipping Department or check the Rate Schedule on the Dealer Community website if you need freight rates.

Parts and Accessories

Our parts department offers multiple ways to ship your orders. The following is a definition of these order types and how they are processed. Your parts purchase order should state the desired shipment methods. If not clearly noted, parts will be sent standard ground service.

Prioritized Parts Orders - Once the order is released through our credit department, it is processed to ship out the same day as received. The cut off time for approval and same day shipping is 2:00 PM Pacific time. If this cut-off time is missed, the order will ship the next business day.

Standard Parts Orders - These orders will be processed within 5 business days from when order is released through our credit department.

Consolidated Freight Orders - These orders consist of items that are consolidated into a single shipment to minimize your freight costs. They are processed within 5 business days from when order is released through our credit department. This program was developed for the Canadian dealers to reduce border costs, but can now be utilized by other dealers who can benefit from reducing number of shipments weekly to save on shipping costs.

Will Call Orders – These orders are processed in accordance to the order due dates and made available for will call/pick up on or before the due date. Orders not picked up after 5 business days of due date will be canceled and returned to stock. On an exception basis, we can accommodate same day orders if the order is released through our credit department prior to 12:00 noon PT and an expedited fee may be debited to your account. If this cut-off time is missed, the order will be available the next business day.

Ship With Spa Orders - These orders are commonly non-prioritized orders. These types of orders are processed in accordance to the spa order due dates and are included with your spa shipment. A limited amount of non-spa product can ship with spas on shipments to North American dealers.

Load Verification

For our records and for your protection, a load verification form is completed for every shipment that leaves our facility. Three employees verify all counts on this form. The form also gives the driver proper handling instructions. The truck driver then signs for the quantities and verifies that the product was received in good condition. If you need a copy of this form to help

resolve discrepancies upon receipt of the product, we will be happy to fax or mail it to you. Please contact the Shipping Department for more information.

Checking Your Shipment

Errors are costly. Your verification of shipment accuracy can save both time and money. When a shipment arrives or you pick it up from our factory, please follow this procedure:

1. Count the total units and compare to the bill of lading, then verify item numbers against the packing slip. If there is a discrepancy, note it on the bill of lading before signing for the goods.
2. Inspect all goods. Check the labels to be certain that they are correct.
3. If a package is delivered damaged, do not refuse the freight. The package should be opened immediately with the driver present. On the freight bill, specify the exact nature of the damage to the items (scratched, broken, chipped, etc.) The driver should sign your copy of the freight bill. A freight claim must be filed with the carrier within 30 calendar days

Freight Damage

The consignee (receiving party) may not open packages and examine the merchandise before giving receipt to the carrier unless the packages indicate the probability of damage. In this case, please sign the bill of lading and indicate “possible concealed damage”.

If you are picking up from us, please follow steps 1 and 2 in the paragraph above. If there is any damage, please report it to the forklift driver loading your shipment.

Concealed damage must be reported in writing to the carrier and to us within 15 calendar days from receipt of the goods. In a concealed damage claim, you will need to provide proof that the carrier caused the damage.

Freight Claim Procedures

In the event that damage or loss occurs during shipment, a freight claim must be filed with the carrier to recover any costs. The party responsible for the payment of freight to the carrier must file the freight claim. At your request, we will assist you by providing a Freight Claim Form and the appropriate documentation for this procedure. Remember that title for the goods passes from us to you at the time and place of shipment.

IV. Service/Warranty Policies and Procedures

Stocking Parts

A suggested parts list with recommended minimum quantities of the most-used service parts is available in the technical training section of the Dealer Community website. Keeping the commonly used service parts in your inventory allows you to provide a high level of customer service and reduces the number of parts shipments that need to be expedited. As a new dealer, once credit is approved, you can place one opening stock order and pay it in six monthly installments, interest free. A service technician can assist you in determining the optimal parts mix that fits your business. We highly recommend you take advantage of this opportunity.

Warranty Parts

We will ship parts used to repair spas during the warranty period on terms of *Net 60 Warranty* (subject to credit approval) with prepaid ground freight under the following conditions:

- Parts must be returned properly tagged. (Please see below.)
- The P.O. or the terms requested should indicate “Warranty Parts.”

We do not recommend that you request expedited freight service for warranty parts such as next day, second day, or third day. By doing so, you will incur the freight cost for the entire order.

Returned warranty parts must reference the following:

- **Spa serial number**
- **Date of service**
- *Customer's name (not required if the spa is registered, effective June 2013)*
- *Customer's Address (not required if the spa is registered, effective June 2013)*
- *Date of delivery (not required if the spa is registered, effective June 2013)*

Please refer to the Warranty Department's instructions for other required fields and details on how to complete a warranty tag. Always keep one copy of the tag for your records and reconciliation purposes.

Returning unused warranty parts promptly will help keep your accounts receivable balance current. **Please note that credit will not be issued for any warranty claims received after 60 days from the date of service.**

Freight on Returned Warranty Parts

For your convenience, we pay the freight costs for returning warranty parts. In the USA, simply use Authorized Return System (ARS) labels to return the parts. For proper credit, consolidate warranty parts and send them back to us once a month via the established Authorized Return System through UPS. There is a weight limit of 50lbs per box. Please note this ARS program is for warranty parts only.

