



COOPERATIVE ADVERTISING GUIDELINES 2019

2019

YOUR COOP ADVERTISING BUDGET

Marketing reserves the right, in its sole discretion at any time, to revise, modify or eliminate the coop advertising program described here. This is a non-binding guideline intended to support and facilitate relations between marketing and its dealers, as well as the dealers' own promotional activity. This guideline is not intended to require or direct any promotional activities of any dealer.

HOW FUNDS ARE CALCULATED

Available coop funds (the "funds") are based on one percent (1.0%) of a dealer's previous year Hyundai Material Handling total machine wholesale dollar purchase volume, not to exceed a total of \$50,000 per calendar year.

NEW FUNDS UPDATE

All new dealers will be allotted \$15,000 for their first year participating in the coop program. Allotted funds are earned from January 1 to December 31. Funds from the current year do not carry over into the next year. The deadline to submit 2019 coop requests is December 15th

Coop is limited exclusively to promotion of the Hyundai Material Handling brand.

Hyundai may credit you up to 50% of your expenses for promotions of the Hyundai name and products. The credit amount is dependent on the adherence to Hyundai's Cooperative Advertising Guidelines. Credits received cannot be used towards Hyundai's online promo shop purchases – only parts.

WHAT IS ELIGIBLE FOR FUND CREDIT

- (a) The coop program is intended for end-user directed programs. These include, but are not limited to, catalogs, direct mail materials, journal advertising, etc. Web page development can be eligible at marketing's discretion. Online banner ads may also be considered on a special request basis.
- (b) All Hyundai Material Handling products shown or described must be identified by their proper brand names and current logos.

All non-repeat requests must be approved in writing in advance by the Marketing Department. After general approval, proofs, layouts, and/or examples should be submitted for final approval.

- (c) **Not Eligible:** Yellow Pages, broadcast advertising (considered on a special request basis), taxes, postal fees, freight, electrical fees, set up costs, gift cards, cleaning fees, food & drink, hardware, drones, TV's, electronics & camera equipment, etc.

If you are in doubt concerning a project's eligibility, check in advance with the Marketing Communications Department: nancy.klentak@hyundaiamericas.com

MATERIAL PREAPPROVAL & CLAIM PROCESS

- (a) **Preapproval & proof of performance:** All coop material must be preapproved in writing by marketing before it can be used for marketing purposes.
- (b) **Provide printer or production invoices.** Note: Coop Funds cover only that portion of a page devoted to promoting Hyundai products. For journal ads, include all associated production and insertion costs. Statements will not be accepted as an equivalent for the invoice.

After the coop material is approved in writing and is used for dealer's own marketing, we require a copy of the marketing material as proof that it was used. For example, tear sheets for print ads; for online materials, printouts or screen captures suffice.

- (c) **Submit your coop claim with all supporting materials in SAP**

HOW DO I RECEIVE MY FUNDS CREDIT?

Coop claim submissions will be reviewed within 30 days of receipt. Coop Funds will be issued to the dealers as credit memos.

USING COOP FOR PARTS DISCOUNTS

Coop Funds will be issued to the dealers as credit memos. Both Construction Equipment and Forklift will be able to apply coop dollars for **credit ONLY**.

MULTIPLE DEALER COOP MARKETING

Hyundai Material Handling, in its sole discretion, will set limitations, rules, and requirements on a case-by-case basis if more than one dealership appears in the same ad or other marketing materials produced either by the dealers or by Marketing..

AD PREPARED BY DEALER

To apply available coop funds to ads you have created:

- (a) Send us the artwork for the ad you plan to publish, the name of the publication you plan to send the ad to marketing.
- (b) We must first approve the ad and the use of Hyundai Material Handling's logo. An approval email will be sent to you if ad if creative is approved.
- (c) We will pro-rate our share of any ads featuring products from other manufacturers.

****NEW REQUIREMENT****

Prices for **NEW** Hyundai machines are not allowed to be advertised in any print or digital media. In order to publish retail pricing for any machine sale, the unit must be **AT LEAST** one year old and have OVER 500 hours; otherwise, the ad must state "Call Dealer for Pricing."

ANNIVERSARY ADS

Marking the anniversary of your dealership can be effective in keeping current customers "warm" and encouraging prospects to come in. Here's how to proceed.

OPEN HOUSES AND TRADE SHOWS

Whether you've opened a new dealer branch, remodeled your existing facility or moved to a new location, holding an open house shows off your business in its best light. They can also be used to promote a new line or piece of equipment, year-end specials, discounts or sales contests. Trade show participation is another excellent way to promote your value to prospects and customers – and elements are coop eligible.

DEALER RESPONSIBILITY

Schedule and promote an open house, or sign up for trade show space. As soon as possible, submit to the Marketing Communications Department a budget for pre-approval. Supply information on the following:

- (a) Machines on display for both Hyundai Material Handling and other manufacturers.
- (b) Participating manufacturers.
- (c) Advertising needs (i.e. media, size, brands, competitors)
- (d) Order product literature and promotional items from the web store. Please allow three to four weeks for delivery. If you need it sooner, you will pay for any rush charges.
- (e) Names and dates for an editorial news release and possible advertising, for which you will receive credit.

