



CONFIDENTIAL

(DEALER NAME) Lorell® Diamond Showroom Dealer Program Agreement

S.P. Richards Company, 4300 Wildwood Parkway, Suite 100 Atlanta, Georgia 30339 (hereinafter referred to as SPR), and (Dealer Name), (Dealer Address), account (Number), agree to the following terms and conditions for the SPR Lorell® Diamond Showroom Dealer Program Agreement (hereinafter referred to as the Agreement) for the period covering (Date to Date).

First Call Furniture Commitment

(Dealer Name) agrees that it shall maintain a First Call Furniture commitment with SPR throughout the term of this agreement. First Call Furniture is defined as 90% of wholesale purchases or a minimum of \$XXX,XXX in annual Net Purchases (as defined below), whichever is greater. For purposes hereof, "Net Purchases" shall mean gross purchases less purchase returns, purchase discounts, purchase allowances and taxes and shipping.

In conjunction with the First Call Furniture commitment, Dealer Agrees to Utilize Lorell® and FurnitureAdvantage™ on their Website as well as SPR produced marketing materials including, but not limited to, SPR produced furniture catalogs.

Product Pricing and Rebate Programs

1. Lorell® Furniture Volume Rebate

SPR will provide a volume rebate up to 3% to be paid on the Lorell® Net Purchases (as defined below) once a minimum of \$50,000 is achieved. First Call purchase and payment requirements must be met to qualify for this rebate. For purposes hereof, "Net Purchases" shall mean gross purchases less purchase returns, purchase discounts, purchase allowances and taxes and shipping. The rebate rate is based on current year, total Lorell® merchandise Net Purchases (as defined below). For new dealers, the program begins on the first day for the month following program approval and the showroom is approved and open.

<u>Total Purchases</u>		<u>Rebate</u>
\$0,000,000 to \$49,999	earns	0.00%
\$50,000 to \$99,999	earns	1.00%
\$100,000 to \$149,999	earns	2.00%
\$150,000 to greater	earns	3.00%

2. Lorell® Furniture Marketing Development Fund

SPR will provide a Marketing Development Fund of 2% to be accrued on the Lorell® Net Purchases (as defined below). Lorell® Furniture purchase and payment requirements must be met to qualify for this fund. For purposes hereof, "Net Purchases" shall mean gross purchases less purchase returns, purchase discounts, purchase allowances and taxes and shipping. The Marketing Development Fund is a non cash fund.

First Call purchase requirements as well as payment terms and conditions must be met to qualify for this rebate and marketing development fund.

The Lorell® Marketing Development Fund spending strategy is to be developed with and approved by the SPR Furniture Business Development Manager. Lorell® must be prominently featured in all marketing material and contain the standard Lorell® logo and use all brand guidelines. Submission of funds must be approved by the SPR Furniture Regional Sales Manager, SPR Director of Sales for Furniture and the SPR Vice President Merchandise for Furniture. Categories eligible for either 50% or 100% reimbursement are attached in the current Lorell® Marketing Development Fund document.

The Lorell® Marketing Development Fund is based on an annual net direct/Lorell® volume. Open orders are not calculated in determining level, only orders that are shipped and billed will count. Claims must be filled within 60 days of the invoice date of marketing material. Claims will be paid up to the accrued amount. Remaining funds do not carry over to future years or have a cash value. All claims will be approved at 50% unless otherwise published. If there is a request for an exception, the SPR Director of Sales for Furniture must give prior-approval. The Lorell® Marketing Development Fund is based on a calendar year and the program must be renewed on an annual basis. For new dealers, the program begins on the first day of the month following program approval and the showroom is approved and open. The last submission date for current year claims is February 1st of the following year. Funds will expire if not invoiced by January 1st of the following year.

Lorell® Furniture Volume Rebate Payment Schedule

All rebates are paid annually. Rebates checks will be issued in late February after SPR has closed out the prior years' financials.

Lorell® Diamond Dealer and SP Richards Requirements

All requirements of the Lorell® Diamond Dealer and SPR are defined in Appendix A, see attached.

Credit Terms

To qualify for the SPR programs and rebates outlined in this program agreement, (Dealer Name) must maintain their account with SPR in good standing, meet all program volume requirements, and make payments within standard payment terms. Standard payment terms are as follows:

Payments must be received in our bank by the 15th of the following month to be eligible for Volume Cash Discount (VCD). Payments received after the 15th of the month do not earn VCD, Advertising Allowance or any other rebates based on discounted sales. Accounts not paid in full by the 25th of the following month are considered past due. Orders are subject to being held if account is not paid within terms.

Past due accounts are subject to forfeiture of VCD and any accrued or future rebates and incentives that might otherwise be applicable.