For our Canadian dealers, you are asked to prepay for returning warranty parts to us, and then attach the freight bill to a warranty tag and we will reimbursement you for the costs; See Canadian Warranty Procedures on the Dealer Community for more details.

Warranty Labor

The number of hours we pay for warranty labor is determined by the service performed and the standard reimbursement amount outlined in our Service Reimbursement Schedule. The schedule is available in the Dealer Community website or you can contact one of our service technicians to obtain a copy.

Warranty Credits

Warranty credits are processed weekly. Once we process claims for your account, you will receive an electronic copy of the credit memo that summarizes the parts and labor credit issued. The credit memo contains detail of each claim including your tag number, the customer name, spa serial number, part used, hours claimed, hours we paid, and the amount of the credit.

Warranty claims will not be processed on a spa that has not been registered, unless the spa is a floor model or if the servicing company did not sell the spa. When you immediately register the spa upon delivery we can expediently process your claims for labor and parts, maintain important service history records, and provide faster credit or reimbursement.

If we are unable to process your claim due to the spa not being registered, missing or incorrect information, because the spa is out of warranty, or because the service is due to misuse or abuse, you will receive a electronic notification from the Warranty Department sent weekly every Monday. It will be sent to the email address where order confirmations are sent. If you check the Warranty Tag section of “*Your Account*” (on the Dealer Community), you’ll see the rejected tag number of this claim, and it will show "SENTCARD" in the serial number field. If you receive this electronic notification, wherever applicable, correct the problem and inform the Warranty Department to ensure you obtain proper credit. Feel free to contact our Warranty Department personnel for further assistance.

Warranty Statement

You can receive a recap of recent months’ activity on a warranty statement upon request. This statement summarizes the detail given on the original warranty credit. Please review carefully the top portion of the monthly statement for information on RGA tags that were received and credit was not issued. This statement is a tool for you to evaluate any potential discrepancies with your submitted claims.

Detailed warranty claim information is also available online. You can review your warranty claims at any time on the Dealer Community website. Click on “*Your Account*,” “*Warranty*” and “*Warranty Tags*” for your warranty claim inquiry.

Authorization Numbers

If your warranty service will exceed our standard payment schedule, meaning the service will take longer than the allotted time, please contact our service department while in the field to obtain an authorization number in advance for warranty reimbursement. Discuss all special circumstances with a service technician who will evaluate the circumstance and issue the authorization number as needed. Please make sure to note the authorization number on the RGA tag when submitting it for reimbursement. Without it, the claim will be credited according to the standard payment schedule.

Surface Warranty

Warranty claims for surface problems must be submitted on a Surface Evaluation Form. Photos of the affected area should be submitted at the same time. Instructions and forms will be sent to you upon request.

Once you perform your evaluation, you will be reimbursed for a one-hour service call for the completion of the evaluation form and pictures if you submit the claim on an RGA tag.

Aftermarket Product Warranty

Synthetic products are covered by a “start up” warranty meaning the product is guaranteed to be without defect when you receive it. If you discover defective or missing parts during set-up, we will replace them at no charge. A service technician can assist you by providing instructions, part numbers, and can order the replacement parts you need.

For synthetic or aftermarket items that are damaged during transit, please refer to the section entitled "*Freight Claim Procedures.*"

Cover Warranty

We provide warranty for the covers we sell. Standard warranty procedures will apply with the exception that the warranty does not cover labor costs associated with cover replacement. For details, access the Dealer Community website under ‘Warranty’, then look for Spa Cover Warranty Procedures’ and follow the instructions for proper credit.

Returned Spas

A Returned Material Authorization (RMA) number is required before returning a spa. To obtain an RMA number, please contact the Warranty Service Department. The Warranty Department arranges for the pick-up and return of the defective spa after you package the unit on a pallet for shipment. If the spa is not ready for pick-up when the carrier arrives, you will be charged for the carrier's extra trip. All RMA's must be due to manufacturing defects as stated on the Limited Warranty. Any costs associated with a product returned for unauthorized reasons will be charged to your account. Please contact the Warranty Department for clarification.

Cabinet Skirt (Spas) Replacement

If a cabinet panel needs to be replaced within the warranty period due to a manufacturing defect, you can place an order requesting *Net 60 Warranty* terms for synthetic skirt panels. When placing your order, use the part number from the *Illustrated Service Parts Catalog* and specify cabinet color to ensure the proper panel is made-to-order.

When the panel replacement service is complete, attach a copy of the packing list (sent to you with the cabinet panel) to an RGA tag with a photo to substantiate the defect. Submit this claim with your other parts for credit. We will issue a credit for the panel and labor. Please dispose of the defective cabinet skirt panel after the credit is issued.

Please allow 7-10 business days for panels to be built-to-order and packaged before they reach the Shipping Department.

New Items Returned

Unused items returned for credit are subject to a 25% restocking charge. Please return unused items to us via prepaid freight. These items must be in "like new" condition. Any cost incurred to return goods to new condition will be added to the restocking charge. Restocking charges include the cost to process the paperwork, inspect returned items, and test items as needed.

At our discretion, credit will not be issued for items received if they are not in "like new" condition; if we are unable to verify purchase from us within the past six months, or if the items have become obsolete, meaning we no longer carry them in our inventory.

