



SALES POLICY

WINSTON INDUSTRIES, LLC

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WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Commitment Statement
File No.: 100.1

OVERVIEW:

The company has created the following commitment statement:

“Driven to create treasured partnerships with our customers and our employees, providing the fuel for them to manufacture their dreams.”

PROCEDURES:

Winston is committed to those that are committed to us. The company invests our resources in individuals and/or companies that demonstrate a dedication to work as a mutually beneficial partner. Winston will not ignore the need of other entities that are more transactional in their relationship approach, but they will be deprioritized.

A Winston Sales Partner (WSP) may have their own ethos and business strategy; however, being partnership-centric is a core requirement. Some characteristics that demonstrate a partnership-centric approach are as follows:

- Candid Communication- Always genuine in approach and maintain transparency with information that confidentiality is not necessary.
- Idea Sharing- Reach out and share perspective on trends, the industry, a customer, or a best practice. If it is something that we should consider in efforts to make Winston a better company, that idea should be shared.
- Mutual Investment- Share in the wins with Winston and be willing to sacrifice together with concessions and other exceptions that make business sense. Invest back into your business for growth, efficiency, and health. Ensure that investments support our mutual customers.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Promulgation of Sales Policy
File No.: 100.2

OVERVIEW:

The Sales Policy will define how the Winston Sales Partner (WSP) and the Company will do business with each other in the sale of products. As the world is ever-changing, the company will continue to make changes to products, objectives, business strategies, programs, and policies.

PROCEDURES:

The company reserves the right to make business changes but will maintain communication of these changes and provide advanced notice whenever reasonably possible. Notifications may include emails, calls, or other contemporary methods.

Any requested changes by Winston or WSP that are clearly outlined in the scope of existing contracts will be subject to discussions with applicable parties and executed via contract addendums or termination & rewrites.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Sales Policy Review
File No.: 100.3

OVERVIEW:

Winston will utilize a team of operational and executive stakeholders to periodically review the Sales Policy ensuring that we are aligned with our business strategies and maintaining a contemporary approach to the practices in our industry. Additionally, Winston is always willing to consider feedback from our Winston Sales Partners (WSP) on how Sales Policy could be improved or how we can suck less.

PROCEDURES:

Winston will review components of the Sales Policy on an annual basis. Notifications of changes will be consistent with those mentioned in other sections of the policy.

A WSP may request revision/change to the Sales Policy at any time. They shall provide an overview of their suggestions in writing to their applicable Regional Sales Manager. If the request requires urgency for consideration that is under sixty (60) days, the WSP shall send the written request directly to the Director of Sales. Winston will review and may request a call for further discussion. Final decisions on urgent requests to be made within sixty (60) days from the time that the request was received.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Protection of Proprietary Information
File No.: 100.5

OVERVIEW:

As written by legal team...Proprietary Information includes, but is not limited to: knowledge, information, trade secrets, data processes, methods, quality control information, customer lists, price lists, customer information, contracts, proposals, suppliers, and technical engineering information possessed by the Company, its owners, directors, officers, employees and agents, but excluding information known to a third party who is legally entitled to disclose such information, or information which is or becomes part of the public domain without fault of the Winston Sales Partner (WSP).

PROCEDURES:

The Company will comply with all reasonable requests of its customers in the protection of proprietary information. The Company, as well as the WSP, will refrain from mention of any development program between it (the Company) and another customer.

The Sales Partner shall not divulge or use at any time confidential or proprietary information of the Company either during the term of this Agreement or any time after termination, except as necessary to perform its duties.

In all cases, please help us all avoid paying unnecessary legal fees on this subject.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Literature
File No.: 100.6

OVERVIEW:

Winston strives to maintain a contemporary approach to technology within all aspects of business operations. Given the normalization of using electronic means to gather product information, Winston will continue to push towards an online/electronic support system. This includes operational training, service training, product spec sheets, brochures, flyers, price lists, and other applicable collateral. The company will create and maintain methods for Winston Sales Partners to access the content easily from online sources.

While the Company will continue to move towards a nearly paperless world, it also recognizes that there may be some practical applications where printed collateral may be required. In support of that, it may provide a limited supply of documents in paper form.

PROCEDURES:

Winston will continue to maintain a library of shareable sales documents and marketing collateral online. WSP to utilize electronic documents whenever reasonably possible.

