Honeywell

HONEYWELL DISTRIBUTOR CO-OP PROGRAM GUIDELINES



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Effective January 1, 2016

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We are committed to helping you grow your business through the sale and service of Honeywell generator products. As a part of this commitment, we offer you a cooperative reimbursement program. The program provides monetary reimbursement to distributors who participate in a range of marketing initiatives.

By participating in the co-op program, you can maximize your marketing dollars and offer a consistent branding message. Your efforts will allow your market to quickly identify your dealership, its relationship to Honeywell generators, and the products you sell and service.

OVERVIEW, TERMS & CONDITIONS

FUNDS AVAILABLE

- Honeywell Distributors qualify for a 2% accrual of co-op funds based off of their previous year's net invoice purchases.
- Distributors may receive up to the approved percentages for each marketing activity submitted after it has occurred.
- Reimbursement will not exceed available funds for the year.
- Co-op funds do not roll over from one year to the next year. All funds must be expended prior to December 31, of the current calendar year.
- Current year's funds cannot be allocated for next year's expenses.
- All reimbursements are released upon the approval of Generac's Marketing Department, and a check will be remitted to the pay
 to account listed in Honeywell Power Resource.
- For any questions regarding your reimbursement or submittal process please contact: 877-630-8592 or email MODhelp@marekgroup.com.

PROCEDURES

- Distributor requests for co-op reimbursement from their co-op advertising fund are to be submitted through Honeywellgeneratorsmod.com in the Co-op Resource Center.
- All submissions must go through the Resource Center-emails, faxes and postal mailings will not be accepted. Honeywell Generators is not liable for any lost or misplaced claims.
- Please note: Your personal co-op funding information is accessed through Honeywellgeneratorsmod.com. Do not allow advertisers to submit or communicate on your behalf. We are not liable for any transactions made by outside agencies companies on your behalf.
- Post activity documentation requires the submission of paid receipts or detailed invoices.

*Distributor's participation in the Co-op Program constitutes acceptance and dealer agrees to comply with the Honeywell Co-op Program as outlined in the Honeywell Co-op Program Guide. Distributor understands that claims may be denied in the event that established guidelines are not adhered to. Participating in the Co-op Program and submitting claims constitutes as acceptance to all terms, conditions, and requirements of the Honeywell Co-op Program which is intended to be used for the promotion of Honeywell generators. We reserve the right to modify this program at any time without prior notice.

We shall solely determine the eligibility of a claim and amount of reimbursement for any activity.



SUBMITTAL PROCESS

- All claims must begin with a pre-activity request and pass through a pre-approval process unless specified otherwise. Preactivity requests MUST be submitted to the Co-op Resource Center 30 days prior to an activity or event.
- Following Generac's pre-approval and completion of your marketing activity, post-activity claims MUST be submitted within 45 days of activity date, paid invoice.

PRE-ACTIVITY APPROVAL

• Log on to generacmod.com and select the Co-op Tab. Click 'Submit New Co-op Request.' Follow the steps on the page.

Depending on the category, you may need to submit a quote, image or estimated cost. Click Submit. All required fields must be filled. Email notifications will signal acceptance and then approval or denial.

POST-ACTIVITY APPROVAL

Log on to generacmod.com and select the Co-op Tab. Search for your claim number. Click view/edit if the request has been
pre-approved. Follow the steps on the page. Depending on the category, everything requires a paid invoice; certain things
may require images or additional documents. Click Submit. All required fields must be filled. Email notifications will signal
acceptance and then final approval or denial.

ELIGIBILITY

- Claims will be honored only for advertising that utilizes prepared material and adhere to the guidelines established in the Honeywell Co-op Program.
- We reserve the right to determine eligibility for all co-op advertising claims that are not specifically covered in the Co-op Program Guide.
- · We will assign a lesser % for any activity in which other non-competitive manufacturer's products are also represented.
- Marketing initiatives must promote Honeywell Generators current year product line.

GENERAL INELIGIBLE PROGRAMS/EXPENSES

Ineligible programs include, but are not limited to, those specified in the Co-op Program Guide, see sections below.

