Sales Policy Manual

An in depth look at our Sales Policies & Procedures

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Delta Foremost Chemical Corp.

3915 Air Park Street | PO Box 30310

Memphis, TN 38130-0310

rev. 4-11-25

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General Sales Policy

Our workday is considered to begin at 8:00 a.m. and end no earlier than 5:00 p.m. Monday - Friday. Your draw (or salary) is predicated on the understanding that you are selling Delta Foremost Chemical Corporation's products each weekday for the full day. Should this not be the case, and you do not work a full week for any reason, your draw (or salary) is adjusted accordingly.

Should it be necessary for you not to be working, need to leave your Territory, or to stop selling for a period of time, you should report to the Home Office the reason for which you are taking off. An "Out of Action" slip will be written up for you to explain the time off.

If you are off work for an extended period of time, it is up to the discretion of management to continue to allow commissions on accounts that are not being worked, but may phone in business.

Work your territory in accordance with the schedule provided and the recommendations of your Division Manager. Do not deviate without prior approval from your Division Manager or the Home Office. Any suggestions on changes will be entertained after two (2) complete cycles.

The following pages in this manual include itemized, detailed explanations of the specific policy of Delta Foremost Chemical Corporation. Your sales contract requires compliance with these policies. Please make ready reference to this policy manual to avoid any misunderstandings.

We hope and trust that our association will be pleasant and mutually beneficial.

Management & Senior Office Staff

PRESIDENT | Ronald Cooper

DIRECTOR OF SALES | Steve Cooper

ASST. DIRECTOR OF SALES | Barney Abis

MANAGER - SALES ADMINISTRATION

Kimberly Ayers | (800) 238-5152 | kayers@deltaforemost.com

CUSTOMER SERVICE

Emily Ettinger | (800) 238-5157 | eettinger@deltaforemost.com

Annah Dreyfus | (800) 238-5154 | adreyfus@deltaforemost.com

Orders | Prices | Sales Reports | Customer Correspondence | Complaint Reports | Supplies | Advertising Material | Sales Supplies | Premium Items | Order Control | Freight Claims | Tracing of Shipment | Order Inquiries | Earnings Account

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VICE PRESIDENT / CFO

John Trobaugh | (800) 238-5150 | jtrobaugh@deltaforemost.com

Expense Accounts | 401-K Plan | Workman's Compensation | Hospitalization Insurance

CREDIT MANAGER

Jonathan Cooper | (800) 238-6131 | jonathan.cooper@deltaforemost.com

Credit Requirements | New Accounts | Cash Sales & Credit Card Transactions | Contracts

ASSISTANT CREDIT MANAGER

Ernestine Goad | (800) 238-5176 | egoad@deltaforemost.com

Collection Procedure | Account Management | Duns | Statements | Customer Correspondence (Credit)

ACCOUNTS RECEIVABLE CLERK

Julie Marcom | (800) 238-5177 | jmarcom@deltaforemost.com

Collection Procedure | Account Management | Payment Processing | Customer Correspondence (Credit)

ASSISTANT MANAGER - FINANCE

Robert Osborn | (800) 238-5150 | rosborn@deltaforemost.com

TECHNICAL DIRECTOR

George Mosley | (800) 238-5150 | gmosley@deltaforemost.com

New Products | Sample Comparisons | Cleaning Problem Questionnaire

TECHNICAL SERVICE & EQUIPMENT

Barney Abis | (901) 355-8799 | babis@deltaforemost.com

IT SUPPORT

Donnie Crook | (800) 238-5150 | dcrook@deltaforemost.com

Alex Williams | (800) 238-5150 | awilliams@deltaforemost.com

AS400 Technical Support | Email Technical Support | Delta Tablet/Computer Support

Office Hours | Central Time Zone

Mon – Fri | 8:00 a.m. to 5:00 p.m.

Lunch | 12:00 noon to 1:00 p.m.

Breaks | 9:45 a.m. to 10:00 a.m. | 2:45 p.m. to 3:00 p.m.

Customer Service, Credit, Technical Service, and Phone personnel are not available before 8:00 a.m. each day, during lunch or during breaks. Please keep this in mind when calling into the office. This will help save you time.

Vacation & Holiday Pay

The vacation policy of Delta Foremost Chemical Corporation, as applied to commissioned salespersons, is as stated below, and will remain in effect until such policy is changed in writing.

Vacation Time Allowed

Each commissioned salesperson, who by January 1 has completed six (6) full months of unbroken service, but less than twelve (12) months, will be entitled to one (1) week vacation time.

Each commissioned salesperson who has completed twelve (12) full months or one (1) year of unbroken service as of January 1 will be entitled to two (2) weeks vacation time.

Compensation for Vacation Time and Holiday Pay

The employee will be allowed his/her regular weekly draw compensation during his/her vacation time to be charged against his/her commission drawing account, provided that said drawing account, at the beginning of the vacation period, does not show a deficit balance, in which case, the regular bi-weekly draws or salaries will not be allowed. There are no exceptions to this policy.

The company recognizes the following holidays

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Salespersons must be employed ninety (90) days prior to a holiday to receive draw for the holiday. If a salesperson has an unexcused absence the day before a holiday or the day after a holiday, they will not receive a draw for the holiday.

Benefits

Health Insurance

Delta Foremost offers group insurance for full-time sales reps and their families. Health insurance is available on the first of the month after employment. After this initial offering, the insurance may only be added or dropped on the plan's annual enrollment date.

Dental Insurance

Delta Foremost offers group dental insurance for full-time sales reps and their families. Dental insurance is available on the first of the month after employment. After this initial offering, the insurance may only be added or dropped on the plan's annual enrollment date.

Life Insurance

Delta Foremost offers both a fixed premium and a variable premium life insurance policy. Life insurance is available on the first of the month after employment. After this initial offering, the insurance may only be added or dropped on the plan's enrollment date.

The fixed-rate premium policy is a $15,000 policy that is offered to the employee only. The premium for the policy is the same for all employees.

The variable rate policy offers coverage for employees, their spouses, and children. The premium is age-based.

Disability Insurance

Delta Foremost offers short and long term disability insurance for full-time sales reps. Disability insurance is available on the first of the month after employment. After this initial offering, the insurance may not be added. This coverage will provide income replacement of 60% of your taxable earnings after a 30-day waiting period.

Complete descriptions and Applications can be found on the Delta Foremost Employee website. Should you have further questions, please contact the office for additional information.

401-K Retirement Plan

Delta Foremost offers a matching 401-k retirement plan. The 401-k plan is available on the first of the month after completing 6 months of employment. Delta Foremost will match your contributions in the following manner:

- The first 3% of your earnings are matched 100% (dollar for dollar)
- The 4th and 5th% of your earnings are matched 50% (50 cents for each dollar you put in)

You will receive your sign up packet directly from MassMutual. Please contact the office for additional information on the plan.

Sales Incentives

Delta Foremost offers various contests, promotions and company trips to its sales reps. It is imperative that you regularly check your correspondence for full details on these incentives.

Referral Incentive

Delta Foremost will pay a referral bonus of up to $900.00 to any active sales rep referring a non-family member hired for a sales position. This bonus will be paid in the following manner:

- $300.00 after completion of 30 days
- $300.00 after completion of 60 days
- $300.00 after completion of 90 days

Worker's Compensation

We all hope no one is injured on the job. However, if you are injured on the job, you are covered by workman's compensation insurance.

If you are injured on the job, first seek immediate medical attention if needed. Next, report the injury to either John Trobaugh or Robert Osborn. Injuries must be reported within 24 hours of the injury.

We will need the following information:

- Date and time of the injury
- Location of injury
- Description of the injury
- What job function were you performing at the time of the injury
- Area of body injured
- Type of injury – sprain, cut, burn, etc
- Name, address and phone number of the medical provider.
- Name and phone number of any witness to the injury.
- Have the provider send the first report and bills to Delta.

Driving / Car Insurance Policy

As a Delta Foremost Chemical salesperson, you are required to provide your own vehicle for transportation. Your vehicle should be a late model in both good working order and good appearance. You are required to maintain and confirm to Delta that you maintain $500,000 liability insurance coverage and $100,000 of property insurance coverage.

Basic Vehicle Operation Guidelines

- Always use seat belts.
- Drive defensively. Always anticipate what other drivers on the road might do wrong and plan your mode of escape. Never move through traffic aggressively.
- Respect speed limits and traffic signs. Follow all traffic signals.
- Always lock the vehicle and apply a parking brake when getting out, even if it remains in sight.
- Avoid driving in dangerous conditions, including drowsiness and inclement weather.
- No one is to be in the vehicle with you during working hours except another Delta employee or your customer.
- Never drive under the influence of alcohol or drugs.
- If your driver's license is suspended or revoked, you are under no circumstances to drive for company business until it has been fully reinstated.

Traffic Violations

Delta Foremost is not responsible for any traffic violations or parking tickets acquired by violation of city ordinance, state or federal laws regarding your driving habits and operation of your motor vehicle. Any ticket issued is the employee's responsibility, even if the ticket is issued while conducting business for Delta.