Any requests for printed collateral will be limited to the scope of work provided by the Winston Marketing Team. Requests for material should be submitted to the Regional Sales Manager for coordination. The Regional Sales Manager will evaluate the volume requested, approve, or adjust accordingly, and coordinate for printing and delivery to the WSP. All requests for expedited shipping shall be at the expense of the WSP.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Authorized Service Partners
File No.: 100.7

OVERVIEW:

Winston works to maintain a worldwide network of Authorized Service Partners to perform service work on its equipment. Warranty work must utilize a negotiated rate, as well as scope of support. In some cases, we may not have the necessary coverage and may reach out to the Winston Sales Partner (WSP) to discuss choices for servicers in the territory.

PROCEDURES:

In-Warranty Service. Defined as service work performed on equipment under terms of the Company's Warranty Agreement. Only Authorized Service Partners are to be used for such work. Warranty service must be preapproved and dispatched only by Winston Customer Care. A WSP is never authorized to schedule a warranty call.

Out-of-Warranty Service. As its name implies, this category of service is performed on equipment after expiration of the Warranty Agreement, or work that does not qualify under its provisions. For this type of service, the customer may contact anyone they want. If they have an "Uncle Frank" that can turn a wrench, we will help walk Frank through it on the phone or via video at no charge, but we are not paying for it.

Questions relative to whether service work qualifies for In-Warranty Service should be referred to Winston Customer Care.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Line Card Expansion
File No.: 100.8

OVERVIEW:

Winston recognizes that the acquisition strategy that is taking place within the industry will continue to create more challenges with line conflict. We are committed to being pragmatic in our approach to this and will generally accept Winston Sales Partners (WSP) with minor conflicts within their line card. The big ones, probably not so much.

PROCEDURES:

Winston will continue to pursue new product innovation; however, it does so cautiously and in active consideration for any line conflicts that may arise. The company will not guarantee that it will not release new products that compete with another manufacturer that a WSP represents, but it will proactively reach out before serious consideration of highly competitive product categories. All WSPs will be provided with advanced notice prior to the launch of any new product that falls into a different NAFEM product category.

The company requests that the WSP provides advanced notification of any non-competitive line card addition prior to the finalization of the contractual agreement. The company requires advanced notification of any competitive line card addition prior to the finalization of the contractual agreement. Competitive equipment is defined as manufacturers that sell products that are listed in the same NAFEM product category. Advanced notification is defined as a time commensurate to that defined in the WSP contract for notification on termination of the contract. Failure to comply with proper advanced notification on competitive lines is considered a violation of the Sales Policy, which may result in immediate termination and consideration for discontinued commissions upon termination.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Company Training, Meetings and Conferences
File No.: 100.9

PURPOSE:

The Company has developed a Winston Sales Training Program for its Winston Sales Partners (WSP). The specific method of training used shall be agreed upon by the WSP and the Company.

PROCEDURES:

The WSP shall attend and/or send other personnel when requested, or deemed advisable by the Company, to product training sessions, sales meetings, or other legitimate activities at the Company office, or other locations deemed appropriate.

The WSP will be responsible for travel and other on-site expenses while undergoing training. The Company will be responsible for lodging. For other required meetings, the WSP will be responsible for travel, lodging and other expenses, unless otherwise stated in the meeting/conference announcement.

The Company may conduct training for specific purposes at locations away from the Home Office. In such instances, the Company and WSP will agree on allocation of expenses for such training.

WINSTON INDUSTRIES, LLC

Sales Policy

Division: Sales
Issue Date: 1/22/01
Revised Date: 11/9/21
Item/Description: Policy Defining International Distributor Service Commissions
File No.: 102.1

OVERVIEW:

Winston requires all International Distributors to provide a satisfactory infrastructure to support our customers (end-users) with prompt warranty and non-warranty service support. The cost of developing proper service coverage is the responsibility of the International Distributor and should be funded through the profits earned from the resale of all products. If an out-of-market KES (Kitchen Equipment Supplier) delivers into their respective market a service commission may be warranted.

PROCEDURES:

When an authorized KES purchases Winston products for customers within a given territory, the Company may require an international warranty and logistic fee and provide a service commission to the applicable in-country international distributor. Commission payments are based on the Company's International Export & Warranty fee procedure and are subject to change or termination at the discretion of the Company.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales
Issue Date: 1/22/01
Revised Date: 11/9/21
Item/Description: Policy Defining Standard Domestic Commissions
File No.: 103.1

OVERVIEW:

The Company will pay commission to Winston Sales Partners (WSP) based on the value of contribution for their activities. Winston currently sells a niche product and prefers selling groups over buying groups. As such, the company prioritizes compensation for specification of the product first, training of our products second, and managing dealer logistics last.

