ETHAN ALLEN TRADE FAQ

Trade members should verify the particulars of all responses provided herein with their participating Design Center.

Membership

How do I become an Ethan Allen Trade member?

<u>Complete the Ethan Allen Trade application</u> and supply the requested supporting documentation. We will process your application and let you know when it's approved or if we need additional information to approve you for membership.

Can I share my membership?

No. Membership is not transferable. Your membership may only be used for your clients' purchases at a participating Ethan Allen Design Center, and only if your membership is approved at the time of purchase.

What referral fees do Trade members earn?

Interior designers receive a referral fee equal to 7% of the amount of the client's purchase, net of taxes or ancillary charges. If the total of all referred client purchases exceeds \$50,000 annually (year to be measured annually from July 1), the referral fee will increase to 10% for the amount in excess of \$50,000, net of taxes or ancillary charges.

Other professionals who are Trade members (e.g., builders, realtors, home stagers) will receive a referral fee equal to 2% of the amount of their client's purchase, net of tax or ancillary charges.

When do I receive my referral fee?

The referral fee will not be due unless and until the products purchased have been delivered, accepted, and paid for by the referred client, and you must have provided your membership number prior to the time of purchase. Ethan Allen will issue the referral on or around the 15th of the month following the month of delivery, subject to adjustments for canceled orders, product returns, or accommodations.

Do I get credit for clearance or other promotional item sales?

Your membership may not be used for purchases made during certain special events, such as warehouse, clearance, or Designer Floor sample sales, or through any rewards programs or other similar types of events, at Ethan Allen's sole discretion.

Can I apply for the Trade program if I have recently been employed by Ethan Allen? If you were previously employed by Ethan Allen Retail Inc., or Ethan Allen Canada, Inc., you are eligible for membership 12 months after leaving the company in good standing.

Orders & Pricing

Do I process and administer the orders my clients place at Ethan Allen?

No. You will work with your Design Center concierge, who will provide you with quotes, input all sales, and provide all the information you need about existing client orders.

One of the greatest benefits of this program is that we quote and process every order, oversee production of all items purchased, and provide professional delivery and customer service to your clients. Every product we sell to a referred client has our full backing and support, including our warranties.

Can I place Trade orders in my own name?

If you place an order in your own name, instead of your client's name, this would be considered a personal purchase and would not qualify for a referral fee. If you would like to place an order on your client's behalf, your client's name should be the "Sold To" on the order so they can receive the same benefits all Ethan Allen clients do, including customer service and warranties.

The Trade program is a referral fee program, not a discount or resale program for the trade.

How is order payment processed?

For your client's convenience, we accept Visa, MasterCard, American Express (in select Design Centers), the Ethan Allen Platinum Card, and cash. Personal checks are accepted for deposits and for CODs, provided checks clear prior to delivery. The party initiating the sale (sold to) and providing the deposit must sign the sales invoice and authorization to charge, and will be the responsible party under the sales invoice.

Can my clients place orders if my application has yet to be processed by the Ethan Allen?

Yes, an order may be placed for your client during the time when we're processing your application. All payments of referral fees are contingent upon acceptance to and good standing in the Trade program.

May one of my clients or I place an order over the phone?

Yes. Orders may be placed over the phone. You or your client must supply your membership number at the time of purchase. Copies of the sales invoice will be sent to you and to your client. The party initiating the sale (sold to) and providing the deposit 1) if purchasing in the Design Center, sign the sales invoice and authorization to charge or 2) if purchasing online, authorize the charge online. In either instance, your client will be the party responsible for payment.

Can I set my own prices with my clients for items purchased at Ethan Allen?

All sales quotes and invoices you or your clients receive from Ethan Allen will list the current retail prices in effect for all products. We are not able to modify our sales quotes or invoices per any Trade member's request.

Do Trade orders qualify for tax exemption?