To receive credit, all new items returned must have a value greater than \$5.00. Please contact us if you receive the wrong item from us with a value of less than \$5.00. Credit is usually applied and the item return is not required. However, if we are dealing with large quantities or special parts, we may ask you to return the items.

Warranty Audits

Warranty claims are subject to a random audit. In the event of an audit, we will contact the end user (customer) for verification of all information pertaining to the claim. Please ensure you are complying with the warranty policy at all times and do not hesitate to contact us with any concerns you may have.

Returned parts are tested in our lab as needed. If our testing indicates a returned part is not defective or the problem has been misdiagnosed, the claim may be ineligible for credit. A service technician will contact you if any returned part tests as a "good" part. The purpose of this call will be to determine if we can improve our testing, understand what is happening in the field, help your technicians with their diagnostic skills and re-train or instruct where required.

Technical Support

Our technical staff is available by phone to answer your questions Monday through Friday, 7:00 AM to 4:00 PM PT. If you are unable to reach a technician, you can leave a voice message, which will be answered within four business hours.

Please use the *Illustrated Service Parts Catalog* for parts identification and referencing for orders. The *Standard Troubleshooting Approach* (STA) manuals, other technical reference materials, owner's manuals, warranties, and pre-delivery guides are available for downloading from the Dealer Community website. With the exception of dealer-only documents, many of these manuals and reference materials are also available on our consumer website at <http://www.jacuzzipartners.com/>. A service technician can assist you in ordering or locating the materials you need.

Service Seminars

We schedule Technical Training Seminars twice a year at our factory in Chino, California. We also present regional training at specified off-site locations. Attendees who pass the post-seminar exams receive Technical Certification.

We understand that travel for training is not always feasible. To accommodate this, we offer an E-Certify CD Training Course. These comprehensive interactive training modules provide an opportunity to get "Factory Certified" for only \$49.95 per student (shipping and handling included) without leaving the home or office, providing a low-cost training solution. To qualify for factory certification on this course, you must have attended a factory authorized training seminar (factory or regional) within the past 3 years with a grade of "B" or higher on your exam. If you have not attended a factory authorized seminar in 3 years, you can take this course to increase product knowledge, however, you will not receive factory certification, nor will this satisfy the training requirement for the customer service award.

The CDs are assigned to students on an individual basis and the tests should be taken by that student without assistance from others. Open book study notes are provided in Word or PDF format on this disk to help each student progress through this course. Each disk is time sensitive and cannot be opened after the expiration date printed on the label. To register, download a copy of the form found in the Dealer Community under Technical Service and follow the instructions provided.

Our Dealership Agreement requires that all new dealers send a representative to a service seminar within 30 days of receipt of the first spa shipment, or the next scheduled seminar. This requirement is to assist you in providing quality service to new and existing consumers in your area. Technical Service certification is also one requirement for obtaining an annual Customer Service Award. This award is offered once a year to help you promote your good service to current and prospective consumers. To meet this criterion of the Customer Service Award, one of your service technicians must attend one of our courses and pass with a grade "B" or better. For more information regarding service training, please see more detailed criteria in the "Sales and Marketing" section or contact our Service Department.

Quality Alerts

Please use the Quality Alert when you have a comment or complaint relating to any service or product we supply. If the issue pertains to a particular spa, it is important to include the serial number, which allows us to track the manufacture date, installation date, components used, and relevant information needed to evaluate the reported issue. Quality Alerts assist us in internal communications, so we may initiate corrective action to improve quality on future units.

Quality Alert forms are available on the Dealer Community website. The feedback we have received in the past has been instrumental in the process of continuous improvement. If you take the time to communicate to us via a Quality Alert, please be assured that you will make a difference!

V. Sales and Marketing Policies and Procedures

Advantage Rebate Program

To provide incentive and reward dealer best practices, we offer the Jacuzzi® Advantage Rebate Program for you to earn up to 4% back on eligible spas! All dealers eligible for volume discounts are eligible to participate. On a quarterly basis, rebates will be calculated and paid by check (USA and Canada only). Dealers outside the USA and Canada will receive a credit to their account.

The following criteria (subject to change) will be evaluated quarterly:

1. Exclusive Floor – Value 1.5%
2. Store Branding – Value 0.5%
3. Branded Website – Value 0.5%
4. Minimum Average Selling Price – Value 0.5%
5. Promotions & Events – Value 0.5%
6. Aftermarket – Value 0.5%

J-400, J-300 and J-LX models qualify for the rebate credits. Volume required is a minimum of 10 spas per quarter (all models count). You may qualify in some quarters (earning a rebate) and not others. You must be an authorized dealer on the last day of the quarter in order to qualify.

If you have any questions, or for more details on the criteria, please ask your Regional Manager.

Brand Guide

Be sure to download our brand guideline booklet on the Dealer Community and share it with anyone working on your signage, website, advertising or other marketing materials. It contains valuable information about trademark guidelines and how and where to use the Jacuzzi name and logo.

Use of the Jacuzzi® Name

Ask your Regional Manager for a dba Agreement if you wish to use the Jacuzzi name in a dba. Or if you would like to use the name Jacuzzi in your URL, please ask your Regional Manager for a URL licensing agreement. The Jacuzzi name can be used only with our express written permission.

