



Representative Policy Guide

Independent Contractor Status

As stated in the Representative Agreement, all Representatives are independent contractors, not employees, agents, partners, franchise holders or legal representatives of the Company. Representatives are responsible for all self-employment taxes, income taxes and other filings required by law, and are not covered by any State Unemployment or Worker's Compensation Act.

Representatives are not treated as employees for federal or state tax purposes. Representatives agree to use the ShowCase to promote and sell Company products. The Company is responsible for collection and remittance of all applicable sales and use taxes on the retail price of the product.

Representatives of the Company agree to conduct themselves in a manner that reflects the highest standards of integrity, honesty and responsibility in keeping with the reputation of the Company. In addition, Representatives are expected to abide by all federal, state and local laws relating to their business, and to comply with the policies outlined in this *Policy Guide*. Failure to reflect these standards, abide by related laws and comply with Company policies may result in termination as a Representative.

Customer Care Contact Information and Guidelines

Our Customer Care Team is available to support you Monday- Friday from 9 am-4pm CT by calling or emailing. Contact customer care at: 1-630-762-1700 x9 from 9 am- 4 pm CST. Email: SHSservice@designsbyshs.com

Non-Time Sensitive Issues

Do NOT submit the order! Call Customer Care for assistance and we will help you resolve the issue.

Time Sensitive Issues

If you find yourself unable to add a TIME or deadline sensitive order (one that has an submission deadline) and the deadline is upon you, follow these steps:

1. Don't Panic!! Check first that the Show Date is correct. An incorrect date is the #1 issue that items can not be added!
2. If the date is correct and you are still having an issue: Take a print screen that reflects the error message preventing you from submitting your Show with this promotional item on it by the posted deadline. To print screen, hold down the control key and print screen key on the top row. Some keyboards require the function key rather and print screen key. The print screen key will have "Prt Scr" on the key.
3. If it is after regular business hours, reach out to your Sponsor or Leader for assistance.
4. If you are unable to resolve the issue before the deadline, submit the Show online without the Time Sensitive Promotional Item.
5. Call Customer Care the next morning and let us know that an email was sent about the situation the night before to ensure it was received.

Following these procedures will allow us to service you best! Thank you in advance for your cooperation.



Representative Requirements

Representatives must be at least 18 years old and live in the 48 contiguous states.

Activity and Sales Minimum Requirements

To remain active, a Representative must submit and process \$500 in sales in a single month at least once every four months. When a Representative has not processed \$500 of sales in a month within a four-month period, she is deactivated. Representatives are responsible for keeping track of their own status according to when they last processed \$500 of sales in a month. Representatives deactivated will lose their Trip Points and Product Points and no longer have access to Members Only. The Company reserves the right to distribute names and addresses of past Hosts and Customers to other Representatives. A Representative who has been deactivated can reactivate at any time by processing \$500 in sales in a month. A Representative who has not processed \$500 in sales in a month within 12 Bonus months is classified as inactive and can reactivate either by processing \$500 in sales in a month or by re-enrolling and purchasing a new ShowCase. Any Recruits of inactive Representatives will be reassigned to the upline active Representative or Leader.

Grand Opening Show

A Grand Opening Show is a Show that is held by a Sponsor or Leader for a potential or new Representative for the purpose of training and securing initial bookings and sales to start a Signature HomeStyles business. A Grand Opening Show may be submitted by either the Sponsor, the Leader or the new Representative. In any case, the new Representative is listed as the Host for the Show.

Super Start Program

The Super Start Program for new Representatives begins the day the Representative joins through the first 100 days. Period 1 is the first 40 days. Period two is the next 30 days (day 41- day 70). Period three is the next 30 days (day 71-day 100). All sales and enrollments processed during the first 100 days count toward the Super Start Program. A New Representative that achieves the Period 1 Sales goal is considered a Super Start for promotions and programs.

In the new Representative Super Start program, sales above the qualifying amount will rollover to the next period and count toward the next period goal! Sponsors can track their recruit's sales and period end dates by using the New Rep Super Start Report in the Virtual Office. Go to Team Reports > New Rep Super Start Report (updates daily). For easy tracking, rollover sales are included in the total for each period that includes rollover sales. Total sales include actual sales without rollover.