Credits and Returns

SPR will accept returns of stocked product in resalable condition for full credit for thirty days from the invoice date. SPR reserves the right to deny damaged or defective returns after the 30 day period expires. Returns of damaged, defective, or discontinued items will not be accepted after 30 days from the invoice date. Food, beverages, and pharmaceuticals, not shipped in error by SPR, are non-returnable.

Change in Ownership

This program agreement becomes null and void in the event of a change of ownership.

Confidentiality

This is a confidential agreement. (Dealer Name) agrees to not disclose the terms and conditions of this Agreement to parties outside those noted in this agreement. Disclosure could result in the termination of this agreement.

AGREED TO AND ACCEPTED BY:

(DEALER NAME)

Agreed By: _____
(Print)

Signed: _____

Title: _____

Date: _____

AGREED TO AND ACCEPTED BY:

S.P. Richards Company

Agreed By: _____
(Print)

Signed: _____

Title: _____

Date: _____

Agreed By: _____
(Print)

Signed: _____

Title: _____

Date: _____

APPENDIX A

The following requirements of the Lorell® Diamond Dealer and SP Richards (hereinafter referred to as SPR) are defined below.

Lorell® Diamond Dealer Requirements

- Must be 1st Call Furniture with SPR, in good standing
- Must be a FurnitureAdvantage™ dealer
- Must have Vibrant website with Lorell® in a featured position
- Lorell® becomes entrenched in all marketing to include, business cards to billboards, using the designation: "*A Lorell® Diamond Showroom Dealer*"
- Must have a Lorell® Showroom display that is clearly defined of at least 900 square feet (30'x30'). The Lorell® Showroom space will be a collaborative effort between Dealer and SPR Furniture Regional Sales Manager. The layout and design will be led by the SPR Furniture Regional Sales Manager.
- Only Lorell® Product will be shown within the Lorell® Showroom area, to include desk accessories, chair mats, etc. This display is to be kept current and is not to be used as "stock for sale".
- Must display approved Lorell® Diamond Dealer Signage on the dealer's front door, and approved Lorell® signage in the dealer showroom and/or on delivery vehicles
- Required to make catalog purchases of both the Furniture Catalog and the Lorell® Catalog (mutually agreed upon quantities)
- ALL Lorell® Promos will be supported by a Lorell® Diamond Dealer

SP Richards Requirements

- A Lorell® Diamond Dealer will be included in ALL Lorell® Promos offered by SPR such as the Lorell® Growth Program
- Lorell® Showroom discount of 50/50 with 90 day dating or a discount of 50/20 with 180 day dating with the requirement the product must remain on display for a minimum of six months
- Provide Lorell® Showroom format for consistent tagging, pricing and marketing of products
- A Lorell® Volume rebate broken down into two categories will be provided based on meeting volume and growth requirements established between the dealer and SPR Furniture Regional Sales Manager approved by the SPR Director of Sales for Furniture and the SPR Vice President Merchandise-Furniture. Up to a 3.0% volume rebate based on sales and/or growth and a 2.0% Lorell® Marketing Development Fund for marketing and advertising.
- SPR will make available marketing materials to support the Lorell® Diamond Dealers as a specific sales channel selling Lorell®. Products may include, but not limited to, are Signage, indoor and outdoor, floor and ceiling signage and Lorell® logo area rugs and chair mats, truck wraps, shirts, hats or outerwear, and Lorell® Diamond Dealer promotional pieces
- Support with design and resources specific for Lorell® Diamond Dealer identification
- Lorell® catalogs with proprietary cover options
- Website Assistance
- Social Media Creative
- E-mail Campaigns
- Name Badge Recognition as a Lorell® Diamond Dealer at ABC

- To provide the Lorell® items in the specifying software, GIZA
- To provide a centrally located customer service and space planning program. Customer Service will provide product assistance, order receipt for replacement parts, warranty assistance, assistance with assembly or installation questions, fulfill request for product or sales samples and literature, provide project discount assistance.
- Develop a Lorell® Diamond Dealer Council that consists of up to one dealer from each SPR Furniture Regional Sales Manager territory to present growth opportunities or product suggestions to SPR. This group will meet a minimum of twice a year.
- The Lorell® Diamond Dealer will be first in search on the dealer locator on Lorell website.

AGREED TO AND ACCEPTED BY:

AGREED TO AND ACCEPTED BY:

(DEALER NAME)

S.P. Richards Company

Agreed By: _____
(Print)

Agreed By: _____
(Print)

Signed: _____

Signed: _____

Title: _____

Title: _____

Date: _____

Date: _____

Agreed By: _____
(Print)

Signed: _____

Title: _____

Date: _____