Service Standards

In order to maintain our high standards of the “Jacuzzi customer experience” our policy is to require that dealers provide warranty and non-warranty service for all spas that they sell. Make sure any additional servicing costs due to customer proximity to your store or other exceptional servicing costs/attributes are covered in your selling price. Dealers are also required to provide warranty and non-warranty service for all spas in their market sold by previous dealers in the market or any other means.

Customer/Warranty Registrations

Within 3 days of delivering a spa to your customer, please provide the customer registration and delivery date information to us. As we consider our mutual customer group, we recognize how very important it is to develop a relationship with our customers, provide ongoing information and frequently express appreciation for them. We also must have the ability to contact customers directly for product or safety updates.

When you register the warranty, it will facilitate an opportunity for us to help you make you more money. We can then begin a program to gain referrals, encourage store visits and cause customers to consider upgrading or trading in their spas. Customers will be emailed maintenance reminders, exclusive offers and discounts. We think this program will benefit your company, however, you can choose to opt out of any mail program except safety and product updates, should you choose.

Consistent customer/warranty registrations are mandatory. Dealers that do not register 100% of all spas installed may be required to pay a \$25 refundable deposit on each spa at the time of shipment and can recoup the deposit when that spa is registered. To earn exemption from this program, you should register all sold spas within 3 days of delivery to the customer. Audits will be performed semi-annually in April and November for spas shipped to you during the previous 13 months to determine if you are exempt from the \$25 deposit program. Ask your Regional Manager or see the Dealer Community for details.

Marketing initiatives may also require timely spa warranty registrations in order for dealers to qualify for participation.

Warranty claims that are submitted on a spa that has not been registered will not be processed unless the spa is a floor model or if the servicing company did not sell the spa. (Do not register Floor Models until the spa is sold and installed.) When you immediately register the warranty we can expediently process your claims for labor and parts, maintain important service history records, and provide faster credits to your account.

You can register spas on the Dealer Community Website; click on “Your Account”, then Warranty. Select Warranty again. Here you can also download customer registration lists going back 6+ years.

Alternately, we welcome faxed registration information sent to 1-909-247-2218, Attention: Warranty Registration. Also, mail-in registrations cards that we provide for your convenience are available (part # 6890-087).

Marketing Support Material

We have a wide selection of marketing support materials in stock, which you can order from your Order Department representative. The *Marketing Materials Price List/Order Form* found on the Management Center section of the Dealer Community lists the marketing materials available, including part numbers and prices. You can fax this order form directly to the Order Department. If you have any questions about these materials, please contact your Regional

Manager or your Order Department representative. Check your email for recent e-News bulletins, or logon to the Dealer Community at www.jacuzzipartners.com.

Dealer Mailings

Dealer and technical updates are available via email and on the Dealer Community at <http://www.jacuzzipartners.com>. Electronic communications have proven to be an effective method to communicate and provide valuable information that can be downloaded as needed.

You can include additional personnel to receive all e-mailed communications. Just send us a request or call us and ask for the Contract Administrator.

Spa pricing is not mailed or faxed. It is available from your Regional Manager only.

Volume Discount Program

We offer a volume discount program that incrementally increases savings as spa volume increases. Volume discounts are generated on each spa invoice according to our standard volume discount program. The discount is set up to calculate automatically. There is no need to submit forms or request a reimbursement. The discount amount is deducted from each spa invoice, immediately reducing your cash expenditure. Financing is calculated on the discounted amount, lowering your interest expense. This does not apply to all models.

Volume discounts are:

<u>YTD Spa Count</u>	<u>Discount</u>
First 50	0.0%
51-100	2.0%
101-200	3.0%
201+	4.0%

Jacuzzi J300, J400 and JLX models are eligible for volume discounts. J200 models count toward YTD totals but will not get volume discounts. The discount period runs from January 1 to December 31 each year and is based on ship date, not order date. To qualify for the volume discount in any year, spas must ship and invoice by December 31. If spa ships after December 31, the spa count is applied to the following year. Please contact your Regional Manager if you have questions.

Financing Programs

Wholesale Financing

With Jacuzzi, 45 days of free wholesale flooring is standard when spas are financed through GE Commercial Finance. Periodically through the year we work with GE CDF to offer extended term programs to assist your efforts to reduce or eliminate the cost of carrying higher stock levels. We encourage you to consider using GE financing to help conserve your cash and operate on less working capital.

No interest for 45 days means payment is due when the spa is sold (or payment due at 13 months if not sold sooner) and interest for the first 45 days is on us! Your cash is not tied up in short-term inventory. Instead, cash and working capital remain available for opportunities such as increased marketing efforts, business expansion, or seasonal cash flow needs.

GE financing may be used to finance customer orders, floor models and additional inventory. Our experience over the years has shown us that dealers using floor plan financing programs have outperformed their market through having available inventory, well displayed showrooms and product depth to execute at events and shows. GE financing may be right for you to help build your business and achieve your business goals.