Rollover Example: If period 1 sales are \$1500, rollover sales into Period 2 will be \$500.
If Period 2 sales are \$900, the total sales applied to Period 2 is \$1400 (\$500+\$900) and the Period 2 goal (\$1250) is met. The additional sales over \$1250 do not rollover into Period 3 because additional sales only rollover one month. If Period 2 actual sales were \$1500, the additional \$250 of sales will rollover to Period 3.

Non-Solicitation

Representatives may not directly or indirectly solicit, hire, recruit or influence the resignation of any of the Company's Representatives, whether they are members of the Representative's Team, downline or upline while they are Representatives and for a period of 2 years after this agreement ends (regardless if Representative resigns from the Company or if Representative is terminated at the option of the



Company). Solicitation includes, but is not limited to, directly or indirectly selling another Company's products or opportunity to active Representatives. Indirect solicitation includes Social Media posts, messages, texts or videos. The Company invests significant time and expense in inventory, systems, staff, events and infrastructure to support and develop its salesforce. Loss of the Company's Independent Representative salesforce due to solicitation, results in the loss of sales and/or goodwill and causes irreparable harm to the Company.

Conflicts of Interest

Representatives of Signature HomeStyles may not demonstrate the products of any other Company at a Signature HomeStyles Show or event. A Representative can be an independent sales Representative with another Company as long as the products are not demonstrated at a Signature HomeStyles Show or Event.

Representatives at the Director level may not be involved with another direct selling or multilevel Company except as a customer or Host. The Director has 30 days from the time of promotion to Director to terminate her involvement with the other direct selling Company.

A Representative of Signature HomeStyles may not sell Signature HomeStyles merchandise at a retail store or on a third party websites (i.e. ebay, Amazon). Products may be sold at trade fairs and events at current selling price. Furthermore, displays may be set up for the purpose of encouraging future bookings, sponsoring new Representatives and selling products.

Representatives may not promote any other business opportunity, market or sell products in any way at Company events and gatherings. This includes Vacations, Retreats, Meetings, Events and Signature Social Media groups.

Representatives are not allowed to market their own training material.

Requests for a New Leader

It is understood that personality conflicts are at times inevitable. However, no formal transfer of a Representative to a new Leader will be made. Issuing a formal transfer would undermine the entire commission structure on which Signature HomeStyles is based.

Promotion to Leadership

Representatives interested in achieving a leadership status with Signature HomeStyles should contact their upline Leader to discuss the opportunity. In the month that you meet all Team Leader qualification requirements (that is, you process \$500 or more in personal sales, your personal group sales are at least \$4,000 and you have 3 or more qualified group Representatives (of which two are personal recruits or you have achieved Executive Representative status), you will promote to Team Leader.

Information Integrity

Manipulation of Show or order dates, transferring of sales or Recruits from one Representative to another or other breaches of rules for programs, promotions or contests will result in the disqualification of all involved.

Fraud/Termination

Leaders and Representatives of Signature HomeStyles must operate their businesses with the highest integrity. Failure to do this may result in the immediate termination of the Representative Agreement. In



the event of a termination, Signature HomeStyles will recover all commissions and overrides paid and the value of vacations or awards earned based on fraudulent activity.

Using the Company Name, Logo, Trademarks and Copyrighted Materials

As you promote your business, you will be using the logo and trademarks of our Company. Signature HomeStyles is a registered trademark. As an independent sales Representative of Signature HomeStyles, you are granted permission to reproduce our logo and our trademark in your promotional literature and advertising. You may NOT reproduce our logo or trademark(s) on any durable goods, such as clothing, coffee mugs, etc. Remember, though, that you are an independent sales Representative of the Company and not an employee of the Company. You may represent our products, but since you are not one of our employees, you cannot represent our Company. When writing or speaking about Signature HomeStyles, you represent yourself and your business. You are not a spokesperson for the Company. When reproducing the Company logo and when using the Signature HomeStyles name in your advertising, make sure you use the registration ® symbol. For your convenience, logo artwork is available in the Members Only Download Center.