Refueling Guidelines

- Turn off the vehicle's engine while refueling.
- Never smoke, light matches or use lighters while refueling.
- Do not get into the vehicle during refueling, as this presents a flash fire hazard.
- Do not overfill or top off the vehicle's fuel tank. The fuel dispenser shuts off automatically when the tank is full.
- Never force the hold-open latch on the gasoline pump with any means other than the latch provided.

Distracted Driving

Delta employs safe drivers, and as such we firmly prohibit any behavior that distracts our employees while they are operating a vehicle. Adhere to the following:

- Use of cellphones without a hands-free device while driving is strictly prohibited – this includes all functions of the cell phone including, but not limited to, phone calls, text messaging/SMS, email, MMS, Internet use, camera use, etc.
- Use of electronic devices – including laptops, and tablets – while driving is strictly prohibited unless specifically outlined below.
- Voicemail must handle all calls while driving, and calls may only be returned when stopped or pulled off the road.
- Passengers making or taking calls for the driver is permissible provided the interaction does not affect the driver's performance.

Headset / Hands-Free Use

The use of headsets or hands-free devices while driving is permissible IF:

- Use of the device does not cause distraction (i.e., fiddling with the device or taking eyes off the road to get it to function properly).
- Any dialing or use of the headset is handled while stopped or pulled to the side of the road.
- Conversations do not interfere with the driver's ability to drive safely.
- Road conditions are generally good and do not threaten your safety.

GPS Systems

Delta understands that sometimes, especially when traveling in unfamiliar areas, drivers require assistance with directions. GPS systems are extremely helpful devices, but they can also be distracting if used improperly. Employees must adhere to the following:

- Mounted GPS systems may not block or obstruct the driver's view in any way.
- GPS systems must be voice narrated and must not require that the driver look away from the road to follow instructions.
- Employees may not program the system while in motion.
- Programming or otherwise engaging with the GPS screen may only occur while stopped or while pulled off the road.

Code of Conduct

As an employee of Delta Foremost, you are expected to hold yourself to our standards of conduct. Keep in mind that while employed with Delta, you represent Delta anytime you interact with a customer and/or fellow employee, including posting content that a customer and/or fellow employee may observe online. Employees should be aware of the effect their actions may have on their personal images, as well as on Delta's image. Always remember to treat everyone with the same level of respect you would want a member of your own family to receive at their workplace.

Harassment Policy

It is illegal and against the policies of Delta Foremost for any employee to harass another employee, **especially of a sexual nature**. Intimidation and bullying related to **age, race, ethnicity, disability, religion, or sexual orientation** are also not tolerated. If you believe you have been subjected to harassment in any form - **bring your concerns** to the attention of either your immediate supervisor, his/her manager, or the next higher executive level. If your problem is not resolved at these levels, do not hesitate to contact our President, Ronald Cooper, personally. If you believe you have been subjected to harassment related to **age, race, ethnicity, disability, religion, or sexual orientation,** and have any fear of intimidation or breach of confidentiality by discussing an instance with your immediate supervisor or his/her manager, again, do not hesitate to contact one of our executives personally. We at Delta Foremost take our employees' rights to a professional and safe workplace very seriously. Any investigation of all such complaints will be undertaken immediately.

Social Media Policy

As previously stated, employees need to adhere to our standards of conduct when using social media in reference to Delta Foremost directly, and when posting material that may be observed by customers or fellow employees as a representative of the company. Any dishonorable content such as racial, ethnic, sexual, religious, and physical disability slurs are not tolerated. Furthermore, employees are not allowed to disclose information that is financial, operational or legal in nature, as well as any information that pertains to customers. Keep in mind, the internet remembers. Search engines make it virtually impossible to take a statement back. Be sure you mean what you say, and say what you mean.

Dress Code / Personal Appearance

Members of Delta's salesforce are expected to dress and groom themselves in accordance with accepted business standards, especially since your job centers around interacting with customers. The minimum standard of dress for a Delta Foremost salesperson is business casual. This neat, tasteful appearance contributes to the positive impression you make on our customers. Furthermore, a nice appearance bolsters self-confidence and greatly enhances yours and Delta's image. As such, feel free to go beyond the minimum standard. When working at a customer's site, please observe what the customer is wearing and upgrade your attire if appropriate. Jeans, t-shirts and tennis shoes are unacceptable.

Telephone Reports & Calls

A new salesperson is expected to call the office in the afternoon M-Th of each week. You are further expected to telephone your Division Manager Friday of each week at the time assigned by your Manager.

As you become more familiar with the policies of the Company and demonstrate proficiency in selling Foremost products through greater production, this schedule will be adjusted. However, even at the time Daily & Wednesday call-ins are no longer required, it is still mandatory to call in each Friday to talk to your Division Manager. Your Division Manager has many salespeople to talk to on Friday, and their weekly figures must be reported to the office; therefore, it is very important your assigned call-in time is strictly adhered to. Your Division Manager will advise you of any other times to call him or her.

Penalty Schedule

Delta Foremost Chemical Corporation has requirements and regulations which must be followed. It is the duty of every representative to follow these regulations whenever possible, and we sincerely feel in the majority of cases, it is possible.

Should you, as a Representative of Delta, repeatedly disregard our policies or become lax, slow or indifferent to them, you will be notified by the Home Office explaining the infraction verbally and in writing. Your Division Manager will also be notified of the situation.

After the memorandum is sent to you, we expect your full cooperation. Should you continue to disregard our policies, Delta will assess the following monetary penalties against your weekly draw or salary check:

1st Offense	**$5.00**
2nd Offense	**$10.00**
3rd Offense	**$15.00**

Repeated offenses are grounds for further disciplinary action, including potential termination. This penalty schedule applies to procedures that are not handled according to Company policy:

1. **Daily Reports**
2. **Training**
3. **Response to Memorandums / Customer Service**
4. **Adherence to Call-In Report Times**
5. **Expense Reports**

Manuals and Records

Delta Foremost Chemical Corporation goes through considerable time and expense in preparing your selling aids. The manuals and records you are initially supplied with come free of charge. However, should they need to be replaced an excessive amount or the old item is not returned to Delta after receiving the replacement, the following charges will apply:

SALES MANUAL	$200.00
SALES BAG	$75.00
TABLET	$500.00

Tablet PC

Delta will provide Sales Representatives a Tablet PC equipped with a keyboard. The tablets are also equipped with a wireless air card that gives you internet access (e.g. AS 400, email, web browsing) while in the field. All data overages on the air card beyond 1 GB will be charged to the sales rep.

Sales Requirements while in the Guarantee Period

During your "Guarantee Period" with Delta you are guaranteed a base level of earnings. As a commissioned salesperson, certain goals are expected from you. As a new salesperson to Delta, we realize that it will take time for you to learn our products, sales methods, and in some cases to build your customer base. To compensate for this adjustment period, we provide you a guaranteed base level of earnings during said period.

There is no free ride, however, even during your guarantee period. As you gain product knowledge and experience in the field we expect to see your sales volume increase every month you are with Delta.

If your sales volume does not show growth from month to month, Delta reserves the right to terminate you or amend your contract even if you are still within your guarantee period.

Salesperson Base Period Explanation

Your base is calculated on the number of days you work in the month. The following is an example of how your guarantee is figured.

Base: $3300.00

Work days in month: 20

Days worked: 18

Therefore: $3300.00 divided by 20 = $165.00

$165 x 18 = $2970.00

The base is compared to your earnings after supplies and before expenses on your Monthly Earning Sheet. If your earnings are greater than the base, you will be paid your additional earnings (A).

If the base is greater than your earnings, you will be paid your earnings plus a salary check for the difference in your earnings and the base (B). Both options (either/or) are in place for your first twelve months of employment, after that period the base is removed and only (B) is in effect.

Salesperson Expense Allowance

For the first six months of employment, Salesperson will be reimbursed up to $200.00/month for expenses. The “expense allowance” is in addition to any earnings as outlined above. During this six-month period, the expense reimbursement will be prorated daily and is paid for full days worked. Should Salesperson not work for any period of time, there will be no reimbursement for time missed or for days that Delta does not receive a promptly submitted daily report. The intention of this allowance is to help offset the cost of all travel, entertainment, and other expenses incurred by Salesperson, in the performance of Salesperson’s duties in said month. All expenses over the allowance are the obligation of and shall be paid by Salesperson

Salesperson Pay Periods

Sales Representatives are paid a bi-monthly "draw" check on the 15th & 25th of each month. A draw check is an advance on your monthly commissions. Benefits such as insurance will be deducted from your draw checks, but since they are advances no taxes will be withheld. However, taxes will be withheld from your monthly earnings summary. On the fifth business day of each month, sales representatives will be paid their E.O.M. (end of the month) check. This check is the balance of their earnings for the previous month less all draws.