PROCEDURES:

Following the payment of an invoice to an equipment order, Winston will pay each WSP in relation to the following value. A percentage of the total available commission on standard orders shall be split as follows: 50% specification, 40% destination, and 10% origination.

The total commission shall be based on net invoice to be paid, less any trade-in or related rebates, but excludes year-end volume dealer rebates.

- Commission rates on all CVap or Collectramatic cooking appliances shall be 15%.
- Commission rates on CVap Holding or Oil Filter appliances shall be 10%.
- Commission rate on Extended Service Plans (ESP) shall be 10% for all product categories.
- There will be no commissions earned for parts, accessories, or supplies at any time.
- There will be no commission earned for direct invoiced orders to a WSP.

The split applies to all Standard orders (USA and Canada) that do not exceed maximum discounting rates of 50/15 off list price, with each category defined as follows:

Specification Commission (S) – Specification commission is defined by the Company and given to the Representative that was the primary influencer to secure the sale of a Winston Product. This would include activities with a consultant, dealer, end-user, or other related influencers. If multiple WSPs are involved in securing a specification, Winston will discuss with all parties and select the primary WSP for this category.

Origination Commission (O) – Origination commission is defined by the Company and given to the Representative that works with the local dealer/distributor to oversee the order for accuracy, logistics, and assist with timely collections. Origination commission will not be given to Representative on customer orders who require direct purchases or purchased through a Representative owned distribution company.

Destination Commission (D) – Destination commission is defined by the Company and given to the Representative that completes hands-on start-up training and supports the operational needs of the customer. Destination commission will not be given to Representative for Shared Account customers not requiring standard training (e.g., Chain customers that have formalized SOPs for our equipment). Winston reserves the right to verify that training has been conducted prior to paying destination commissions.

All orders that exceed a discounting rate beyond 50/15 from the current List Price will be subject to a specification commission reduction at a rate of 1% less per 5% of additional discount given. Examples of reductions are as follows:

- CVar Holding Cabinet sells using discount of 50/15/5
- 10% Commission Rate = 5% Spec, 1% Origination, and 4% Destination
- Revised Commission Rate = 4% Spec, 1% Origination, and 4% Destination

The WSP will not receive a reduction in commission due to the impact from a qualifying pre-approved 5% dealer spec credit.

Winston Industries reserves the right to adjust commission structure based on contributions of individual rep groups.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 1/01/04
Revised Date: 11/9/21
Item/Description: Policy Defining Domestic Bonus Commissions
File No.: 103.2

OVERVIEW:

The Company, at their discretion, may offer a bonus commission to a Winston Sales Partner (WSP) for achievement of goal(s) within a given territory.

PROCEDURES:

Winston will evaluate each territory and WSP annually for consideration for bonus commission availability. If approved, goals will be defined and communicated in writing to WSP as soon as reasonably possible. Winston will monitor annual sales goals but will not be responsible for monitoring progress towards any bonus commission opportunities.

Winston will pay all bonus commissions within 30 days of auditing the achievement of those applicable goals. Any disputes by a WSP of a goal achievement may be communicated in writing no later than 30 days following when the bonus commission would have been processed. Winston will review all dispute communications and make final decisions no later than 30 days of notification.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 1/01/04
Revised Date: 11/9/21
Item/Description: Policy Defining Shared Account Commissions
File No.: 105.1

OVERVIEW:

Winston is very involved with chain accounts, many of which require extensive marketing, R&D, or account maintenance costs. In most cases, these types of accounts also have a comprehensive SOP for equipment start-ups and do not require (or really want) training by a Winston Sales Partner (WSP). In these situations, the company may define those accounts as "Shared" which maintains specification and origination commission but eliminates destination payments.

PROCEDURES:

Shared Account Commission

Winston will evaluate the customer list regularly and maintain a list of customers that are defined as "Shared Accounts." The Shared Account list will be made accessible to WSP for review.