Consumer Financing

To assist you with all your consumer financing needs, we have a partnership with Wells Fargo Retail Services in the USA (TD Financial Services in Canada). There are a number of advantages to this exclusive program for Jacuzzi Hot Tub dealers and partnering with Wells Fargo Retail Services for your consumer financing needs, including:

- Lower cost credit promotions designed to help you close more sales.
- Corporate sponsored or co-op events throughout the year tied to the marketing calendar.
- Fast credit decisions and multiple methods of applying for credit. Approvals 7 days a week with extended hours.
- A variety of financing programs available to fit the needs of your customer.

To get started with the Wells Fargo Program, download an application form from the Dealer Community. You can also call 1-800-694-0259.

Dealers in Canada interested in financing solutions through TD Financial Services should contact their Regional Manager for more details about the program.

Promotions

For information on factory supported promotions and point of sales materials, please check your email for recent e-News bulletins, or logon to the Dealer Community at <http://www.jacuzzipartners.com>.

Jacuzzi Exclusive Rewards

Coming Summer 2013 a revamped Jacuzzi Exclusive™ Rewards Program! The program is similar to a credit card or airline mileage card, every purchase of eligible aftermarket product will earn one point for every dollar spent. The enrollment form is found at www.jacuzzibrandstore.com website or on the Dealer Community in the Accessories section. Simply fill out the form to begin earning points to use toward valuable marketing items such as apparel, retail visual displays, brochures, and much more. If you're already enrolled, there's no need to re-enroll in the new program.

Redeeming Exclusive Rewards points is easy. As points accumulate, they may be redeemed for marketing items on the www.jacuzzibrandstore.com under the Point Home section. Your point

totals will appear after you log in at the top of the web page and your points always appear at the bottom of your reprinted invoices. Simply redeem your points by adding marketing items to your shopping cart on www.jacuzzibrandstore.com in the Point Home section. As an extra bonus, your items will ship to you freight prepaid.

Dealer Conference

On a regular basis Jacuzzi organizes a trip as a way of celebrating the previous years success and to plan for the upcoming year. Although we target to do these every year we also consider the economic environment as it affect our businesses. Educational workshops, networking with fellow dealers and round-table discussions add to the value of the conference. Attending the conference is a great way for dealers to relax and recharge and get an early start on the year ahead.

Dealer Awards

Each year, the efforts of Jacuzzi dealers are recognized at the Annual Dealer Appreciation Awards Night. This event occurs in conjunction with our Dealer Conference. During an evening of fun, food and celebration, Jacuzzi dealers receive awards in three general categories: Design Awards, Dealer Achievement Awards and Service Awards.

Design Awards - Dealers submit photos of installations depicting Jacuzzi hot tubs in attractive residential settings. Winners receive handsome awards to display in their showrooms. In addition, we often supply these photos to trade and consumer magazines for publication or for additional industry recognition..

Dealer Achievement Awards - Dealers are recognized for their outstanding achievement in several categories including sales volume, sales growth, market penetration, accessory sales, and other benchmarks. Award winning dealers receive plaques to proudly display in their showrooms.

Service Awards – Dealers who meet the customer service criteria (see following section) are eligible to receive a Customer Service Award to display in their showrooms.

Customer Service Award Criteria

Starting January 1, 2014 for the dealer conference held January 2015, the following is the new criteria for the coveted Customer Service award.

- Register the warranty on 100% of sold spas within 3 days of delivery to the customer. Audits will be performed semi-annually in April and November for spas shipped to you during the previous 13 months.
- Each year, have at least one technician attend some form of technical training seminar (in house, on the road, or E-Certify). We will not skip a year if you received an ‘A’ as we have in the past. Everyone, including the tech, delivery person or people answering

the phone, can all benefit from attending a technical training. One technician per dealer needs to attend a field seminar or take the E-certify each year.

- Have no outstanding unresolved customer service issues that have escalated to Corporate
- Adhere and comply to all warranty procedures as outlined on the Dealer Community; the Knowledge Library topic is Warranty, the category is Warranty: Spa Warranty Procedures
- Complete and full participation in our on line warranty tag entry program (launching late 2013).

Minimum Advertised Pricing (MAP) Program

Dealers should be aware of and comply with our Unilateral Minimum Advertised Pricing Program (UMAPP). See the Dealer Community for the most recent updated Program.

JACUZZI HOT TUBS UNILATERAL MINIMUM ADVERTISED PRICE PROGRAM

Throughout its existence, Jacuzzi Hot Tubs has been an innovator in the hot tub category and has been committed to offering products that are innovative and unmatched in both quality and performance. Our ability to continue to do so requires in part that both Jacuzzi Hot Tubs and our dealers, service centers and on-line retailers (“Reseller(s)”) promote and sell our products in a manner consistent with the premium image and product positioning they deserve. This will insure the future strength and reputation of the Jacuzzi® brand among our customers. Consistent with its commitment to product quality and performance and customer service associated with the Jacuzzi® brand, effective June 3, 2013, Jacuzzi Hot Tubs has modified its Unilateral Minimum Advertised Price Program (“UMAPP”), applicable to all Resellers who advertise prices of JACUZZI HOT TUBS MAP Products.

This UMAPP applies to U.S. & Canadian Resellers who purchase MAP Products from Jacuzzi Hot Tubs and who advertise prices of JACUZZI HOT TUBS MAPS Products offline and/or online and/or who sell to customers that advertise prices of JACUZZI HOT TUBS MAP Products offline and/or online.