Salesperson's Monthly Earnings & Statement Account Summary

At the beginning of every month, you will receive two recaps of your earnings. Each recap is listed below with a summary of what it entails:

Your Salesperson's Monthly Earnings Summary

- Week by week shipments and commissions
- Any freight charges for the month
- Any deductions such as:
  - Supplies and Premium fees
  - Collection agency fees
- Weekly expenses you have turned in
- Insurance, 401-K and federal and state taxes

Salesperson's Monthly Statement of Account

- Your beginning balance
- Draws received for the month
- Insurance and Expense accounts add back
- Ending balance

Examples and a more detailed explanation of these two statements are on the following pages

Salesperson's Monthly Earnings Summary

Name										
Date	9/30/XXXX									
		Week Ending		Shipped		R & A			Commissions	
		9/06/XXXX		3,200.00					896.00	
		9/13/XXXX		2,800.00					840.00	
		9/20/XXXX		3,900.00		450.00			1,131.00	
		9/30/XXXX		3,400.00					850.00	
	Totals			13,300.00		450.00				
	Less Returns			450.00	3.38%					
	Net Shipments			12,850.00		Shipment Earnings		28.93%	3,717.00	(1)
	Freight Earned									
	Freight Charged Back				65.00	50.00%	-32.50			
	Net Freight to Salesperson						-50.00%		-32.50	(2)
	Gross Earnings							28.67%	3,684.50	
Supplies				575.00	50.00%		287.50			(3)
Collection Agency Fees				62.00	50.00%		31.00			(4)
	Total Deductions								-318.50	
	Gross Earnings Less Deductions								3,366.00	
Expense Account				9/06/XXXX			175.00			
Expense Account				9/13/XXXX			196.00			
Expense Account				9/20/XXXX			225.00			
Expense Account				9/30/XXXX			125.00			
			Total Expenses						-721.00	(6)
	Net Earnings								2,645.00	
	Total Earnings								2,645.00	
	Group Health Insurance								-95.00	(7)
	401-k Savings Plan								-26.45	(8)
	Taxable Income								2,523.55	(9)
	Less Withholding & FICA									
			Federal Taxes & FICA				445.00			
			State Taxes				65.00		-510.00	
		Net Earnings							2,013.55	(10)

Line Explanation

(1) The Net Shipment section is a recap of your weekly commission Summaries which are mailed to you each week.

(2) The Net Freight to Salesperson section summarizes any freight charges which were not passed on to your customer. An example would be a freight prepaid shipment or a return which the customer did not pay the return freight.

(3) The supply line is a recap of all premium items and other supplies which were sent to you during the month. The detail for this charge is sent to you each week.

(4) Collection Agency Fees are fees Delta had to pay a collection agency to collect a past-due bill from your customer. The detail for this charge will be attached to your Earnings Sheet.

(5) Gross Earnings less Deductions are your commissions less all supply items. Your guarantee is based on this figure, ie: If your guarantee is greater than this figure Delta will write you a salary check for the difference.

(6) Expenses is a recap of your weekly expenses you submitted to Delta. These expenses are deducted from your earnings for the computation of Federal & State taxes. They will be credited back to you on your “Salesperson Monthly Statement of Account” sheet.

(7) Group Health Insurance has been deducted from your weekly draw checks. Insurance is deducted from your earning in order to reduce your taxable earnings. As with your expenses, this amount will be credited back to you on your “Salesperson Monthly Statement of Account” sheet.

(8) The 401-K Savings Plan is a tax-deferred retirement savings plan. You will be eligible to participate in Delta’s 401-K Savings Plan after you have completed 6 months of employment with Delta.

(9) Taxable Earnings are your earnings subject to Federal and State taxes. This amount along with your contest earnings and other salary checks will be reported on your W-2.

(10) Net Earnings are your earnings after all deductions and will be credited to you on your “Salesperson Monthly Statement of Account” sheet.

Salesperson's Monthly Statement of Account

Name		Terr #		Date 9/30/xxxx	
Date	**Explanation**		**Debit**	**Credit**	
9/01/xxxx	Deficit/Overage Forward			2,043.12	(1)
9/05/xxxx	Check # 300252 E.O.M.			-1,843.12	(2)
	Beginning of Month Deficit/Overage			200.00	(3)
9/15/xxxx	Check # 300382	Draw	700.00		(4)
9/25/xxxx	Check # 300672	Draw	700.00		
	Expense Accounts			1,176.38	(5)
	Group Health Ins			202.55	(6)
	Earnings			2,176.73	(7)
	Totals		1,400.00	3,755.66	
				-1,400.00	
	Deficit / Overage Forward			2,355.66	(8)

Line Explanation

(1) Deficit / Overage Forward is the ending balance from the previous month's statement.

(2) E.O.M. check is the settlement check from the prior month.

(3) Beginning of Month Deficit / Overage is the difference between your Deficit / Overage Forward and your previous month E.O.M. check. If for any reason Delta pays you more or less than the Deficit / Overage Forward from the previous month the difference is shown here and is included in the current month's Deficit / Overage Forward Balance.

(4) These are the Draw checks you received during the month.

(5) Expense accounts are brought forward from your "Salesperson's Monthly Earnings Summary" (Your expenses are deducted from your "Monthly Salesperson's Earnings Summary" to compute your taxable earnings and are added back to you here.)

(6) Health Insurance is brought forward from your "Salesperson's Monthly Earnings Summary". (Your insurance is deducted from your "Monthly Salesperson's Earnings Summary" to compute your taxable earnings and are added back to you here.)

(7) Earnings are the last line of your "Salesperson's Monthly Earnings Summary".

(8) Deficit / Overage is the balance in your earnings account at the end of the month. If this amount is a deficit it will carry forward into the next month. If this amount is an overage, this amount, less potential holdbacks will be paid to you by the fifth working day of the next month.

Basic Commission Rates

The commission rates used in computing weekly earnings accounts on merchandise sold per current price list will be as outlined below.

The rates are effective on the merchandise when sold at the prices listed in packages described, and when the merchandise is sold in smaller packages, provided that proper differentials as established are maintained in the price.

These rates are subject to change without notice. All earnings accounts will be computed on the basis of rates prevailing at the time of preparation.

At the end of the product description on your price list is a designated letter; i.e. 'Foremost 1553-ES Super Kleen (A), that represents the commission on that item when sold at book price. The key to these letters is as follows:

AA-	35%	F -	16%
A -	30%	G -	12%
B -	27.5%	H -	10%
C -	25%	I -	5%
D -	22%	J -	3%
E -	19.5%	K -	0%

Commissions on sales involving certain items at 1/2 price will be rated on the following basis:

- Equipment involved at 1/2 price will be computed on the basis of 0 commission.
- All other merchandise involved in the same shipment will have its commission rated on its own merit, without regard to the equipment priced at a deviated price.
- Supplying equipment at no charge when appropriate will be charged to the salesperson's account.
- All sales promotion items involving special prices or involving free goods will carry the special rate of commission paid.

The above is for YOUR information and guidance only and is confidential.

The AS400 and The Sales Rep Main Menu

Delta Foremost uses the AS400, a computer operating system that acts as our digital library for sorting, storing and accessing the information we use to conduct our business. Your home screen in this system is the Sales Rep Main Menu, which gives you a variety of tools and means to maintain your customers in the field. Learning how to navigate each option on this menu and its purpose is absolutely vital to your success. The options from your main menu are outlined below; additionally, some information about navigating the AS400 can be found in the
'AS400 User Instruction Menu.'

Customer Inquiry

The most important menu you will access within your Sales Rep Main Menu is the customer inquiry. Thinking about your territory as a "book" of accounts in our library, the customer inquiry is a single page in that book. All information for on account is stored here, and any action regarding an account originates from here. There are many different options on your Sales Rep Main Menu to inquire about a customer depending on what information you have handy (Options 1.2.3). The actions from this menu are outlined below:

Data Sheet Entry & Data Sheet Inquiry - F3 & F6

Account data is entered here. Data Sheet Entry notes are to be entered for a customer immediately after every sales call. Be as detailed as possible: the notes you enter are the main source of information for the account - you are the bridge between the home office and the customer. Their importance to both the sales rep and our company as a whole cannot be understated. Previously entered notes on an account are viewed through Data Sheet Inquiry. Below is a list of information you should always be looking to obtain and notate for every call:

- The complete account name
- The complete street address (pertains to the Ship To: address and the Bill To: address.)
- The primary buyer's full name, and title
- Relevant contact numbers and/or email addresses
- The date of each call AND your follow-up date
- Products actually demonstrated
- Products pitched and prices quoted
- Potential products they need at a later date (seasonal, new job or contract, etc.)
- Advertising literature/brochures and/or Safety Data Sheets (SDS) left with the customer
- Competitors' merchandise on hand and prices
- Ice Breakers and Ad Awards are given to a customer
- Any facts about the business, personal info about the buyer (e.g. children, when out of office), appropriate times to call on the account, where to enter
- Products sold, quantity, price sold at, shipping date and the total amount of order

Complaint Reports - F4

Delta Foremost holds customer service at the highest standard with product quality. Sometimes in our business, this unfortunately means that issues arise we must address. When a representative encounters a legitimate complaint from a customer, a complaint report is to be completed. Complaint reports can be submitted through this menu in the AS400 or through the forms section of the employee site. Each question included in the report must be answered fully in order to give our technical engineers and customer service department all the information needed to resolve the issue appropriately. All complaints must be handled through our Technical and Customer Service Departments.   Failure to follow this policy and to submit the report could result in further dissatisfaction for the customer, and in charges being assessed to the representative. All adjustments, returns or exchanges are approved by senior management, namely the Director of Sales. Returns are charged against your sales figures in the week in which they fall.   For more on the employee site see the Daily Paperwork and Employee site section later on.