Statements Regarding Other Companies

Signature HomeStyles Representatives are prohibited from making misleading comparisons of another Company's direct selling opportunity, products or services. All comparisons must be based on objectively substantiated facts.

Raffle and Ticket Sales Guidelines

Raffles and ticket sales must be conducted in accordance with State and Provincial Law. In most States and Provinces, the exchange of money for a chance to win is considered illegal gambling. Selling squares, bingo cards, paddles, split the pot or a chance to win is not legal in most States and Provinces. Quarter auctions or auctions where money is collected for the chance to win is not legal in most States and Provinces. Here are some guidelines to follow that are legal in most States and Provinces, however your State/Provincial Law should be researched before conducting these activities:

1. Tickets may be sold to attend an event. Raffle tickets, bingo cards and paddles may be given to attendees for free for attending.
2. Tickets for a raffle may be given as a reward for making a purchase, booking or joining the company.
3. Payments should be collected only in exchange for something, not for a chance to win.

Representatives are expected to follow all Federal and State/Provincial Law. Representatives that conduct illegal activity are wholly responsible for their actions. Signature HomeStyles does not support and is not liable for illegal activity conducted by a Representative.

Internet and Social Media

In order to protect and maintain the Company image, while allowing Representatives to promote their businesses on the Internet, the following policies apply to the Internet:

- Representatives may subscribe to a Personal Web Page through Signature HomeStyles.
- Representatives may promote their business and have a link to their Personal Web Page from social networking pages (Facebook, Instagram), in e-mails, on message board posts, in chat



rooms and on blogs.

- Representatives may use the Company name with their name to set up social networking business pages. Example: “Signature HomeStyles with Susie Smith.” Representatives can not solely use the Company name on social networking business pages and must use their name with the Company name.
- Representatives may not have a web page for the sole purpose of advertising or selling Signature HomeStyles products or services except for the Personal Web Pages offered by Signature HomeStyles.
- Representatives may not use search engine optimization techniques using the name Signature HomeStyles to drive traffic to their Personal Web Page.
- Representatives may use the Company’s copyrighted photos that are in the shopping cart and/or posted in the Members Only Download Center.
- You also can use these images for flyers, other promotional materials or creating images for social media. All images or promotional materials created on your own must be approved by the Company.
- Representatives may not sell products on ebay, Amazon or other websites.
- Representatives may not private message or reach out to prospects or customers from any Company sites, including the Company Facebook, Instagram or Pinterest page. Leads are distributed by the Company to qualified Leaders through our Lead system.
- Upon becoming inactive or being terminated, Representatives must delete or disable all references to the Company from any Website or social media account within their control.

Company Advertising and Lead Generation

The company invests significant resources into advertising & marketing efforts to grow the company. The purpose of company marketing efforts is to expand our reach, attract new customers and gain new markets. All customers have the option to Find a Rep, Shop, Host a Show or Join our Team. Customers are provided these options so that they can choose how they want to shop and do business with Signature HomeStyles.

From time to time, Signature HomeStyles may run special offers to attract new customers. These special offers may not be available to customers that order through Representatives. Customers that order online direct do not qualify for the monthly customer special or host benefits.

To be part of the Find a Rep feature, you must have active status and have an active personal website subscription. Visitors can search by zip code, last name or personal website URL to find a Rep.

To receive all other leads you must be a qualified leader.

Representative Advertising

Representatives wishing to advertise or appear on television, radio or national magazines need advance permission and editorial approval from Signature HomeStyles. Advertisements on social media, local newspapers or print publications are allowed. Any Representative who uses promotions other than those offered by Signature HomeStyles, must ensure that all advertisements, including flyers, certificates, coupons, etc., state that these promotions are only available through that specific Representative as an Independent Representative.