No JACUZZI HOT TUBS employee or representative has been or will be authorized to modify or change this Policy for any particular Reseller. JACUZZI HOT TUBS alone will implement, interpret and enforce this Policy in its own independent judgment. Please make sure that all appropriate people in your organization receive a copy of this Policy. JACUZZI HOT TUBS may amend or discontinue this Policy at any time, and we will notify you of any such amendment or discontinuation. This Policy is in addition to and separate from all other JACUZZI HOT TUBS policies.

THE JACUZZI HOT TUBS UNILATERAL MINIMUM ADVERTISED PRICE PROGRAM

1. UMAPP SCOPE

JACUZZI HOT TUBS UMAPP applies to MAP Products including, without limitation, in the following advertising/promoting by Resellers:

- a. Print advertising placements including inserts, coupons, mailers, catalogs, magazines, newspapers, brochures, etc.;
- b. Outdoor Advertising including billboards, banners, posters, etc.;
- c. Broadcast (TV, radio);

- d. Fax communications intended to reach multiple individuals;
- e. Internet placements including social networks, banner ads, broadcast e-mails, landing pages, etc.;
- and
- f. JACUZZI HOT TUBS Authorized Resellers websites which advertise or promote MAP Products.
- g. MAP Products cannot be promoted on any national search engine or retail outlet such as Amazon.com, eBay, etc.

2. MAP PRODUCTS

A complete list of applicable products can be found on Jacuzzi Dealer Community website (Management Center) at: www.jacuzzipartners.com under the Sales & Training link. There are two categories of MAP Products: “*Spas*” and “*Parts and Accessories*.”

3. ADVERTISING PRICES

a. **Advertised Prices:** Resellers are not required to list MAP Product(s) prices in offline or online media. However, if a price is listed, **then Resellers must include the Jacuzzi part number** and a price at or above the UMAPP. Minimum Advertised Price is:

- **Spas** - 20% off of the most recently published Manufacturer’s Suggested Retail Price (MSRP) (USA resellers only)
- **Parts and Accessories** - 30% off of the most recently published Manufacturer’s Suggested Retail Price (MSRP)

MSRP and MAP Products Price Lists can be found on the dealer community website (Management Center) at: www.jacuzzipartners.com under the Sales & Training link.

b. **Online Pricing:** All pricing listed on Internet site, including “shopping cart”, “check out”, “Click here for lower price”, “See Price In Cart”, “Log-in for price”, “Add to Cart for Lower Price”, “Check Cart for Lower Price”, “Mouse over for Price”, “Email for a better Price”, “Call for Lower Price” or “Call for Price”, etc. is considered an advertised price and therefore subject to the UMAPP policy.

c. **Factory Authorized Programs and Promotions:** Products promoted during Factory Authorized Programs and Promotions are excluded, such as Truckload Sale print ads and local advertising, and other Factory programs or special offers tendered by the Factory from time to time.

d. **Discontinued Parts and Accessories Products:** UMAPP does not apply to parts and accessories discontinued by JACUZZI HOT TUBS.

e. **Price Mark-outs and/or “Specials”:** UMAPP does not apply to products with marked-out or special pricing. In order to qualify as marked-out or special pricing, the advertisement or promotion must include a statement of the reason for the marked-out or special pricing. The only acceptable reasons for marked-out and/or special pricing are:

- Returned product – Advertisement must state that model is returned
- Refurbished product – Advertisement must state that model is refurbished
- Spas 2 or more model years old (During model year 2013, model year 2011 and prior are exempt) Advertisement must show model year if two or more model years old.

f. **Free and Reduced Cost:** Free shipping and/or handling, 0% tax, free financing, reduced charges or free promotional items are not considered an “advertised” price and therefore do not fall within JACUZZI HOT TUBS UMAPP.

g. **Going Out of Business:** UMAPP does not apply to legitimate going out of business, liquidation or bankruptcy related sales.

h. **Selling Prices:** JACUZZI HOT TUBS Resellers remain free to establish their own selling prices.

4. UNILATERAL POLICY

a. The adoption and implementation of this program is solely JACUZZI HOT TUBS unilateral corporate decision and responsibility. JACUZZI HOT TUBS does not want or seek your agreement to advertise our products at or above any particular price, nor do we want you to advise us what your pricing plans or intentions may be.

No Jacuzzi employee or representative is authorized to discuss, modify, seek or obtain agreement with the UMAPP. Any questions about this program should be submitted in writing to the Legal Department, Jacuzzi Hot Tubs, 13925 City Center Dr., Suite 200, Chino Hills, CA 91709.

b. The UMAPP is subject to revision at any time. See the Dealer Community for updates.

c. JACUZZI HOT TUBS will determine unilaterally whether products are being advertised in violation of the UMAPP and will take action consistent with our UMAPP in effect at the time.

d. Each Reseller is free to decide whether or not to follow JACUZZI HOT TUBS UMAPP.

5. MONITORING AND REPORTING

JACUZZI HOT TUBS may engage in monitoring of advertised prices of MAP Products, either directly or via the use of third parties. Third parties may engage in monitoring of advertisements and website advertising including, but not limited to, review of advertised prices.