Price Deviation Entries - F5

A price deviation sheet must be completed on each order that is sold off Book Price. It does not matter whether the customer is on a contract or has bought previously at this particular price. It is necessary to complete this form and attach it to each order to which it applies. Whenever a deviation from Book Price occurs without the Price Deviation Sheet to explain the reason, your order will be delayed and you will be notified. Lack of response or additional infractions of this procedure will be interpreted as indifference as explained in the Penalty Schedule of this manual and will result in further action being taken.

Customer Open Items Inquiry - F7

This menu option pertains to unpaid invoices. Notes that are present can either be from the credit or customer service departments, depending on the issue. An open item is not inherently negative though: the customer could still be well within their agreed-upon billing terms and/or an easily resolved customer service request. This menu is meant to be a glimpse into the status of an account, and should you want further explanation, contact your customer service representative.

Invoice Inquiry - F8

This menu will show you previous invoices for a customer.   An invoice is a formal bill that is sent to the customer and is created once an order has shipped. Orders that leave our dock will invoice that night and show as such the following morning. The invoice inquiry menu is a very useful tool because it conveys what the customer has bought, when they buy, the manner in which they pay (Purchase orders, credit cards, open billing, etc.), and other order information.

Open Orders - F9

The open order menu shows you any orders you have for an account. An order differs from an invoice in that it is in our system, but has not yet shipped for good reason. There are multiple reasons why an order does not immediately go to shipping that will be outlined later. Part of your customer service representative’s responsibilities include keeping you informed on any issues with your orders. If you have any questions regarding an order, contact them.

Calculate Freight - F10

This is a fast option to calculate freight and tax for an already established customer. The system will also recognize if a customer is tax-exempt when generating the quote, but will always calculate based on a truck line shipment, even if the shipment qualifies for UPS Parcel. UPS Parcel quotes must be calculated at the home office. See the Freight & Sales Tax Calculation and UPS Parcel Shipments sections later on for a more detailed explanation on calculating freight.

View Telesales Comments - F12

Any territory without an active sales representative in the area is covered by Telesales. As a new employee, this likely means that your territory was called on by Telesales. Though they cannot physically go to the location of the business, Telesales notes can be very useful in gaining further insight into a customer.

Potential New Customer

As stated earlier, maintaining notes on account is crucial to staying organized and succeeding in your territory. This not only applies to established accounts though, but also potential new ones. This is where the potential new customer data sheet comes in handy. You have the option to create a new potential customer, or to expand upon a previously created one. Note that if a potential new customer is created then later sold, you must manually move your notes via the move potential customer data to new customer option. Otherwise, the notes will start from the time you sold them.

Active/Inactive Customers

This menu is very useful if you are in a shared geographic area or split territory. The rules are as follows:

1) Upon a Sales Representative's first day starting with Delta Foremost, your territory is protected during your 6-month guarantee for a period of 6 months backward and six months forward from your start date (a total of one year).

2) After completing your 6 month guarantee period, each account in your territory reverts to our standard account protection - 6 months from the date of purchase.

3) Any open territories in a shared area are protected indefinitely until a new representative is hired for that territory.

The simplest way to determine the status of an account is via the active/inactive menu in the AS400. If you are able to put a "1" by an account and pull up its details, it is eligible for you to call on it. If there is an asterisk next to the account, it is active or protected and not eligible to be called on.

National Account Inquiry

Delta Foremost has certain customers we sell at multiple locations all over the country. When there are five or more locations of a particular company in different territories, they pay on schedule, and they have purchased from us relatively recently, we may deem them to be a National Account. This means that when opening them as new accounts, credit references are not required, which will be explained in greater detail later on. This menu allows you to view a list of these accounts, including both current and previous national accounts. Current national accounts will be highlighted with “no credit needed” next to them. You can also see specific tips on how they pay (e.g. Ahern Rental - 7 digit PO #). When you put a “1” by a National Account, you are taken to a list of all invoices Delta has had with that customer across the country, listed chronologically from most recent.

Order Inquiry

This menu shows your open orders, meaning orders that are in the system but have not yet shipped. You can also see your shipments for the month thus far. Keep in mind that this number is just an estimate, and many different factors can adjust that number. This menu is especially useful to monitor the status of your orders, and why they might be delayed. As always, you should contact your customer service representative if you have questions on an order.

Shipment Inquiry

This menu allows you to view your shipments for a set date parameter, and input as MM/DD/YY.

Past Due Accounts Inquiry

This menu allows you to view any of your accounts that are past due, meaning the time on our agreed-upon billing terms has elapsed and the customer still has not paid. Delta’s standard terms for open billing are 30 days from the date of the invoice. This is useful to check, as accounts that are increasingly delinquent can result in the commissions from that shipment being withheld until we are paid. See the Credit Policy and Customer Delinquent Accounts section later on for a more detailed description.

Account Follow Up Inquiry

This menu compiles and lists all the accounts you have set follow-up dates for in your datasheet entries from a specific date, again in MM/DD/YY format. This tool can be very useful for daily planning and staying on top of your territory but is only as reliable as the follow-up dates you set when entering your notes.

Submit Daily/Expense Report

See the Daily Report and Expenses Section later in this manual.

Product Inquiry

This menu allows you to search for any product in our catalog by number or name.   To search for a product by number, input the 5 digit unique number. This number consists of a product’s numeric prefix (liquids/powders/equipment start with 1, aerosols with 2, and 4-8 for F # products), followed by the product number itself. All 5 numeric characters must be filled in (e.g. FM 651-ES Grill Brite is a liquid product = 10651). To search by name, press ‘F7’ from the main screen. Once on a specific product, you have several different options. First, you can see if a product is hazardous or has a risk of freezing. Hazmat and freeze warnings have multiple implications on what can be sent where, and how. For a more detailed explanation, see the Hazardous Materials & Freeze Warnings section later on in this manual. Next, you can see sizing and pricing for a product. For a more detailed explanation on pricing, see the pricing on merchandise and GSA sections of this manual. If you advance to a specific sizing option of a product, you can view a brief use description and similar products by pressing 'F5'. You can also view a more detailed product description by pressing 'F7', which shows you more specific product information to that size, such as weight, quantity in stock, and items the product ships with.

Contest Points Inquiry

Delta Foremost offers multiple sales incentives as a thank you for all the hard work our salesforce does. Many of these incentives are contests that give an added bonus in addition to your regular commission. This menu allows us to view contests currently going on or from the past few years. After going into a particular contest, you can see your current points in the computer, and the orders you have that qualify by pressing 'F7'.

Freight & Sales Tax Calculation

This program gives an estimate on freight charges based on a specific city, state, and zip code for a truck line shipment. Note that this option cannot distinguish if a customer is tax-exempt or not, or if a shipment qualifies for UPS Parcel versus truck line. For a more detailed explanation of the differences, see the Freight Policy and UPS Parcel Shipments sections of this manual. After entering this information, you will be taken to the freight input screen. Following the same instructions in the product inquiry section above, enter a 5 digit unique number for a product, then select the size. You must also enter pricing per unit, not the total, as a value with no decimal points and with 4 digits after the decimal place (e.g. FM 651-ES is $36.40/gallon, pricing would be input as 364000). After pressing enter, the program will calculate the extended value, then pressing enter again will add that item to the freight quote and allow you to input the next item. After all, products have been loaded in, pressing enter once more will calculate the total freight amount.

The Lead Site & Mapping Programs

Some other sales tools at your disposal are the lead site and mapping programs. The lead site is accessed through the Delta Foremost Employee login from our homepage www.deltaforemost.com. It is a community message board exclusively for our salesforce with potential customers and how to sell them. The criteria for a rep to post on the leads site is the customer must purchase, and there must be a minimum of five other locations outside the rep's territory who is posting. Besides basic information, there is also added insight to the sales call, such as the buyer you need to see, Purchase order or credit cards, etc. Many times lead site postings and sales resulting from already posted leads are rewarded in contests. The mapping program is also a very useful tool for planning your day and surveying your territory. Delta Foremost subscribes to www.mapbusinessonline.com, which keeps an online database of all our geographic territories and the accounts in them. The website organizes each territory into an interactive map with dot points for your top accounts. You can also input waypoints, and it will navigate the best route to visit each account. This helps immensely with cutting down on drive time and increasing sell time. The accounts in the mapping program are updated quarterly, giving you the most up to date picture of your territory. When you start as a new rep, a link is sent to you that will take you straight to your specific territory map. Even as we update each quarter, your link will still take you to the newest version of the map.

Your Daily Report & Expenses

Your daily sales report is a summation of the sales calls you have made for that day. This is how the home office compares your telephone call-in numbers to what was actually received in house and is an extremely important part of Delta's system of checks and balances. It must be completed and submitted by midnight every workday. Submitting it the following morning is considered a late report. When daily reports are not submitted on time, discrepancies must be accounted for by audit. This delays audit from entering the day's business into our system and slows down the entire process. Each morning, the office generates a late report list. Customer service, office management, your division manager, and senior management all see this list. Being on this list not only reflects poorly on you, but it can also result in penalties and fines. Regardless of the amount of business you have, your report must be submitted daily. Draw (or salary) checks will be held until all reports are received. Your Daily Sales Report should not be treated as a means of directing messages to office personnel. Anything important enough to write down should be addressed separately and sent through the proper channels.