Photo Release

Representatives for Signature HomeStyles agree to unlimited, non-compensatory use of their photographic likeness in the Company's promotional and marketing materials and communications, including but not limited to newsletters, catalogs, brochures, videos, etc., during the time the Representative Agreement is effective and continuing for two years after termination or severance for any reason.

National Do-Not-Call Registry

The National Do-Not-Call Registry restricts how you use the telephone to solicit business. The purpose of the registry is to reduce the number of unwanted telemarketing calls to consumers. There are three exemptions to the Do-Not-Call regulation:

- 1. Established Business Relationship** — You may call an individual up to 18 months after a business transaction (hosting an Idea Show, placing an order, ordering on your personal Web site, etc.) or three months after an inquiry (responding to an advertisement, expressing interest at a fair, etc.).
- 2. Express Permission** — You may call individuals who have given you prior express written permission to call their telephone number.
- 3. Personal Relationship** — You may call individuals with whom you have a personal relationship, including family members, friends and acquaintances.

Before you make phone calls that do not meet any of the above exemptions, you must check the Do-Not-Call Registry to ensure the person you are calling has not registered their phone number. To do so, you must subscribe to the National Registry (www.telemarketing.donotcall.gov). Fines for noncompliance are \$11,000 per violation. Depending upon your state, you also may need to comply with state telemarketing regulations. Regardless of regulations, if someone asks you to stop calling them, you must honor that request.

Email Opt-Out Requirement

The CAN-SPAM Act allows direct marketing email messages to be sent to anyone, without permission, until the recipient explicitly requests that they cease (opt-out). Any requests to opt-out must be honored.

Emails sent by the Company on your behalf include an Opt-Out option and the Company monitors and administers these. Representatives must monitor and administer Opt-Out requests for emails that the Representative sends to promote their Signature HomeStyles business.

Tax Records

It is your responsibility to pay federal income tax, state income tax and social security tax for the self-employed. According to law, you must report your earnings for tax purposes, which may include jewelry, trips, etc. Each Representative must keep a record of his/her own tax information, etc. If records are not kept by the Representative and the Signature HomeStyles office is requested to find this or any other information that is the responsibility of the Representative, a \$25 fee per hour will apply (one-hour minimum). This, however, does not guarantee that the information requested will be recovered. We recommend keeping track of all business expenses.

Annually, you will receive a 1099 form from Signature HomeStyles indicating your earnings if they exceed



the government's specified amount (currently \$600). As an independent contractor, no withholding will be made from your earnings.

Note: The IRS publishes free information guides, #583, entitled "Starting a Business & Keeping Records" and #334, entitled "Tax Guide for Small Business (For Individuals Who Use Schedule C or C-EZ)," which you may receive free by dialing 800-829-3676. The IRS offers a number of other free tax guides as well as more than 140 toll-free recorded answers to all kinds of tax-related questions. For free tax guides, call the IRS toll free: 1-800-829-3676.

Cancellation Period

Any customer who places an order has a right to cancel her order within 72 hours. After 72 hours, the order could possibly be in the shipping process and it is too late to cancel. At that point, a customer must return the merchandise to the Company as described in our Guarantee, Refund and Exchange Policy. Orders that are cancelled will be charged back commission, bonus and overrides.

Address Change Fee

It is very important to ensure that shipping addresses are correct and orders include all items before submitting the order. Once orders are submitted and manifested, these changes require an UPS or FedEx change fee and a reshipping fee to ship additional items left off the order. As a result, a fee of \$15 will be charged for each correction. If an address correction is required, that fee will be imposed based on each carton that we are required to change address for with UPS or FedEx.

Shipping Restrictions

Signature HomeStyles' market currently includes only the 48 contiguous states. Because of the size of our shipments, we ship only using ground UPS or FedEx Home Delivery service. We currently are unable to ship to Alaska, Hawaii, APO, FPO, US possessions or international shipping addresses.

Shipping and Handling Charges

When calculating the shipping and handling charge for the order, total the merchandise and use the shipping and handling chart to calculate the shipping and handling charge. The shipping and handling fees can be found when entering the order or on the Shipping Chart in your ShowCase and in the Download Center.