6. UMAPP ENFORCEMENT

A Violation is any advertisement or placement for a MAP Product that does not comply with this UMAPP policy.

First Violation

A written notice will be sent advising that the Reseller is not compliant with this policy. The Reseller will be given a period of five business days from the date of the written notice to make the required changes to become compliant. If after five business days, the Reseller is still not in compliance, it will be considered a Second Violation.

Second Violation

JACUZZI HOT TUBS will implement “hold” status and refuse purchase orders in the product category of violation (“*Spas*” or “*Parts and Accessories*”) from the Reseller for a period of 10 business days from the date of the Second Violation. If the violation is not corrected within this period of time, a third violation will be deemed to have occurred.

Third Violation

JACUZZI HOT TUBS will implement “hold” status and refuse purchase orders in the product category of violation (“*Spas*” or “*Parts and Accessories*”) from the Reseller for a period of 30 days or longer from the date of the Third Violation at JACUZZI HOT TUBS’ discretion.

A **Third Violation** will occur upon either of these events:

- a. After a notice of a second violation, a Reseller fails to make the required changes to become compliant within 10 business days from the date of notice, or
- b. After a notice of second violation, a Reseller becomes compliant, but at a later date more than 10 business days from the second violation is again found not compliant with this policy.

If a Reseller remains in compliance for twelve (12) months from the date of its last violation notification, its next violation will be considered a First Violation.

Any questions about this program should be submitted in writing to the Legal Department, Jacuzzi Hot Tubs, 13925 City Center Dr., Suite 200, Chino Hills, CA 91709.

We look forward to continuing to work with you in increasing the value of the brand by offering innovative products of unmatched quality and performance.

MAP Products

This MAP Policy will apply to all advertising prices (defined in our UMAPP policy) of MAP Product(s) by a Reseller, including, without limitation, print, and online.

There are two categories of MAP Products: “*Spas*” and “*Parts and Accessories*.” For a complete list of part numbers in the “Parts and Accessories” category, refer to the Jacuzzi Dealer Community website under Sales & Training.

Resellers must include the Jacuzzi part number when advertising MAP Products in the “Parts and Accessories” category when a price is listed.

Category - Spas

All new (unused) Spas, current model year and previous model year

- Advertisement must show model year if two or more model years old

Returned product – Advertisement must state that model is returned

Refurbished product – Advertisement must state that model is refurbished

Category - Parts and Accessories

Filters

CLEARRAY®- Bulbs and aftermarket kits

Minerals – ProClear

Circuit Boards and Control System

Control Panels

Jet Pumps

Circulation Pumps

Heaters

Pillows

Website

At <http://www.jacuzzihottubs.com>, consumers can locate their nearest dealer through a zip code tracking system. The site features spa models, lifestyle shots, award-winning installations, health benefits, company history, and much more. In addition, consumers can also request further information including free brochures. Along with the brochures, they receive a letter inviting them to visit their local Jacuzzi dealer.

Dealer Websites

The Internet is an important source of information for consumers and the benefits to you as a retailer are enormous. This is the reason that Dealer Renewals and Dealer Agreements state that all Jacuzzi dealers must have a website that professionally represents our spa products.

Your website should be optimized for local web search with the tagline of “Jacuzzi Hot Tubs of (Dealer City)” (e.g. Jacuzzi Hot Tubs of Sun City). Use of the Jacuzzi name in optimization should not be confused with using the Jacuzzi name in your business or URL. Ask for a dba Agreement if you wish to use the Jacuzzi tradename in a dba. Or if you would like to use the tradename Jacuzzi in your URL, please ask your Regional Manager for a URL licensing agreement. The Jacuzzi name can be used only with our express permission.

As the driving force behind the Jacuzzi corporate website (<http://www.jacuzzihottubs.com>), Ninthlink, Inc. invites you to participate in the Jacuzzi Dealer Website Program. Dealers participating in the Dealer Website Program will be provided a website complementing the current corporate website design. Your site will feature overviews of the latest products and accessories, and links to the corporate site for product detail. Dealers who include the optional hosting package will benefit from secure, reliable hosting complete with a suite of website analytics tools to assist you with web traffic reporting, email support, remote email access, and remote server management. Sign up today and you can enjoy the web presence you need to attract customers, motivate them to action, and drive traffic to your retail spa showrooms.

You can review a sample dealer website and learn more about the program at <http://www.ninthlink.com/jacuzzidealers/>. If you would like to participate in the program, please contact the Media Coordinator in the Marketing Department.

Dealer Community Website

Our Dealer Community website at <http://www.jacuzzipartners.com> provides a communication tool to support our dealers with features such as a document library, technical information, product and marketing updates, a calendar of events, and frequently asked questions.

Logon information is as follows:

Username: `jpsxxxxx` (xxxxx = your dealer number) all lower case
Password: Will be assigned by sales department

PLEASE DO NOT SHARE YOUR PASSWORD WITH ANYONE EXCEPT YOUR EMPLOYEES. Your password can be changed anytime upon your request.