- Any distributor-printed advertising that does not include the Honeywell registered trademark logo, required product image, and product text reference is considered ineligible.
- Competitive product featured in advertising or events.
- Giveaway promos.
- Customer appreciation events.
- Business Cards.
- Advertising Agency Commissions / Fees.
- Generac Products or gift certificates or cards used for promotional purposes.
- Website development and maintenance (SEO).
- Older versions of ads not found on MOD.
- Memberships, dues, subscriptions and personal sponsorships.
- Company lunches or meetings.



HONEYWELL PREPARED ADVERTISING & MARKETING MATERIAL

Prepared materials allow for the addition of dealer information, logos, messages, etc. Placing a dealer logo over product photos, modifying or eliminating Honeywell logos from the layout is not permitted and will result in denial of the claim.

Supporting documentation that must be submitted post-activity includes, but may not be limited to: ad tear sheets, attendee lists, photos of event site, copies of event contracts, copies of itemized receipts and invoices, prospect/lead lists, audio/video scripts and planned visual representations.

HONEYWELL MARKETING ON DEMAND WEBSITE - Honeywellgeneratorsmod.com

The site offers a wide range of merchandising materials and customized marketing collateral.

All Honeywell prepared advertising & marketing material can qualify for a 50% reimbursement.

Literature from the Marketing on Demand site is eligible for 100% reimbursement.

Eligible Expenses

- Print & Media Broadcasts
- Print Flyers
- TV commercials :15, :30, :60 sec
- Radio commercials :30, :60 sec
- Graphic Displays
- Generacmod.com/dealer online materials
- Direct Mailers
- Generac POP Shell Displays
- Banners & Signs

Ineligible Expenses

- Classified Ads
- Stationary
- Blue Book Advertising
- Yellow Page advertising
- Reprinted literature/Honeywell materials
- Websites and associated maintenance
- Production costs

PROMOTIONAL EDGE - co-store.com/Honeywell - 50%

Honeywell Generators offers a wide-range of promotional merchandise available for purchase that can be used to build relationships and promote the co-branding of our businesses.

- All promotional merchandise should be purchased from our vendor of choice.
- Eligible for 50% co-op reimbursement per claim up to \$2,500

Promotional Edge 1900 Pewaukee Road, Suite O Waukesha, WI 53188 Phone: 866-235-0743

A local vendor may be requested if vendor is less expensive than Honeywell preferred vendor. To use a local vendor:

- Obtain pre-approval
- Provide a quote from the local vendor
- Mockup of merchandise
- Set-up fees when using a local vendor are not co-op eligible.
- Local approved vendor requests are eligible for 50% co-op reimbursement per claim up to \$1,000.

VEHICLE GRAPHICS CUSTOM/LOCAL VENDORS - Wraps and Installation- 50%

• Pictures of the finished vehicle are required to receive co-op, as well as paid invoices. Install must be complete and installed in the same year as decal purchase.



CUSTOM PRINT AND BROADCAST ADVERTISING

Review and pre-approval are required of all print and broadcast advertising that does not utilize the materials prepared by our marketing department. Any distributor interested in creating print and broadcast media MUST involve us throughout the process and adhere to the following guidelines.

All custom advertising- 50%

PRINT

- Prominently display the Honeywell logo and adhere to trademark guidelines, using registered trademark logos per the Honeywell brand guidelines. Both logos must appear to be the same proportion and size while still maintaining the clear space as explained in the brand guidelines. Everything must be co-branded to receive reimbursement.
- Product image must be featured in all advertising. Product must be a current Honeywell-branded model.
- Identify Honeywell product as "Honeywell Automatic Standby Generator."
- A 30% representation for Honeywell (Honeywell logo, product illustration, etc.)
- · Business card size or larger

Why use Generac's advertising templates?