Shared Accounts will qualify for specification and origination commission only, less any commission reductions for exceeding the standard 50/15 discounting rate, as defined in Section 103.1 of the Sales Policy. Discounts on Shared Accounts that meet/exceed the 50/25 rate will have the commission reduction adjusted as follows:

- Specification Commission for orders meeting/exceeding 50/25 will not have commission reduced to an amount lower than 2.5% earned.
- Origination Commission for orders meeting/exceeding 50/25 will be earned at a rate of ½%.

Winston reserves the right to modify commission percentage on a case-by-case basis with written notification to appropriate WSP.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 1/01/04
Revised Date: 11/9/21
Item/Description: Policy Defining Reserved Account Commissions
File No.: 105.2

OVERVIEW:

The Company may maintain a small list of Reserved/House Accounts, which do not require a Winston Sales Partner (WSP) for support. These accounts demand direct support and incur significant costs through marketing, R&D, or account maintenance. Reserved/House Accounts are not eligible for commission.

PROCEDURES:

Winston regularly evaluates all customers and may deem a customer a Reserved Account, based on the needs of the customer and company. Reserved accounts are not selected without careful consideration, and WSP will be involved in any discussions prior to moving an existing account to that status.

Reserved/House Accounts may be called upon by WSP as a representative of Winston only if authorized in writing by the Company.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 1/01/04
Revised Date: 11/9/21
Item/Description: Policy Defining Global Account Commissions
File No.: 105.3

OVERVIEW:

Global Accounts are defined as a customer (end-user) that is specifying products for a location outside of the country in which the headquarters resides. While it is not common, Winston has created this policy to support a Winston Sales Partner (WSP) that can provide comprehensive support on an international sale.

PROCEDURES:

Winston will evaluate sales for qualification for commission on Global accounts.

WSP may receive a 5% spec commission based on orders that meet all the following criteria:

1. WPS provides a summary of specification support and customer activity to Winston Director of Sales prior to providing a quotation to an international order.
2. Discounts not to exceed 50/15
3. Purchase orders to include the standard 7% International Logistic & Warranty Fee (US/Canada orders do not require 7% Intl logistic & Warranty Fee to qualify)
4. Specification for the order was primarily driven and held internationally by the WSP.
5. Winston does not incur significant costs through marketing, R&D, or account maintenance

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 3/21/95
Revised Date: 11/9/21
Item/Description: Policy Defining Original Equipment Manufacturers (OEM) Accounts
File No.: 105.5

OVERVIEW:

An Original Equipment Manufacturer (OEM) is defined as an organization that manufactures equipment which is sold into the foodservice industry. Because of limitations in technology or other business reasons, the Company may reach a partnership as an OEM or with an OEM for the purpose of expanding sales. In such instances, the Company reserves the right to restrict those accounts and/or products, and modify the sales policy, distribution program, and commission policies to support these partnerships.

PROCEDURES:

Winston will deem OEM opportunities as Reserved/House accounts and not eligible for commission. Exceptions are considered for opportunities that have a separate applicable contract for the sole purpose of providing commission on OEM orders.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Customer Training of Equipment
File No.: 105.6

OVERVIEW:

Winston is committed to supporting a partnership mentality with our customers. As the Winston Sales Partner (WSP) is the face of Winston, they play a critical role in ensuring that our mutual customers get the most out of our equipment.

The Company requires that the Sales Partner completes start-up and operational training on all equipment sold to Accounts within the assigned territory, except those previously identified Shared/House Accounts or Reserved Accounts that do not require training.

PROCEDURES:

Winston requires the WSP to perform start-up training on ALL Winston equipment they receive destination commission on. The WSP is required to maintain a list of incoming equipment to their territory, schedule a convenient time to visit, and execute a kick-ass training that provides a comprehensive overview of how to operate and maintain the customers' Winston equipment. The WSP will continue to provide operational support for their customers for a reasonable time. For customers that are on their "7th chef" after 4 years, a WSP can politely pass that call to Winston Customer Care.

The company reserves the right to retract or deny payment of destination commissions if the WSP does not provide the required training on the equipment for the customer.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/2021
Item/Description: Policy Defining Price List & Discounts
File No.: 110.1

OVERVIEW:

Winston will maintain a standard Price List on all equipment. The Winston Sales Partner (WSP) uses that Price List as a basis to check pricing and availability for all quotes. The company will provide the WSP flexibility in pricing to the marketplace; however, there are guidelines built-in to help protect partnerships and in-territory activities.