Order and Shipping Schedule

Enrollments submitted by 11 am CT on business days will be shipped the next business day. All other orders are shipped within 3 business days, unless otherwise notified.

Backorders and Stop Sells

From time to time, the demand for a particular item will exceed the supply availability. When stock is unavailable, the Company will put the item on Backorder or Stop Sell in the weekly *Stock Report*. You should review the current *Stock Report* before your Shows so you know which products are on the Stop Sell lists and can't be sold at your Shows. We suggest marking any items that are on Stop Sell by placing a sticker next to the item copy. The stickers can easily be removed from your Show Idea Books. Please note the following differences between backorders and out-of-stock (Stop Sell) items.



Backorders: Items that are temporarily backordered and will be shipped to your customer later. Customers are charged and will receive their entire order when all items are in stock and available to ship.

- The Representative and Host receive full sales credit for the sale of these items.
- A backorder list appears in the *Stock Report* with ETAs.
- Backorders will be indicated on the Customer's individual invoice.
- When items are back in stock, all orders for Customers that have a backorder will be released. Orders that are Ship to Host will be shipped to the Host. Orders for Customers that select Direct Ship will be shipped to the Customer.
- Backorders can be cancelled and a credit issued at any time at the Customer's request by contacting Customer Care. Backorders that are refunded will be charged back commission.

Stop Sells: Items that cannot be ordered, due to being retired, suspended or being temporarily unavailable. Suspended items are items that are no longer available in this year's Idea Book, but may be coming back the next year.

- Items on Stop Sell are listed in the Stock Report.
- Items that are on Stop Sell will not be able to be ordered, therefore Customers are not charged.
- ETAs for Stop Sell items that are temporarily unavailable are listed in the Stock Report.

Item Not Available/Out-of-Stock Items: Items ordered that cannot be fulfilled, resulting in an "Item Not Available" indication on the invoice will be issued a Credit Coupon for the price paid, tax and the applicable shipping and handling. The recipient may use the coupon toward a future purchase. The Credit Coupon information will be emailed to the email address provided with the order. Credit Coupons must be used within 6 months of the date issued. See below Credit Coupon Redemption for more information.

Mobile Credit Card Policy

Representatives may use a Mobile Credit Card Reader service for their customers that want to pay by multiple credit cards for their order or to facilitate a cash and carry transaction that are paid for by credit card. The Mobile Credit Card Reader account must be established in the Representative's name and may not reference Signature HomeStyles as the billing party. Orders should be submitted to Signature HomeStyles in a timely manner, preferably within a few days, and should not be held open longer than 2 weeks after processing credit card payment. Timely submission of orders will allow higher levels of service and turnaround for delivery to your customers. Representatives are responsible for communicating with customers and setting the delivery expectations for orders.



Guarantee, Refund and Exchange Policy

We want satisfied Hosts and Customers. Should any Customer be dissatisfied with our product, they may exchange the item or request a full refund or any reason (less shipping and handling) within **45 days** of the original ship by date. Include the invoice that was attached to order with the Return information completed. Allow two to three weeks for processing.

All returns should be sent to:

Signature HomeStyles
11101 Franklin Avenue,
Suite 300
Franklin Park, IL 60131

Items returned for a refund will be charged back commission. Chargebacks will appear in the Unpaid Commission or Check Register and will be deducted from the next commission payment.

Host Returns

Hosts returns for items that were purchased using Host Free Product Dollars or Half-Price Credits will be issued a Credit Coupon. The Credit Coupon information will be emailed to the email address provided with the return. Credit Coupons must be used within 6 months of the date issued.

Returns without the Invoice

Any customer or Representative who returns an item for a refund without the original invoice will receive a Credit Coupon. The recipient may use the coupon toward a future purchase. The Credit Coupon information will be emailed to the email address provided with the return. Credit Coupons must be used within 6 months of the date issued.