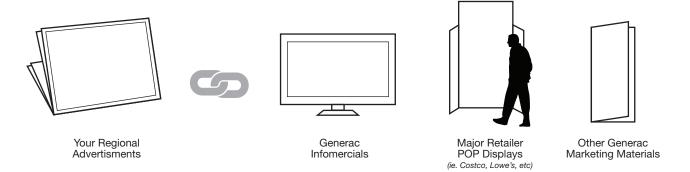
Generac dedicates thousands of dollars and man-hours every year to marketing and promoting their products, and by using a pre-approved, Generac-branded template, you'll gain access to the credibility, professionalism and top-of-mind consumer awareness that Generac develops through their marketing efforts.

Mad Men-era advertising genius, Herbert Krugman developed a theory, now referred to as Effective Frequency, explaining that a consumer, on average, needs to see an advertisement three to five times before deciding to buy the product. The first time a consumer sees a marketing piece, they may ask "What is it?". The second time, they begin to engage with it, and ask "So what?". After the third time, they'll decide if "this is for me" or not.

A consumer, on average, needs to see an advertisment three to five times before they decide to buy the product.

Does that mean you need to run an ad three different times to make sales? No.

When consumers see your advertising, they'll connect your work with Generac's other efforts, like infomercials, point-of-purchase displays at major retailers, websites and automotive graphics, linking them together into one cohesive and trust-worthy campaign. You're no longer advertising a new product, but rather placing the final peice of the puzzle together that they may need to be prompted to call for a consultation in their own home.

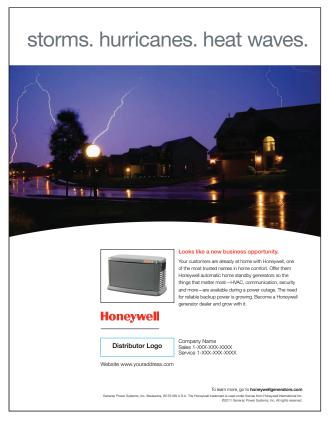




Print Advertisements: Templates

Some of our dealers prefer to customize their ads, but often are confused on how to incorporate our guidelines into their ads. For this reason, we also provide a 70-30 template, allowing you to customize 70% of the ad, while knowing you've covered our specifications and requirements to qualify for coop dollars.





Full Page



Half Page







Horizontal Billboards



Quarter Page



Print Advertising Do's and Don'ts

Honeywell requires review and pre-approval of all advertising. Any distributor interested in creating media MUST involve Honeywell throughout the process and adhere to the following guidelines:

- 1. Prominently display the Honeywell logo of at least 30% representation for Honeywell (Generac logo, product illustration, etc.) and adhere registered trademark logos per the Brand Guidelines. Sometimes the use of both the distributor's and Honeywell's logo must be used for Co-op purposes. An alternative way to display two logos is to maintain a consistent size, (i.e., both logos appear to be the same proportion and size) while still maintaining the clear space as explained in the TRADEMARK section.
- 2. Product imagery must be featured in all advertising. Product must be a current Honeywell-branded model.
- 3. Identify product as "Honeywell Automatic Standby Generator" and describe what the product does.

The following examples can help explain our requirements.



D0

Using the template as a base, this dealer customized it.

The generator is shown, unaltered - without glows, shadows, etc.

DON'T

The ad is missing key wording regarding Home Standy. Be sure to use the word "automatic."



DC

The ad dedicates 30% to the Honeywell product and brand, showing the logo and product in an appropriate manner.

The Honeywell logo is given appropriate space around it.

DON'T

The Generac logo can be more closely sized to the dealer's logo.



DO

Key vocabulary is used, like "Automatic Standby Generators."

The ad dedicates 30% to the Honeywell product and brand, showing the logo and product in an appropriate manner.

DON'T

The Honeywell logo needs to be of comparable size to the business's logo.





DO DO

The ad uses appropriate vocabulary when regarding automatic standby generators.

DON'T

The Honeywell logo requires more space around it between itself and other elements than shown here, and needs to be of comparable size to the business's logo.

Do not use the logo in replace of a word in a sentence; rather use the word "Honeywell" and place the logo elsewhere.