PROCEDURES:

The Company will regularly review material costs, labor costs, and competitive position to establish pricing. They will issue a Standard Price List to WSP as needed. The WSP shall utilize an updated Winston Price List to provide quotations for Winston equipment that have a validity of 30 days. Any requests for quotations longer than 30 days require written approval by the applicable Winston Regional Sales Manager. Quotation requests from 6-12 months also require written approval by the Winston Director of Sales.

When quoting a non-preferred dealer, the WSP may provide a discount between 50 off to 50/10 for projects outside the territory and a discount between 50 off to 50/15 for projects within the territory. While the WSP can extend 50/15 within the territory, Winston strongly recommends maintaining a max discount of 50/10 for non-preferred dealers across the board. Preferred Dealers will be subject to the previously agreed upon pricing in the Preferred Dealer Agreement. All pricing shall follow state and federal pricing regulations. Discounting on parts for dealer orders are 50 off accessories and supplies, 25 off for service parts. Direct questions regarding parts classification or list pricing for accessories/supplies/service parts to Winston Customer Care.

When quoting a Shared Account, please consult with a Winston Regional Sales Manager to determine if there are any contract pricing or distribution limitations that exist. In all cases, WSP is not permitted to offer freight discounts, spiffs, or other programs without prior approval of the Winston Regional Sales Manager.

The Company reserves the right to change prices, specifications, discounts, and effective dates without notice. Winston will honor any quotations within the standard 30-day period and/or quotations that are previously approved with a longer duration.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Order Acceptance
File No.: 110.3

OVERVIEW:

All purchase orders for Winston products shall be sent to Winston and must include some basic information to accept and process the order. If needed, the Winston Sales Partner (WSP) shall assist them with getting required information on the order, as it will support the proper distribution of commissions to the WSP network.

PROCEDURES:

All purchase orders shall be sent to Winston and must include:

- Product configuration (hinging, electrical spec, options, etc.)
- Freight Information (delivery address and collect vs prepaid vs 3rd party)
 - Winston prepaid freight quotes are valid for 7 days
 - If freight quote at time of shipment varies more than +/- 10% of original freight quote, Winston reserves the right to adjust invoice accordingly.
- Desired delivery date (not asap)
- End-user's company name and location.

The WSP will assist in gathering missing information for a PO. At their discretion, the Company may accept or reject the purchase order. Winston will notify the Winston Sales Partner (WSP) on any orders that are rejected. An order confirmation will be sent on all accepted orders, which will include the details of the products ordered, pricing, and estimated delivery dates. The order confirmation shall be reviewed for accuracy by the entity ordering the products. Any mistakes shall be communicated within 2 business days from receiving the order confirmation.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Winston Terms & Conditions
File No.: 120.1

OVERVIEW:

All orders are subject to Winston's Terms and Conditions.

PROCEDURES:

The Terms and Conditions, <https://foodservice.winstonind.com/terms-and-conditions/> , are a part of every sale of the Company's products with some key points as follows:

- Orders are not effective until an order confirmation is sent from the Winston factory.
- Confirmed orders may not be cancelled or delayed without written approval from Winston.
- Cancelled or delayed orders may be subject to a 20% inventory adjustment/warehousing fee.
- Products may not be returned without written permission from Winston.

Winston's standard Terms and Conditions will apply to all sales unless otherwise expressly agreed to in writing by the Company prior to receiving the purchase order. A Winston Sales Partner (WSP) is not authorized to make changes to the terms and conditions of the sale.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Credit and Collection
File No.: 120.2

OVERVIEW:

Winston provides payment terms for most dealers/distributors that purchase from the Company. Winston will not provide payment terms, requiring prepayment on orders, for companies that have not purchased from us previously or for companies that have a poor credit history with us. Winston will not provide terms to end-users. In fact, we do not really want to sell direct, so let's just avoid that question.

PROCEDURES:

The Company will utilize contemporary methods to evaluate all dealers/distributors credit worthiness. If required, Winston may request assistance from the Winston Sales Partner (WSP) to obtain credit information and/or contacts relative to the dealer/distributor.

Companies that are authorized to be on payment terms will have a credit limit that must be maintained for all open orders. Companies that are required to prepay may be required to prepay prior to entering the order, prior to scheduling into production, prior to delivery, or any combination thereof. At Winston's discretion, a prepaid order may be delayed in production or shipment for lack of payment. As an alternative to extending credit or prepayments, the Company may request a certified Letter of Credit, which fees may occur for both parties.