The "***Your Account***" site provides you with access to reviewing information specific to your account and you can access up-to-the-minute information in our system including:

- Your current A/R balance, with date and amount of last payment posted.
- Month-end statements from the previous few months.
- Up-to-the minute listing of your orders - open and closed.
- Order shipment and tracking information
- Enter Warranty Registration online
- Check warranty claims by RGA tag number.
- A warranty look-up function that lets you check the manufacture date, warranty start date, and customer information by serial number.
- Download customer registration lists going back 6+ years

- Order Entry online (for limited personnel)
- Invoices and credit memos access (for limited personnel)
- ACH payment access (for limited personnel)
- Warranty Claim Submission (For limited personnel)

How to logon to "*Your Account*":

1. Click on the "*Your Account*" link at the top right portion of the Dealer Community.
2. Your Username is your five-digit dealer number. (Important: : **Do not enter** "jps").
3. Your Password is assigned and can be changed upon request.

There is a separate logon and password for those that you authorize to have higher-level security access. The Username will be your dealer number with an OE (stands for **Orders Entry**) added to the end (ie, 12999OE) and the password will be different for added security. Standard security settings allow anyone with order entry authorization to access all standard features and additionally view invoices and credit memos, make ACH payments, and submit on-line warranty claims. To change security settings, please call extension 2164.

Lead Management

Thousands of consumer leads are received monthly from our Internet site. We process these leads within 24-hours, e-mailing the nearest dealer with the consumer information. In addition, consumers receive an automated response via email customized to their request that also invites them to visit their local Jacuzzi dealer (email includes local dealer's contact information).

To help make your lead follow-up efforts easier and more productive, we have a web-based Lead Management System. Information for leads we receive that are assigned to your store is emailed to you and is immediately available in your Lead Management database.

This feature-rich Lead Management program provides a great way for you to receive leads and monitor and manage your company's lead follow-up efforts.

To assist you in managing your leads, these system features are available:

1. Search and sort Your Lead Summary Page

When you first view your Lead Summary Page, all leads are listed from newest to oldest. Now you may search the leads by a number of variables or sort them by simply clicking on the appropriate column heading. For example, if you want to find a particular lead, you can click on the "Name" column heading and the list will sort by alphabetical order of last name. Click the heading again to sort in reverse the sort order.

2. Download to Excel

Now you may download your entire lead database to Microsoft Excel. If you like, you may specify criteria, such as time period, lead status, source, state, etc. before downloading. Downloading to Excel allows you to sort in a variety of ways.

In addition, we have made training videos and documents available to you in the Help section of the lead management system.

- Video Tutorials that show you how to perform common tasks in the system.
- A Training Guide that provides step-by-step guidance to help you use the system.
- Contact information for assistance resolving technical issues.

To review and update the Lead Management System online, log on to www.JacuzziLeadManager.com. Your log-in e-mail address and initial password has been sent to the email address you provided us for account administration. To protect your privacy, we recommend that you change your password at your earliest convenience

We are committed to helping to make your lead follow up as easy and effective as possible. If you have any questions or suggestions, please contact your Regional Manager

Sales Certification Program

The Sales Certification Program features a dynamic selling system that was designed to teach consultative selling techniques to work with your prospective buyers. The keys to success are learning how to assess your prospect's needs, determine how they process information and then allowing them to actually help you make the sale.

The two-day format is interactive and features role-play exercises and team competition. You will learn how to compete more effectively in your local market by learning about your top competitors.

The course is open to all experience levels. Whether you are a new hire, seasoned sales veteran, or an owner/manager, these two-day workshops will provide you with a new set of tools and the skills to use them effectively and consistently.

Workshops are scheduled throughout the year in cities across the US and Canada.

Online Sales Training

Is traveling for sales training too expensive? Is it difficult for your sales staff to get out of the store for several days? Our solution to these problems is the Jacuzzi Certified Sales Professionals Online Training Program.

We have taken the two-day live workshop and created a self-paced online training program. With this program you will be able to train new sales staff quickly, which will reduce the learning curve and improve results for more sales productivity. All of the online modules follow the chapters in the Certified Sales Professional Training Guide. By becoming certified, your staff will become eligible for future training sessions.

Requirements for certification:

- A computer with a high speed internet connection and speakers (or headphones)
- Completion of all eleven modules
- All homework returned by fax for evaluation
- Quizzes at the end of each module must receive a passing grade. Participants will get two attempts at each quiz

The Certified Sales Professionals Online Training Program must be completed within two weeks.

Sales Webinars

The Certified Sales Professionals Webinar is a great way to recharge and refresh your sales staff every month.

There are a variety of topics covered in these 30-45 minute web-based training sessions. The topics of the webinars focus on sales techniques, tools and tips that can be implemented quickly and that will give you results right away.

You will be sent an e-mail invitation in a Dealer Community update when new sessions are available. In the update will be the registration link to the webinar, the topic and time of day.

In the event you cannot make it to the live webinar, we store all webinars on the Dealer Community website in the Webinars on Demand Library. Click on “Sales and Training” then click on “Webinars” then on Webinars on Demand for the full library.

Training Inquiries

For a complete catalog of all the training options available, visit the Dealer Community. If you have any questions about any sales training event, registering for a webinar or viewing past webinars, please contact your Jacuzzi Regional Manager or James Schrage, Dealer Development Manager at james.schrage@jacuzzi.com or call (406) 371-5940.