Do not alter product images and logos, including shadows and glows.



D₀

The ad displays a prominant Honeywell logo in regards to size in relation to the business's logo.

DON'T

The black Honeywell logo should never be placed on a dark background. Download an appropriate, approved version for this placement of the logo.

The ad is missing key wording regarding Home Standby.

HOME STANDBY GENERATORS • SALES & SERVICE HOME STANDBY GENERATORS • SALES & SERVICE 123 MAIN STREET, SPRINGFIELD, USA

555-123-4567

UL

The ad displays a prominant Honeywell logo in regards to size in relation to the business's logo...

DON'T

...however, this example does not give enough space around the Honeywell logo. While the designer used a border to separate the logo from the content, we would have preferred a slightly smaller logo to accomodate for more space around it.

The ad is missing key wording regarding Home Standby, as well as product imagery. Be sure to use the word "automatic" and download an appropriate photo to include.



BROADCAST (TV, RADIO)

 A 3-time mention of the Honeywell name and product description are required in :30 second broadcast media. An illustration and logo are also required for TV. Please refer to brand guidelines for proper logo use. All ads must be :15 seconds or longer to qualify.

Please refer to the Trademark Guidelines for further instructions.

EVENTS/TRADESHOWS/TRAINING

TRADESHOWS - 50%

We encourage you to participate in events to promote your distributorship and the Honeywell products you sell and service.

- We will cover up to 50% of fees for participation in pre-approved tradeshows.
- Size of booth must be 10' X 10' minimum and have 50% Honeywell generator representation.
- A photograph of the exhibit space showing Honeywell product, along with copies of paid invoices itemizing expenses must be included. Photos, lead lists/attendee lists are required for co-op reimbursement.
- The distributor must supply appropriate and sufficient personnel to attend all tradeshows. Employee wages are NOT co-op eligible.
- Product literature should be used at all tradeshows. Reference the Honeywell MOD section on (page 5) for more information on how to purchase literature and submit that literature to co-op.
- We do not provide or co-op equipment used for demonstration or show purposes.
- Honeywell-branded promotional merchandise is available.(page 5)
- Choose from a variety of displays and signs for your tradeshow event. (page 5)

DISTRIBUTOR HOSTED TRADESHOWS - 100% up to \$5,000 maximum

- Booth expense must be consistent with standard fee for other attending vendors.
- A photograph of the exhibit space showing Honeywell product, along with copies of paid invoices itemizing expenses must be
 included. *Please note: photos, lead lists/attendee lists are required for co-op reimbursement.
- A Honeywell Generator representative must be in attendance.

Eligible Expenses

- Exhibit Fees
- Tradeshow Booth & Electricity

Ineligible Expenses

- Product Displayed at Tradeshows
- Promotional Talent
- Wages for Personnel
- Decorations
- Rental Cars
- Travel and related expenses
- Badges

COUNTER DAYS TRAINING

A Honeywell Generator representative must be in attendance. Pre-approval must be submitted with event flyer announcement.

Eligible Expenses

Food and beverage up to \$300



SERVICE CLASSES - 50%

Only the class fee is eligible.

· Class fee paid invoice and certificate of completion are required.

EVENTS

Special Events or Sponsorships must be cleared through your Sales Representative. Events include, but may not be limited to; open houses, sponsorships and seminars.

INTERNET MARKETING

SEARCH ENGINE MARKETING (SEM) AND PAY-PER-CLICK (PPC) - 50%

Search engine marketing (SEM) and pay-per-click (PPC) advertising involves the promotion of a website or a web page by increasing their visibility in search engine results pages primarily through **paid** search listings or ad placements.

To ensure that co-op is being used to promote Honeywell Generator products; we require more detailed supporting documents for internet marketing activities. This includes an <u>invoice for all advertising and a search engine report that clearly lists each key word and associated cost</u>. We will keep keywords confidential. We will not reimburse dealers for promoting competitor's products or brands and the percentage will either drop or be denied altogether if competitors are found on the submitted list.