Submitting your Daily & Expense Report

After you have input all sales calls (datasheet entries, outlined previously) from the workday, you must compile the entries in the computer through the submit daily/expense report menu. You will enter the sales week cycle you are currently in, the time of your first and last calls, and your starting and ending mileage here. For tax purposes, entering an accurate starting and ending odometer reading on your daily report is important. Once you press enter, your datasheet entries and potential new customer data sheet entries will be organized into a daily report.

Before you submit your daily report, it is important to submit your daily expenses. Press the "F9" key and complete the expense form. For a more detailed explanation of what qualifies as an expense, see the expense reports continued section next. Once the report is ready, it must be submitted. Note that for your completed report to be submitted into the system, you must press the "F12" key.

ONLY if you do not have access to the AS 400. daily reports can be emailed to audit@deltaforemost.com, or faxed as a last resort.

Expense Reports Continued

In accordance with IRS regulations, you are allowed to submit expense reports, which reduce your taxable income. The IRS has strict guidelines that must be followed in claiming this deduction. A guide, not a complete list, for filling out your expense reports is listed on the following page:

Allowed Expenses

- Mileage for business miles driven at the IRS standard rate or All car-related expenses: gas, repairs, depreciation, etc. On a prorated basis of business / personal use. (My suggestion is to use the standard mileage rate.)
- All parking fees, tolls, etc.
- Cell phone expenses.
- Incidental supplies you purchase for your customer.
- Incidental supplies you purchase for yourself (paper, pens, clips, etc.).
- Meals – only when meeting with a customer.
- Hotel room if you stay out overnight for business purposes.

Disallowed Expenses

- Car expenses – if you use the standard mileage rate.
- You must prorate car expenses between business & personal if not using the standard rate.
- Clothes and laundry.
- Meals when you are not with a customer.

Although Delta is not responsible for the accuracy of your expenses, our auditors have told us that we are responsible that your expenses are reasonable. Therefore, we are limiting your expenses to $2,000 a month. If you feel your expenses are greater than these limits, you may be able to use them on your tax return. Expenses are submitted daily when you complete your daily report. Before you exit the daily report screen on your computer select the "F9" key and complete the expense form. **Be sure to accurately report your starting and ending odometer readings** (if you do not record the beginning and ending odometer reading the IRS will not allow your mileage deduction) on your daily reports and keep all receipts, as stated in the Daily report section. The IRS will ask you to provide these items if you are ever audited. At the end of the year remember these expenses have already reduced your W-2 earnings and you should not deduct them on your tax return. We advise you to hire an accountant to prepare your return.

The Order

WE CANNOT OVEREMPHASIZE THE IMPORTANCE OF THE ORDER FORM.

The use of forethought when filling out the order form will eliminate many headaches and discrepancies. Our routing, checking credit, shipping, billing, and filing of the order are dependent on the way you have written your order. Use a ballpoint pen with black or blue ink and press hard. Be sure to write legibly. Lastly, should we actually ship an order and it later develops that the merchandise was not ordered, or was ordered by unauthorized personnel at the account, the full cost of freight (round trip) will be deducted from your draw or salary check. Below are the procedures you need to implement in filling out your Order Form:

Date Always remember to date your order.

Customer Information

- Customer Name It is very important to give the exact identity of the customer. Check with the customer to get the correct trade name under which he or she operates, especially in the case of proprietorships. Be specific and consistent. Don't, for example, first write up an order as "Joe's Steakhouse" and on your next order from the customer call the company " Joe's Steakhouse and Grill". This can create confusion resulting in a duplicate account being made unnecessarily or just delay your order from shipping. Our computer system is set up for specifics, so be as specific as possible.

- Attention To Be sure to give the full name of the buyer or the person to whom the order is being shipped. Always verify the correct spelling. It shows professionalism and courtesy to your customers.

- Phone Number Always complete the full phone number of the customer. Business lines should be used, not cell phones if possible.

- Address Street address, county, and Zip Code are all vital pieces of information. The Post Office constantly returns items marked "Insufficient Address" due to the lack of information provided on the order, and in some cases, we can incur fees for redelivery if we have incorrect information. Everything that leaves our office must have a Zip Code. Leaving the field blank for the office to have to figure out can cause time-consuming delays in getting the order ready for shipment. Please advise the Office as soon as possible of any changes in names, addresses, etc., of your customers. Some changes will cause the account to be treated as new.

Shipment Date Always remember to date your order. The date shown will be the date the order is shipped, except "End of the Month" shipments. These can ship as much as five (5) days early. There is always a large influx of shipments at the end of the month, and shipping will sometimes prepare orders early to ensure every order that is ready will ship. As a result, you should take that into consideration on a future ship date. If order an absolutely needs to be ship on a specific day, it should be marked – Do Not Ship Until DD/MM/YY. As a point of reference, the invoice is dated the actual date of the shipment, and will not show in the system until an order has shipped.

Purchase Order Numbers If your order is for an account that requires a Purchase Order (PO), please put the PO number in the appropriate space of your Order Form. If you have a hard copy of the purchase order, send it in with the order as well. From your customer inquiry screen, there is a field in the middle of the page marked "PO#" and will have a 'Y' or 'N' next to it. Orders for accounts requiring PO's will not be counted as sales if they are received without a PO number. Do not count

them on your Daily Report and mark them as “Hold for PO”. See the Counting Sales and Customer Inquiry sections of this manual.
Routing If the customer requests specific routing, be sure to note it on your order. Adding special routing instructions after an order has already been shipped can lead to costly delays and penalties from the truck line. If there are no routing instructions, the order will be shipped at the discretion of the company.

Body of the Order Give your order the best chance of getting to shipping correctly and to your customer as quickly as possible. To do this, take the time to make sure the information in the body of the order is correct and do not take shortcuts when filling it out. Incorrect or vaguely written orders will result in shipping delays at best or improper merchandise being shipped at worst. To avoid the possibility of error, describe the product exactly as shown on your Price List. Include product numbers. (See attached example for proper ways to write orders).

Signature All orders MUST bear the signature of an authorized buyer and/or have a hard copy of the Purchase Order attached. An email confirmation with pricing details is also acceptable. In the case of credit card sales, the verification code from the card and the signature on the credit card sales will suffice.

Territory Number & Name In order to ensure proper credit to your account, be sure your name and identifying Territory Number are on the order.

Freight See the Freight section of this manual.

Credit References (Reverse side of order) For credit information, see the Credit Section of this manual.

Special Instructions

Liftgate/Inside Delivery Liftgate Delivery is when your customer has no unloading dock, or the shipment is too heavy for one man to handle, and tells the truck line that a specialty truck is needed for delivery. To indicate that Liftgate is needed, write ‘Liftgate Delivery’ in the body of the order at the bottom. Currently, we incur no additional fee (and neither does your customer) to have a Liftgate delivery UNLESS it is requested after the order has already left our dock and is en route to the customer. Inside delivery is a special request if your customer needs the driver to deliver their shipment inside the establishment. The notation is done the same way as liftgate, however, there IS an extra fee for inside delivery - so make sure your customer is aware of the extra charge before writing it on the order.

Tax Exemption Certain accounts, such as municipalities, religious organizations, and some hospitals are exempt from local and state taxes. If any of your customers claim tax exemption, you must obtain an Exemption Certificate properly executed with their Federal ID Tax Number. Forward a copy of the certificate to the Home Office with the order.

Emailing Invoice & Credit Card Receipts Customers often request to have their invoices and/or credit card receipts emailed to them. It is important to get this information at the time of the sale and to notate it on the body of the order. Doing so after the fact delays our credit department and the invoicing process. For more details on the credit department’s procedures, see the credit section of this manual.

Special Terms We extend 30-60-90 billing to Approved National Chains in certain cases. 30/60/90 terms must be denoted in the body of the order for qualifying accounts. See the credit section of this manual for a more detailed explanation of eligible accounts.

Counting Sales

It is important that all orders taken are counted properly. To avoid any misunderstanding, the guidelines on the reporting of sales are as follows:

DO NOT COUNT YOUR ORDER IF . . . .

1. It is from a delinquent account unless you pick up a check.
2. You are unable to get credit information on a new account.
3. The customer does not sign your new account order, give you a hard copy of the P.O., or an email confirmation.
4. It is an exchange or transfer order.
5. It is for a shipment beyond thirty (30) days.
6. It requires a Purchase Order and you do not have it at the time the order is taken. In this case, mark on your order in the purchase order box, "HOLD FOR P.O."
    a. Upon receipt of the Purchase Order, inform your customer service representative of the P.O. number. After it is applied to the order being held, **you may then count the sale** on the daily report for the day the P.O. is actually received. Hold for P.O.'s are cancelled after 30 days if no purchase order is received.

Shipments Out Of Territory

On occasion, a customer may order for a location where the merchandise ships outside your territory. The policy on commissions for this type of situation is as follows:

- When shipping to a new account, the commission is split 50/50 with the territory where the order is being delivered. After the initial sale, commission on all future sales will go 100% to the territory it is being shipped to.
- A 'new account' is defined as an account who has never purchased before, or has not purchased in the past three years. If an account is sold which does not meet that criteria, 100% commission goes to the territory it is being shipped to.
- If the customer opts to have the representative outside the territory continue to maintain their account, the commission on orders moving forward will be decided at management's discretion.
- Ultimately, Delta management reserves the right to make decisions on the commissions for any sale that deviates from the "regular" selling process.