Trade purchases do not qualify for tax exemption unless the referred client has his/her own tax-exempt certificate. A Trade member's tax-exempt certificate cannot be used by referred clients.

Delivery & Administration

How long will it take a client to receive an order?

Estimated delivery dates differ for our products. Your concierge will be able to provide estimated delivery dates for all products ordered to either you or your client within five days of purchase. Updates will be provided as necessary or requested, and your client can track their order status at ethanallen.com.

If my client takes delivery of their products on multiple dates, how is my referral fee calculated and paid?

All referral fees will be paid to you on or around the 15th of the month following the month of delivery of the items ordered, subject to adjustments for canceled orders, product returns, or accommodations.

- Should multiple deliveries for any order occur within the same month, the referral fees for all deliveries in that month will be calculated and paid at one time.
- Should multiple deliveries for any order occur within two or more distinct
 months, the Referral fee at the end of each month will be calculated for only the
 items of any order that were paid for and received by the client during the
 previous month.

Will you ship products internationally?

No. We can only ship items to the shipping company or to addresses serviced within the continental United States or Canada for transfer overseas. You or your client must arrange for international shipping from the United States.

Do I have to be present when one of my clients makes a purchase in order to qualify for the referral fee?

Not necessarily. Although it may be a best business practice for you to be present whenever a referred client makes a purchase, you are not required to be present at the time of purchase.

If your client wishes to make a purchase in person at the Design Center, we ask that you coordinate a buying appointment between your client and your concierge. You must supply your concierge with the client's product quotes and the email address associated with your Ethan Allen Trade account for the purchase to qualify. The party initiating the sale (sold to) and providing the deposit must sign the sales invoice and authorization to charge and will be the responsible party under the sales invoice.

Can I send a client in to look at product without being present?

Of course. We want you and your clients to feel welcome anytime you visit the Design Center. It may be wise, however, to inform your concierge if you know that one of your clients will visit the Design Center. This will ensure that we know we are working with a client referred by an Ethan Allen Trade member.

Does it matter which Design Center I work with?

For your convenience, you or your clients may initiate purchases at any participating Ethan Allen Design Center or from our website.

Product Information

Can I borrow samples from the Design Center?

Should you need to bring certain samples to a client's home for approval, you may borrow them. However, we ask that you return them upon completion of the home call and not leave the samples in the client's home. You must complete a sign-out sheet for all samples you borrow. A fee may be charged if certain samples are not returned. Whenever possible, we prefer to order sample swatches for our clients and prefer that you do that as well.

Will Ethan Allen ship memo samples, e.g., fabric, leather, finishes, or wallpaper, to a client for me?

Yes. If you provide address information for your clients, we will gladly ship memo samples to them for you. We ask that memo samples from COF, custom drapery, and

wallpaper sample books be returned within 30 days. A fee may be charged if samples are not returned.

Do you accept client's own material (COM) for upholstery orders?

No. We cannot accept COM for any upholstery or custom soft goods orders. We can, however, order items in muslin if you or your client wish to use a local upholsterer. Be aware that this would void the warranty.

Floorplanner Software

Your materials say that Trade members get designer-level access to 3D room planning software. What does this mean?

Trade members receive the same level of access to our Floorplanner software as Ethan Allen designers do, which creates a great opportunity to upgrade your client presentations or add a modern point of view to model home showcases and virtual apartment tours.

What can Floorplanner do?

With Floorplanner, you can create 3D renderings of your design projects in minutes, transition between 2D and 3D views, export 4K tours and floor plans, and access more than 150,000 products, including products from other brands. You can also custom-render art and accents, add realistic lighting effects, personalize the view from windows and doors, and customize architectural features.

How do I get started?

When your Trade application is approved, you'll receive a confirmation email containing a link to a web page, where you can activate your Floorplanner account. Once your account is active, you will have access to regular training webinars, from beginner level to advanced, from a Floorplanner specialist, as well as information on new software updates as they're made.

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