Eligible:

- Only Honeywell Generator related activities and campaigns
- Paid search listings (keywords) or ads

Not Eligible:

- Promoting competitor's products or brands
- Third party keyword research
- Creative development (see MOD for free available ad templates)
- Campaign tracking and reporting

SOCIAL MEDIA - 50%

Eligible Social Media Channels: Facebook, Twitter, Google+ & YouTube All ads must receive pre-approval.

Facebook

We allow only the following four advertising options to be submitted for co-op:

- Send people to your website
- Raise attendance at your event
- Get people to claim your offer
- Get video views

Required documentation to receive 50% reimbursement:

- Pre-approval-Mockup of ad and quote (includes demographic, location, duration)
- Post-approval-screen shot of ad, paid invoice from Facebook (can be printed from account).

Each ad must contain the following:

- Image (Honeywell product or weather related)
- Honeywell logo
- Description-250 characters or less
- A link to your website



Twitter

Required documentation to receive 50% reimbursement:

- Pre-approval-estimated monthly budget and copy of any link to be used or mockup of image.
- Post-approval screen shot of post (must say 'promoted by' to be a legitimate ad) and paid invoice from Twitter.

Each ad must contain the following:

- Honeywell or product mention
- Link to website/image of the Honeywell logo or product (**Helpful Hint:** To stay within 140 characters use a shortened URL, instructions found here http://goo.gl/)

YouTube

Required documentation to receive 50% reimbursement:

- Pre-approval-estimate, keywords, script and run times.
- Post-approval-keyword copy, video and paid invoice with run times.

Each ad must contain the following:

- A two time mention of Honeywell Generators, Inc.
- The Generac logo and product

DIGITAL MEDIA CAMPAIGNS - 50%

Internet/digital advertising campaigns consist of paid placements of a banner ad on a relevant websites that engages visitors and produces click- through-traffic to your campaign (page) where you ultimately respond to your banners call to action or generate a lead; such as "sign up for your free estimate", "download your free whitepaper", etc. Pre-approval is required of all digital advertising that does not utilize the materials prepared by our marketing department that can be found on MOD.



HONEYWELL CO-OP ONE PAGE SUMMARY

Pre-approval is required at least 30 days prior to activity for any co-op activity. Post-activity co-op claims must be submitted within 45 days following activity. All funds that are not expended by December 31st of each calendar year will become null and void. See full guidelines for detailed information.

SUMMARY OF REQUIREMENTS (See program for detailed information)	CO-0P	ELIGIBLE
NEWSPAPER ADS/MAGAZINE ADS/CATALOGS/FLYERS/ DIRECT MAIL/BROCHURES/SIGNS/BANNERS/BILLBOARDS VEHICLE GRAPHICS/WEB ADVERTISING	50%	
 Current Honeywell product Identification - "Automatic Standby Generator" 		
RADIO COMMERCIALS Identification - "Automatic Standby Generator" 3-time mention of Honeywell name (:30 second spot)	50%	
TV COMMERCIALS Authorized Honeywell registered trademark logo Current Honeywell product Proper product description- ex. "Automatic Standby Generator" 3-time mention of Honeywell name (or visual equivalent)	50%	
TRAINING - SERVICE CLASSES Paid invoice Certificate of Completion required	50%	
POWER FOR PROFITS, COUNTER DAYS Paid invoice Generac rep must be in attendance	100%	(\$300 MAX)
 TRADE SHOWS/FAIRS Size of booth must be 10'x10' minimum- with 50% Generac representation Showcase: literature, banners, signs Photo of booth required 	50%	
DISTRIBUTOR HOSTED TRADESHOWS Size of booth must be 10'x10' minimum Showcase: literature, banners, signs Photo of booth required Rep must be in attendance	100%	(\$5,000 MAX)
LITERATURE/MARKETING ON DEMAND ITEMS All literature can be ordered directly through Marketing on Demand	100%	
PROMOTIONAL MERCHANDISE Use preferred vendor - Promotional Edge- \$2,500 maximum Custom/Local vendor- \$1,000 maximum	50%	



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