Pricing on Merchandise

As a Sales Representative of Delta Foremost Chemical Corp, you have been granted the authority to sell our products at book price, meaning you are selling at the prices listed in the most current up to date price list. Orders entered into the AS400 with ANY deviation from book price are flagged and must be approved by the office on a case by case basis. No merchandise will be sold below half price, however. Some older customers in your territory may be grandfathered into a special tier of pricing, but even they are still subject to the rules stated.

GSA

Delta Foremost does business with the Federal Government, and a requirement of this business relationship is that we are a Government Services Administration Contract Vendor. This distinction allows us to supply Federally operated or subsidized establishments (e.g. The VA, Military Forts, Indian Reservations, National Parks). Part of the agreed-upon terms for our contract is that we offer the Federal Government our best discounted price. The products we have agreed to sell at special pricing are distinguished in your price list with 'GSA' beside it in the product description. You have also been provided with a separate GSA price list for use with Federal Accounts. Any product on this list we sell to the Federal Government must be sold at GSA pricing, not above or below. This also applies to non-government customers in that we cannot sell any product listed on our GSA pricelist within 5% of the GSA cost.

Daily Paperwork & the Employee Site

Your daily paperwork consists of orders, training homework, contest slips, walk-thru's, ad award requests, supply requests, cleaning problem questionnaires, and any other correspondence for the office. It is to be submitted each evening before 12 midnight, just like your daily report. Almost all of these forms can be found on our employee site, in the forms section. They can be completed and submitted online, which goes directly to the home office. This is the easiest way for the sales department to receive it. After that, emailing a scanned pdf of the paperwork to audit@deltaforemost.com is the office's preferred way to receive it. Besides using a photo scanner or printer with a scanner function, there are also several scanner mobile applications, such as Turbo Scanner, that can be downloaded for use on your mobile phone or tablet. ONLY If you cannot submit online. scan or email, you may fax your paperwork to (800) 238-5173. Follow these guidelines when sending your paperwork:

- Always specifically reference the type of document you are sending and the quantity of it in the body of the email with your attached scans, or include a FAX cover sheet. Online submissions have a record already. This allows audit to organize what is actually received, and for customer service to notify you of any discrepancy.
- Scan and email the first and second pages of your order to the office. The first page is needed to input the order while the second page has a premium request at the bottom. An additional page, such as credit references, a credit card sales form, or a purchase order, may also be needed. All counted orders are to be in the office that same day whether you fax or not. Please file your original signed order for future reference.
- All orders are to have the customer's signature. NO EXCEPTIONS. A credit card sales form with a verification code, and a hard copy purchase order can constitute a signature on an established account. Please file your original signed order for future reference.

Should you have difficulty emailing or faxing, you must notify your customer service representative at 8:00 am (CST) the next morning, and phone-in the business for that day. Everything you email must be kept with you the next day should there be an issue we need to contact you about. The employee site and email program are setup to help audit process orders faster and more efficiently. Faxes are recorded daily of the time received. Should you phone-in an order to the office, please mark the order (phoned in) and send the order that night with your daily report and other paperwork.

The Walk–Thru

Delta Foremost's mission and reputation have always been founded in creating the highest quality products and offering the highest level of customer service. Our training model is based on relationship selling, and as such your job is not done after the sale. There is no greater example of this than the Walk-Thru. Simply put, a walk-thru means going to the customer after delivery of the merchandise and instructing the personnel by a demonstration on the use of the product. The demonstration made at the time of the sale is not a walk-thru. It is your responsibility as a salesperson to "walk-thru" all new products and the products sold to new accounts. They are to be performed as soon as possible after the merchandise is delivered. An example of a proper walk-thru for a sale of a 55-gallon drum would be as follows:

1. Open drum
2. Install the pump.
3. Fill pump-up sprayer.
4. Show the customer how to properly use.

Fill out a Walk-Thru form for each new product on an order that qualifies. This procedure will help ensure that the customer is knowledgeable in the use of the product and is satisfied. It eliminates costly returns, collection procedures, and helps ensure repeat business. Walk-thru's should be done at the end of the day, first thing in the mornings, or in some cases, in the evening. Do not use valuable selling time to do them. Furthermore, walk-thru's present an excellent opportunity to sell a new product.

Supply Requests

Supply requests are the means by which you obtain ice breakers, point of sales awards, product samples, brochures, and extra paperwork. Only reasonable quantities of ice breakers and ad awards will be fulfilled. Specific criteria for product samples also must be adhered to. Only non-hazardous materials can be sent in a single gallon, quart, or aerosol can sizes - depending on the smallest packaged size of that product. Remember, multiple products have liquid and aerosol forms, so please take the time to fill out your supply requests CLEARLY and SPECIFICALLY. For a more detailed explanation of what can be shipped, see the Hazardous Materials and UPS Parcel Shipments sections.

Cleaning Problem Questionnaire

The Cleaning Problem Questionnaire is designed to assist the technical staff in making a determination on the correct or most effective product and/or procedure to solve related problems. It is used when the problem is too involved or complicated to be handled by the salesperson. All questions must be answered as completely as possible to eliminate products that might prove undesirable to the customer. It is imperative to reference any samples being sent to the office in the Cleaning Problem Questionnaire (or Complaint Report), otherwise, the lab will be able to address the problem appropriately. The Questionnaire is to be submitted directly through the employee site. A printed copy of the Questionnaire can be sent with the sample or referenced in the submitted report as mentioned above.

Handling of Samples from Territory Salespeople

In an effort to avoid any confusion in the handling of samples coming to our laboratory for evaluation, the following procedures are recommended:

1. Use pint trigger sprayer bottles with spout caps or equivalent pint narrow mouth bottles with closures securely tightened and taped to submit samples for evaluation.

2. The salesperson's name and territory number, plus product identification, should be written on the bottle with a permanent marker, felt pen, or equivalent.

3. A Cleaning Problem Questionnaire must be submitted through the employee site, having referenced the sample within.
    - Send the original to the Sales Department with Daily Report.
    - Include the second copy with the sample.
    - Retain the third copy for follow-up.

4. If a sample is being sent to the home office in regards to a complaint report, the sample but still be referenced in the report regardless if you are submitting through the AS400 or employee site.

After sending the samples, the sales representative should verify receipt at the office in 5-7 business days. From the time we have confirmed receipt, please allow our laboratory personnel at least 2 working days to perform the testing required.

Sales Promotions and Incentives

Delta Foremost Chemical Corporation shares the cost of incentive and promotional items with the representative. Therefore, Delta reserves the right to exercise a certain amount of control regarding their distribution. The listings of available promotional items is found on your Ad Award List (a sample of this is shown on the next page), which comes in your initial sales supply set. This list is updated frequently and you will be notified by the Hotline Memo whenever a change has been made to the listing. Our promotions are categorized by their type, the appropriate time to use them, and the amount of sale required to give them to your customer. UNDER NO CONDITIONS OR CIRCUMSTANCES ARE YOU TO GIVE AD AWARDS OR ANY PROMOTIONAL ITEMS TO ANYONE CONNECTED WITH A FEDERAL, STATE, COUNTY OR MUNICIPAL GOVERNMENT. You are required to sign a statement acknowledging your understanding of and compliance with this requirement when you are hired.

Free Merchandise

Rewarding your customers with free merchandise is an extremely useful tool in your arsenal. This is an effective way to overcome price resistance and to get the order TODAY. You will be charged for all no charge merchandise. Also, a $1.00 Handling Charge will be assessed to the charge for each item of free merchandise on the order, i.e., drum pumps, sprayers, etc. The amount of free merchandise you can give on any given order is based on the amount of the sale itself. Excessive free merchandise on orders will be flagged by the office and stopped. See the price list for the product samples section for a more detailed explanation.

Ice Breakers & Point of Sale (P.O.S.) Awards

Ice Breakers & Point of Sales awards are meant to progress the sale from a cold call to a signed order. As their names denote, they are meant to be used at different points in the sales call but serve similar purposes. Use them wisely to create customers. They are shipped with your initial supplies in bulk and charged to you. Proper use of the Ice Breakers and Point of Sales awards will result in increased earnings. Misuse of these items can become expensive. A new Ad Award List will be furnished to you from time to time. In the meantime, keep your list updated. Do not inconvenience your customers by requesting items that are not on the current Ad Award List. Ice Breakers and Point of Sales Awards are to be ordered on a regular SUPPLY REQUEST FORM in reasonable quantities. See the Supply Request section of this manual for more details.

Ad Awards - Categories 1,2, & 3

Ad awards are the heavy ammunition sales tools at your disposal. These are used to close a sale, to up the order, and as a thank you for a customer's loyalty to us. Higher amounts of sales qualify for more valuable Ad Awards. When ordering ad awards for your customers, adhere to the following guidelines:

- WITH REGULAR MERCHANDISE, UP TO 3% RANGE IS RECOMMENDED - LIMIT 5%
- WITH ES MERCHANDISE, A 3% - 5% RANGE IS RECOMMENDED - LIMIT 7%

Advertising Awards must be requested on a premium request form - no exceptions. Premium Request forms without all necessary information will not be filled. Ad Awards are always shipped when the merchandise is shipped. All shipments are subject to applicable sales tax and shipping charges.