The Company may request the assistance of the WSP to liaise with the Dealer/Distributor in their assigned territory to assist with any collections for funds that have exceeded the defined credit term.

It is the responsibility of the dealer/distributor to collect funds from the customer (end-user) in a timely fashion, and the payment on an order to the Company shall not be delayed due to any customer collection disputes.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 1/6/14
Item/Description: Policy Defining Returned Goods
File No.: 120.3

OVERVIEW:

Winston will consider accepting the return and refund for goods shipped or orders canceled. If approved, the goods will be subject to a standard restocking fee.

PROCEDURES:

Winston's Terms & Conditions of Sale details all consideration for returned products, with some key points as follows:

- Winston must provide written authorization for the return, which will include a RA (Return Authorization) number that is applied to the returned package.
- All approved returns are to be sent via prepaid freight by the dealer/distributor and must be received to Winston as "new" (original packaging and condition)
- Any missing packaging or need to restore products to new condition are the financial responsibility of the dealer/distributor.
- All approved returns (including canceled orders) are subject to a restocking fee of 20% of the value of the goods, with a \$30 minimum restocking fee.
- Winston reserves the sole right to determine the amount of the credit to be issued on any returned products.
- No returns will be accepted on modified or special-order products, used products, or products that are older than 90 days from the original date of shipment.

The Winston Sales Partner (WSP) may request consideration for reducing the restocking fee for unique circumstances. These concession requests should be limited to preferred dealers only and approvals must be made in writing by the Winston Director of Sales. In most cases, a WSP should expect to be asked why they (or the dealer) cannot just sell them.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 1/6/14
Item/Description: Policy Defining Freight
File No.: 120.4

OVERVIEW:

Freight damage sucks, but it is a reality that we all must face. The procedure below shall be utilized to minimize exposure, costs and frustration for the customer, dealer/distributor, and yourself.

PROCEDURES:

All products are shipped FOB (Factory origin). The dealer/distributor takes responsibility for the goods in transit when the goods leave Winston's dock. The following steps should be followed on all deliveries:

1. If damage is noted upon delivery (before unpacking occurs), the receiver should refuse delivery and have the carrier arrange for return to the factory for claim inspection. The receiver should also immediately notify the dealer/distributor for replacement ordering.
2. The appliance should be unpacked and inspected fully while the delivering driver is still present to ensure there is no damage and avoid "concealed" damage concerns.
3. If the carrier leaves before a full inspection is done, retain the original packaging for potential use in a damage claim. Fully inspect the appliance for concealed damage.
4. If concealed damage is discovered, the receiving customer must notify the carrier via phone of the damage the day of delivery and file a formal damage claim.
5. Review damage with carrier's claims department (including showing the original packaging).

Damaged equipment that has been unpacked should not be returned to the Company. The Winston Sales Partner (WSP) should never instruct a customer to return goods to the Company without getting return authorization and shipping instructions from the Company. The Company reserves the right to deny acceptance of any unauthorized returns and/or to charge the customer to cover costs of testing, refinishing and/or restoring.

Winston will not be responsible in any way for units that were delivered to a dealer/distributor and later to the end-user however, the WSP may contact Winston Customer Care in those situations to request assistance with discounted parts to get the unit fully repaired. In most cases, we will try to help.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 1/6/14
Item/Description: Policy Defining Winston Marketing Activities
File No.: 130.1

OVERVIEW:

The Company may utilize a variety of methods to market itself and its products. These will include tradeshows, advertising, social media, blogs, videos, or other methods. All corporate activities that are intended to support national initiatives will be funded by Winston however, in-territory marketing activities will be funded by the Winston Sales Partner (WSP), with the consideration of financial support from the Company.

PROCEDURES:

Winston will create an annual marketing plan that covers most marketing activity for the following year. Any nationally focused marketing campaigns will be budgeted for and funded by the Company. Any requests for in-territory marketing support (financial or project-based) by a Winston Sales Partner (WSP) for the following year shall be made to the Winston Regional Manager by no later than September 1st for planning and consideration.