Credit Coupon Redemption

Credit Coupons can be used on an online order (utilizing the personal web page or partylink) or applied to a Host order. The coupon amount is deducted from the purchase price and shipping and handling is calculated based upon the balance due after the coupon is applied. Please note the coupon amount does not count toward customer sales or incentive sales. Therefore, the Host does not earn any Host FREE Product Dollars on the coupon amount and the Representative will not earn commission on the coupon amount. Commission was paid when the initial purchase was made. Coupons must be used BEFORE the expiration date.

Missing, Damaged or Defective Claims

All reports of missing, damaged or defective items must be received within **3 weeks** of the order ship date. Pictures are required on all damaged and defective item claims. Missing, damaged or defective claims should be emailed to SHSservice@designsbyshs.com.

Questions and Discrepancies

If you have any questions or find any discrepancies, please contact Signature HomeStyles immediately! When inquiring about your order, you will need to refer to the order number or Show number listed in Members Only or printed on the invoice.



Tax-Exempt Orders

When submitted orders placed by a tax-exempt organization, a copy of the tax-exempt certificate must be provided to Customer Care via fax or email. Only the order specifically for the organization is tax exempt, not the entire Show.

Orders taken on an Indian Reservation must meet the following conditions in order for the entire Show to be tax exempt:

- The Host must be a Native American.
- The Host must live on the reservation.
- The Host must have the Show shipped to the reservation.
- The Host must pay for all Customer orders with her credit/debit card.
- The Host must have the tax-exempt form for her tribe submitted with the Show.
- Customers paying for their orders are not tax-exempt, unless they provide their own copy of the tax-exempt form.

Tax-exempt orders must be adjusted by Customer Care to remove the tax calculation. Contact Customer Care immediately after a tax-exempt order is placed to adjust the tax.

DSA Code of Ethics, Truthful Information, Earnings Claims and Product Claims Policy

Independent Representatives of Signature HomeStyles are expected to conduct themselves in a manner that reflects the highest standards of integrity, honesty and responsibility in keeping with the reputation of the Company and our Independent Contractor Status Policy.

Representatives must abide by all local, State and Federal laws.

Signature HomeStyles is a proud member of the Direct Selling Association. The DSA monitors activities of Direct Sellers to uphold and maintain the reputation of the profession. Representatives of Signature HomeStyles are expected to adhere to the DSA (Direct Selling Association) Code of Ethics:

You must respect a consumer's wishes to discontinue a product demonstration or a sales interaction.

You must market income representations and product descriptions consistent with Company directives and ethics training.

You must provide a copy of the Signature HomeStyles Order Form that serves as a receipt from the Company that permits the consumer to withdraw from a purchase within a minimum of three days from the date of the purchase transaction and receive a full refund of the purchase price. This information is on the back of the Order Form.

You can find the complete DSA Code of Ethics at: www.dsa.org/consumerprotection/code-of-ethics or in Members Only.

Truthful Information: Representatives are expected to provide truthful information in all communications with prospects, customers and other Representatives. Representatives must not engage in any deceptive, false, unethical or unlawful sales or recruiting practice. No statements, promises or testimonials are should be made that are likely to mislead prospects, customers or other Representatives.

Earnings claims: If providing information about earnings, Representatives must provide earnings



representations and sales figures that are truthful, accurate, and presented in a manner that is not false, deceptive or misleading.

Do:

Share how Signature HomeStyles has made a difference for you and your family.
Share the actual income you have earned and what you've done to earn it.
Be truthful and transparent.

Don't:

Do not share untruthful information or exaggerated earnings.
Do not present any false, deceptive or misleading information.
Promise an earning level.

Product Claims: Representatives must share truthful information about products. Representatives shall not make misleading comparisons of another Company's direct selling opportunity, products or services. Any comparison must be based on facts that can be objectively and adequately substantiated by competent and reliable evidence.

Representatives shall offer customers accurate information regarding: price, credit terms; terms of payment; a cooling-off period, including return policies; terms of guarantee; after-sales service; and delivery dates. Representatives shall give understandable and accurate answers to questions from consumers.

Violation of Policy

Failure to abide by and comply with Company policies in this document or any other published policies may result in termination as a Representative. By signing the Representative Agreement, Representatives agree to the Company policies.