Gift Certificate Program

Multiple units or multiple drum buyers can be placed on the GIFT CERTIFICATE PROGRAM. Gift certificates/cards come in $10 increments, are based on different guidelines than other Ad Awards. Each $10 gift certificate equates to $350 of regular merchandise or $250 of ES merchandise.

To order the certificates as Ad Awards, complete the Ad Request in full - making sure to get your customer's first and last name as well as their full home mailing address, not the business address. The certificates will be mailed directly to your customer's home. NO CERTIFICATES WILL BE SENT TO A SALESPERSON FOR DELIVERY.

See below for a sample list of icebreakers, POS, and Ad Awards you receive:

ICEBREAKERS | Prices effective 3/18/24

- Delta Foremost Presentation Folders | $1.20 each
- Delta Grip Roller Bic Pen | $0.62 each
- Magnetic Screwdrivers (Flat Head) | $0.65 each
- Phillips Head Magnetic Screwdrivers | $0.65 each

POINT OF SALES (POS) AWARDS

- Delta Foremost Ball Caps | $4.00 each
- Delta Shotgun Shell Knife | $3.50 each
- Delta Drum Stress Reliever | $3.00 each
- Multicolor Golf Umbrellas | $4.80 each

AD AWARDS

Category 1 - $200 Minimum Order

- 40 oz. Stainless Steel Mug | $10.00 each
- Magnetic Flex Lite | $8.95 each
- Plasma Lighter | $12.00 each
- Gel Blaster | $15.00 each

Category 2 - $300 Minimum Order

- Magnetic Charger & Power Bank | $17.00 each
- Collapsible Telescoping Stool | $17.00 each
- Smart LED Strip Backlight | $18.00 each
- Winter LED Hunting Beanies (Camo/Orange Blaze) | $18.00 each

Category 3 - $500 Minimum Order

- RTIC 30 oz. Stainless Steel Tumbler | $21.00 each
- Anker Bluetooth Speaker | $24.00 each
- Viking Chef Knife | $30.00 each
- Bella Air Fryer | $34.00 each

Price List for Product Samples

Delta Foremost Chemical has different commission rates for different products, as previously stated in this manual. The commission rates are denoted by alphabetical code, listed by the product on your price list. Sales charge prices on sample products given to customers at no charge are based on the product's commission code. The table listed below outlines the sales charge %s in relation to the commission rates.

Commission Code	Commission Rate % of Book Sales Price	Sales Charge % of Book Sales Price
AA	35%	25%
A	30%	30%
B	27.50%	30%
C	25%	30%
D	22%	40%
E	19.50%	40%
F	16%	45%
G	12%	55%
H	10%	55%
I	5%	55%
J	3%	55%
K	0%	55%

All sales charge prices are shared on a 50 / 50 basis between the Sales Representative and Delta

Example

Commission Code	Selling Price	Sales Charge %	Sales Charge Amount	Net Cost to Rep
AA	$20.00	25%	$5.00	$2.50
A - C	$15.00	30%	$4.50	$2.25
D - F	$13.00	40%	$5.20	$2.60
G - K	$10.00	55%	$5.50	$2.75

NOTE: Samples are only available in sizes the product is normally packaged in

Freight Policy

You are expected to explain the particular freight situation which best applies to your customer. The following policy, with respect to freight charges, will apply to all orders. We have simplified our terminology to cover five different categories:

1. Collect / (F.O.B. Memphis)
2. FRT (Freight added to Invoice)
3. ATP (Added to Price)
4. Prepaid
5. PPO - Third Party Billing

Some additional services or special circumstances incur additional fees to truck line (non UPS Parcel) shipment costs. They are as follows:

1. Hazmat fee: **$5** - any hazardous material on an order, even a sample
2. Liftgate Delivery: **$15** - any customer requesting a liftgate on their delivery
3. Inside Delivery: **$20** - any customer requesting their delivery be brought inside the business

(if a customer requests both liftgate and inside, they incur both added fees)

COLLECT / (F.O.B. MEMPHIS)

An F.O.B. Memphis shipment means that the customer pays all transportation charges directly to the freight line. Your order is to be marked "COLLECT" in the freight terms box on the middle right of the order. Certain customers may also request to ship via a specific truck line, and give an account number for freight charges. It is ESSENTIAL to mark the truck line and account number in the body of the order to avoid incurring charges to you. On such shipments, you are not charged with any portion of the transportation charges.

FRT (FREIGHT)

A Freight shipment is one on which all charges, whether via UPS PARCEL or truck line, are prepaid by Delta and added to the invoice. The customer is expected to pay Delta in full. Your order is to be marked "FRT" in the freight terms box on the middle right of the order. This is our most standard method of shipping. On such shipments, you are not charged with any portion of the transportation charges. For a more detailed explanation of what qualifies for a UPS Parcel shipment, see the UPS Parcel Section later in this manual.

ATP (ADDED TO PRICE)

ATP simply means adding the amount of the freight to the cost of the merchandise. This means the freight amount must first be determined by freight calculation or your customer service rep, then the amount must be added to the price equally by dividing the unit into the freight charge, then add the answer to the unit cost. On such shipments, the freight charge is deducted from the amount you charged. You are paid the rate of commission due on the amount left. If this amount is above book price, you are paid the full rate of commission on this amount. If this amount is below book price, your rate of commission is adjusted accordingly. You are not charged, nor do you receive any part of the freight charges.

Example: 1/55 gallon drum, freight charge of $82.50 | $82.50 divided by 55 = $1.50 added to the unit price (per gallon price) of the merchandise. Your order is to be marked "ATP" in the freight terms box on the middle right of the order.

PREPAID (ABOVE MINIMUM)

Prepaid freight indicates that no freight is added to the invoice, nor is the customer expected to pay any. Your order is to be marked "PPD" in the freight terms box on the middle right of the order. On orders of this type, you will be charged with 50% of the freight cost with Delta absorbing the other 50%. Any extra expenses, such as drayage, or storage charges, which may be incurred in order to effect delivery of the merchandise, will be charged to you on a 50/50% basis. Additionally, any no charge order that is sent to a customer, such as replacement equipment, is always prepaid shipping unless specified otherwise.

PPO (THIRD PARTY BILLING)

A PPO or Third Party Billing shipment means that the customer pays all transportation charges directly to the freight line through another party. Your order is to be marked "PPO" in the freight terms box on the middle right of the order. The difference between this and a COLLECT shipment is the customer will not only provide truck line and account information but will also provide a Company and/or address different than the customer's billing address to remit the freight charges to. It is ESSENTIAL to mark the truck line, account number, and third party billing information in the body of the order. On such shipments, you are not charged with any portion of the transportation charges. It should also be noted that the home office cannot give an accurate freight quote for third party billing orders. This is because our freight rates are based on our tariffs, and when billing freight to a third party the customer is using that party's rates.

UPS Parcel Shipments

There are certain restrictions concerning what may or may not be shipped via UPS Parcel. These restrictions are listed below. Should a shipment violate any one of these restrictions, the entire shipment must ship via truck line. Qualifications for UPS Parcel shipments are as follows:

- Any shipment weighing >100 lbs. total and/or if the quantity is >20 gals. cannot ship parcel. Some of our products are offered in 4.5 gal pails. UPS Parcel cannot ship more than two 4.5 gal. pails on a single order.
- UPS Parcel will not accept any liquid or powder product packaged in a metal container. Some of our products packaged in metal containers are safety paints and concrete patches. NOTE: Aerosol cans will ship UPS Parcel, however.
- No material classified as "HAZARDOUS" will ship via UPS Parcel.

Hazardous Materials & Freeze Warnings

Delta Foremost Chemical has multiple products that qualify as Hazardous Materials and/or have a risk of freezing in inclement weather. Hazardous materials are products with warning labels containing words such as 'flammable', 'combustible', 'oxidizers', 'poisonous material' and 'corrosive material.' To see if a product is Hazmat or has a risk of freezing, access the Product Inquiry Menu from your Sales Rep Main Menu on the AS 400, as mentioned earlier in the manual. Hazmat info and freezing risk info (if applicable) will be listed under the name of the product. For a more detailed explanation, see the AS400 & SalesRep Main Menu section of this manual. All Hazmat products must ship via truck line and air freight on any of our products, hazardous or not, is prohibited by law. Truckline shipments are more expensive than UPS Parcel shipments due to tariff rates and what they are capable of shipping. If you are selling a Hazmat product, do your best to increase the order quantity or sell additional merchandise to justify the increased cost of a truck line shipment. If this is not possible however, obtain the customer's approval to ship via truck line. Be sure to inform your customer of the higher freight charge. If this approval is noted on your order, no delay should be encountered when the order is processed for shipment.

The same restrictions also apply to your supply request shipments, so it is best to accumulate your requests to justify a truck line shipment.