The Company may request the WSP in gathering/creating content for any marketing activities. The Company may also request participation by sharing content, participating in tradeshows, or other related activities.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 1/6/14
Item/Description: Policy Defining In-Territory Marketing Support
File No.: 130.2

OVERVIEW:

A Winston Sales Partner (WSP) is encouraged to participate in marketing efforts within the territory; including tradeshows, educational seminars, and other events that highlight Winston and/or their other lines. Winston may support these efforts based on planning and in proportion to other lines.

PROCEDURES:

A WSP shall submit requests for marketing support (including funding) planned for the following year by September 1st. The request shall include an overview of the activity type, identification of target audience (market segment, consultants, end-users, etc.), requested type of support needed from Winston, identification of other participating lines, a timing.

For budgeting purposes, the WSP shall bear the responsibility for all personal expenses associated with the event. For expenses relating to food demonstrations, booth fees, dues, or other similar costs, Winston will consider financial participation. In the events/activities that highlight multiple manufacturers, Winston will pay a maximum of 50% of the proportional activity. See the following example for reference:

- Rep is requesting support for a K-12 trade-show having an estimated cost of \$6,000 (including food, booth fees, electric, etc.) in a 10x30 booth
- A WSP is highlighting three manufacturers at the show: Winston, Rational, and Irinox.
- Proportional cost is \$2,000 (calculated as \$6,000/3)
- Winston would consider paying \$1,000 (50% of the proportional \$2,000 cost)

Winston Regional Sales Manager shall review and consider for inclusion to the Winston Annual Operating Plan (AOP). Regional Manager will provide approval or disapproval no later than mid-December of every year. If Winston personnel participate in show, they shall bear the personal costs associated with their activities (food, lodging, flights, etc.).

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 12/11/95
Revised Date: 1/6/14
Item/Description: Policy Defining Use of Brands & Logos
File No.: 130.3

OVERVIEW:

The Company and the Winston Sales Partner (WSP) continually invest in their company's brand. We assume your marketing folks are as picky as ours about utilizing current brands and logos and want to keep them happy.

PROCEDURES:

If Winston needs to use the logo or brand of the WSP, we will consult with them to ensure we are using a current version and using it in accordance with their directions. Same with a WSP that wants to use any of the Winston brands or logos (Winston Industries, Winston Foodservice, CVap, Collectramatic, etc.). Just call or email us to make sure that we are all on the same page.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 1/24/19
Revised Date: 11/9/21
Item/Description: Policy Defining Customer Specific Marketing Support
File No.: 130.4

OVERVIEW:

Some large customers have a requirement to participate in events, such as customer-specific trade shows, conferences, golf outings, consigned equipment for testing and/or training classrooms, or other related requests. Winston requires a shared financial contribution between the Company and the Winston Sales Partners (WSP) who receives commission for that customer.

PROCEDURES:

The Company will share the cost for any required equipment in a Shared Account that requires a unit for their corporate test kitchen for the purposes of maintaining SOP training and product testing. The WSP will be responsible for the management of all consignments relating to new sales opportunities.

If the large account, most commonly a Shared Account, requires participation in an event (tradeshow, conference, golf outing, etc.), the WSP shall contribute no less than 25% of the show fees or 10% of the annual commission from that account, whichever is lower. The WSP is also required to attend the event (if applicable) and will be responsible for the personal expenses (travel, lodging, food, etc.) required for attendance.

WINSTON INDUSTRIES, LLC

SALES POLICY

Division: Sales and Marketing
Issue Date: 4/29/94
Revised Date: 11/9/21
Item/Description: Policy Defining Consignment of Equipment
File No.: 130.5

OVERVIEW:

PROCEDURES:

Equipment may be consigned by the Company to Sales Partner for shows, displays and/or demonstrations to promote the sale of its products. The Sales Partner shall be fully responsible for the loss or loss of value of the products more than normal wear and usage.

To receive consignment equipment, the Sales Partner will submit a purchase order to the Winston Regional Sales Manager that details the request. If approved by Winston, the order will be scheduled for building and/or delivery. Upon manufacturing completion, the equipment will be invoiced to the Sales Partner at 50/50 off list price (plus freight), with terms of 180 days. If the equipment is sold to an end-user within the 180-day period, a partner/dealer (with assistance from the rep) would submit a purchase order for the equipment marked as "Do Not Ship-Invoice Only," and includes applicable model number, serial number, and freight charges. A credit memo will then be issued to the rep for the full invoiced amount. If the unit is not sold within the 180-day period, the full amount of the invoice is due to be paid by the rep.