Freight Claims

All shipments are delivered to the carrier in perfect conditions and signed for by the transportation company. Delta's responsibility ceases upon delivery of goods to the carrier. Advise your customer not to accept shipments showing evidence of damage or shortage until the agent of the carrier notes this on the face of the transportation receipt. Without this a claim cannot be filed.

The Interstate Commerce Commission has held that the carrier is as responsible for concealed damage as for visible damage in transit. Educate your customers to unpack shipments promptly after receipt, as there may be concealed damage even though no evidence of it is apparent. When concealed damages are discovered, your customer should cease further unpacking and request an immediate inspection by the local agent of the carrier involved as well as a written report of the findings to support a claim. The inspector's report must be made within 15 days after receipt of merchandise by the customer.

Tell the customer to check the number of items received with the number shown on the shipping papers. The packing cases or any packing material should not be discarded until the contents have been checked and found correct. Before reporting a shortage, consider the possibility of others in their employ having neglected to report the removal of a badly needed item from the shipment, before it was checked.

Filing a claim for a damaged shipment, or a shortage is a simple and routine procedure if an agent of the carrier is given an opportunity to make an inspection of the shipment. In the event of damage or shortage in shipment, the claim must be supported with the carrier's original destination freight bill bearing a notation of damage or shortage, or with the inspection's report of the same attached, together with the original bill of lading of the transportation company at the point of origin.

While our responsibility ceases upon delivery of the goods to the carrier, we are glad to handle claims for our customers when requested to do so. Send us the necessary documents, as outlined above, and this will enable us to establish a claim and make an immediate replacement shipment to the customer.

We solicit your assistance and cooperation in this matter. Too many times it is assumed Delta has to absorb all costs. Remember, the freight line has its responsibility, and the customer must get properly noted delivery receipts before we can file a claim (for them). If they don't, then theoretically, it is the customer's account that should stand the shortage. We will assist in every possible way to correct any situation, but the customer is not relieved of his responsibility for the invoice in such a situation.

Transfers

From time to time, a customer will decide for whatever reason, a product doesn't meet their needs. Rather than returning the product to Memphis, you might have a potential customer to transfer the merchandise to.

1. Contact the Credit Department for approval of the creditworthiness of the potential new customer.
2. Contact customer service and verify all details to then send in a complaint report with an order for the new customer.

Returns and Replacements

Sometimes an unforeseen issue with a shipment or a situation where Delta agrees the merchandise is subject to return can occur. If the issue is at no fault of the salesperson (e.g. the order is written correctly but the wrong product is shipped, the truck line damages or loses a shipment in transit, etc.) Delta will absorb the additional costs incurred to rectify the situation at no cost to the salesperson. If the circumstances fully or partially involve the salesperson, salesperson will be charged the appropriate percentage of the added costs (e.g. freight, storage, drayage, handling charges, charges incurred by Delta in connection with the sale and delivery thereof, and/or charges from redelivery to Delta). If merchandise is returned to Delta due to an unauthorized sale or a questionable order, 100% of all freight, storage, and drayage charges will be charged to you

Credit Department Policies

The Sales and Credit departments go hand in hand. Working together on both sides ensures the best outcome for Delta Foremost and for you to get paid. The following sections cover the types of accounts and methods of payment you will encounter in the field.

Active Accounts

Previously sold accounts are "active" if they have purchased (and paid) an invoice within the last 2 years. If the last sale was more than 2 years ago, an order require a signature (see below). If the last sale was more than 3 years ago, they are considered new. An account that is active is subject to the same billing criteria it previously had (e.g. if it was a credit card sale last time it still is, if it uses a PO, etc.) To change the method of purchase, new credit must be evaluated.

Credit Limits, Account Balance, and PO#'s

Customer credit information can be viewed on the customer inquiry menu of an account. The credit will be displayed in the credit limit field located on the right middle side of the page. Open credit means the customer can be sold on open terms. CASH means they are a credit card or "cash" customer, T/O means they are currently turned over to collections, or were turned over their last sale. Call the credit department prior to attempting to sell the account. Other useful information like if they use purchase orders and their account balance are also viewed in the same area.

New Accounts

The following types of accounts are considered new:

1. Accounts never sold before
2. Accounts where a change of ownership has taken place
3. Accounts where a reorganization has taken place
4. Accounts whose last activity was three (3) years ago or longer

Other than credit card sales, all orders for new accounts must have an **order signature** and **necessary credit information**, defined as follows:

Order Signature

At least one of the following:

1. A customer's signature on the order
2. A **hard copy purchase order** with matching pricing, freight terms, & payment terms
3. An email confirmation detailing products purchased and pricing *(e.g. sales rep: I am confirming your purchase of 1 55 gal drum of 615-ES @ $21.80/gal. customer: sounds good, please ship.)*

Necessary Credit Information

*This is to establish a "line of credit" or open billing. At least one of the following must be referenced in **internal instructions** of the order:*

1. Listed in on the National Account Menu with "no credit needed"
2. Selling other locations within last 3 years. List the account number. All restrictions apply from other accounts (e.g. if the referenced account pays by credit card or a PO#, the new acct must have the same info)
3. A **hard copy purchase order** with pricing, shipping terms, payment terms, billing info., etc.

Should the order meet none of the above criteria, then:

4. Credit references - listed on the dropdown menu of the order
    A. Bank Name
    B. Three (3) open billing credit references*
    C. Customer phone numbers

*When providing trade references, list suppliers that the customer has an open credit account with, not C.O.D. or one of our competitors. Always provide area codes and phone numbers. Some customers have preprinted credit information forms available. Before getting suppliers, ask for this sheet.

Cash Sales & C.O.D.

1. Delta Foremost only ships C.O.D. orders in Memphis, TN. This is unavailable anywhere else.

2. For a Cash sale, the customer gives you a check for the total sale (i.e. merchandise + freight + tax)

3. What if your customer is leery about giving you a check for the entire Sale? Suggest a Credit Card Sale. This enables the customer 30 days to pay the credit card bill

Credit Card Sales

We accept Visa, MasterCard, and American Express. Delta cannot accept "card on file" on an order for multiple reasons, mainly security reasons to our customers. You must submit the information everytime. Listed below are the necessary steps to take:

1. Mark "credit card" in the PO field of the order, unless there is a corresponding PO# with the credit card.

2. Complete the Credit Card Sales drop down menu on the order form, omitting nothing and submit with your order. Should you use the physical form (rather than the digital), have your buyer sign the sales form and retain the yellow carbon copy for your records.

3. DO NOT WRITE THE CREDIT CARD INFORMATION ON THE ORDER

4. After your order ships, copies of the charge slip and the invoice will be emailed or mailed to your customer

Special Terms

We extend 30-60-90 billing to certain approved national chains. Consult the current list of eligible accounts and the minimum order value. <u>You may not</u> grant special terms to any customer that has not previously received them without prior home office approval.

Accounts Receivable Procedures

1. The invoice is emailed or mailed the morning after the merchandise is shipped. If the invoice is a credit card sale, transaction information is listed in the body of the invoice.

2. If the customer requires a monthly statement, one is mailed on request. Otherwise, one is emailed or mailed each month the customer is delinquent.

3. Initial phone contact is made to the customer on day thirty seven (37).

4. Based on the results of the contact:

    A. If a customer promises payment, an account is marked up seven (7) days from the promised payment date to allow for mail delivery.

    B. If the customer expresses a problem or complaint, the information is taken and a memo sent to customer service to contact the salesperson.

    C. If a problem exists, no additional contact is made by the credit department until the problem is resolved and a letter confirming that it has been resolved is sent (i.e. customer service), with enough time allowed for payment to be received.

5. During the collection procedure, DUN letters are sent requesting payments with the severity of the letter based on the age and previous results in obtaining payment.

6. If payment is not received, the account is placed with an outside collection agency for collection.

7. When the company, at its discretion, deems any account “uncollectable”, the salesperson will be charged back commissions previously allowed or paid.

8. Salespeople are charged half (1/2) of the collection expense when the account is collected and the amount of commissions charged back will be re-credited.

Our goal is to collect payment seamlessly as possible. The last thing we want is for an account to be sent to a collections agency. Communication is paramount. Correct AP contacts, or the best way to get in contact with a buyer help ensure that goal.

Salesperson Delinquent Lists

Sales representatives can view their delinquent accounts in the AS400. Accounts that are at least thirty seven (37) days old are listed. Information provided will include invoice number, invoice date, amount, days outstanding, contest points (if any), and collection comments about the account. To view, access ***Option 14 Past Due Accounts Inquiry*** from your home screen. From there, select an account you would like to view by *placing a 1 on the open line and pressing enter*. *Press F7* to view comments or view the specific invoice by *placing a 1 in the open line and pressing enter*. By placing your cursor in the comment paragraph, you can then page down to the latest comments.

Additional Notes

1. If the days outstanding are greater than the average days pay for the account, start watching your account. Contact the credit department with questions.
2. If the invoice is forty-five days outstanding (and this is not typical), you may need to contact your customer to help facilitate payment. Sometimes an in person interaction yields better results than a phone call.
3. Remember: no sale is complete until the invoice has been paid.

Use the AS400 to keep track of your accounts' statuses. *See the **Customer Open items inquiry** and **Past Due Accounts Inquiry** sections previously outlined for a better explanation.*