Submit invoices, photographs (high-resolution digital preferred) of displays and/or trade show booths, and any other applicable documentation to the Marketing Communications Department.

ELIGIBILITY FOR COOP

Marketing is happy to help support these events when they are used to promote Hyundai machinery, and understands that each event's costs are unique. That is why it is in your best interest to negotiate in advance what qualifies for reimbursement. The timing of some occasions, however, can make such negotiations impossible. In this

event, the Hyundai Material Handling Marketing Communications Department bases a 50% coop allotment on the following:

- (a) **Allowable** costs include rentals such as space, tents, and landscaping. Generally, this also applies to anything that features the Hyundai logo (i.e. promotional items, signs, invitations, ads, etc.)
- (b) **Not allowable** are costs for food and drink, convention tickets, transportation (machine or personnel), postal fees, freight, taxes, machine cleaning/supplies, hotel expenses, cleaning/electrical fees, drayage, hardware, drones, TV's, camera equipment, electronics, and any supplies not directly associated with the Hyundai brand or logo.

PROMOTIONAL MERCHANDISE

Branded merchandise can be a powerful reminder of Hyundai and your dealership.

DEALER RESPONSIBILITY

Order custom promotional merchandise bearing the authorized Hyundai Material Handling logo from the authorized store online – or your local promo companies if you obtain advanced approval. Custom-ordered products can include your dealer logo as long as the Hyundai logo is also used. All custom-ordered products must be preapproved.

Marketing RESPONSIBILITY

We will pro-rate our share of the promotional merchandise that features products from other manufacturers.

COOP SUBMISSIONS DEADLINE SCHEDULE

You should try to enter into SAP all invoices for preapproved promotions for coop requests within 30 days of the invoice date. If you have any questions on inputting invoices into the SAP system, refer to the recorded Webinar or please contact the marketing department at 678.823.7792 / nancy.klentak@hyundaiamericas.com

COOP PROCESS DETAILS

All coop material must have a preapproval, *no exceptions*.

- Send an email to nancy.klentak@hyundaiamericas.com detailing your plan for a coop project/promotion. You will receive a confirmation, rejection (with an explanation), or request for more details.
- This was not the case last year as we were not as strict due to a branding change mid-year.

The following will NOT be approved for reimbursement:

- Advertisements that only have your dealership represented. The ad must include Hyundai.
- Statements/estimates/quotes. Only invoices are accepted; if you submit a statement, it will be denied.
- Invoices for material that was not preapproved in 2019
- Anything that does not have our proper logo

The following is now approved for reimbursement:

- Anything on the Hyundai Online Store, unless otherwise specified, which includes:
 - Literature
 - Promotional Items
 - Trade show and Dealership Branding
- Preapproval is not required for anything purchased on our online store.

EVENT PREAPPROVAL REQUIREMENTS

For events, such as dealer customer outings, tradeshow, open houses, etc. you must submit a general plan about your involvement in the event. A simple word document will suffice. See below for more details.

If you are going to be involved in a trade show, your event plan must include:

- Basic show information
 - Show name

- Date of show
 - Size of booth
 - Link to show website if applicable
- A list of which machines you are bringing, including both Hyundai and any other brands (if applicable)
- What marketing materials will be at your booth, for both Hyundai and any other brands, such as:
 - Signs, posters, or banners
 - Table cover
 - Brochures or other literature
- The expenses you will want to submit for reimbursement and a general price for each if available

If you are going to have an open house, your event plan must include:

- Basic information:
 - Date of open house
 - How many guests expected to attend
- A list of which machines you are going to display, including both Hyundai and any other brands (if applicable)
- What marketing materials will be at your open house, for both Hyundai and any other brands, such as:
 - Signs, posters, or banners
 - Table cover
 - Brochures or other literature
- The expenses you will want to submit for reimbursement and a general price breakdown

If you are going to sponsor an event such as a golf tournament, your event plan must include:

- Basic information:
 - Name of event
 - Type of event
 - Date of event
- A list of which machines you are going to display, including both Hyundai and any other brands (if applicable)
- What marketing materials will be at your booth, for both Hyundai and any other brands, such as:

- Signs, posters, or banners
 - Table cover
 - Brochures or other literature
- The expenses you will want to submit for reimbursement and a general price for each if available
 - We will only reimburse for the sponsorship cost, with proof that our brand was displayed as a part of the sponsorship. We will not reimburse individual participation fees.

Things to remember:

- The reimbursement percentage will not be determined in the preapproval process. We must see substantial proof that our brand was involved. The percentage will present the portion of the invoice that is for our brand.
- Non-promotional type expenses, while may be associated with the event, are not reimbursed. These include, but are not limited to: food, freight, individual participation fees, electrical fees, set up costs, gift cards, cleaning, drones, TV's, ipads, camera equipment, hardware, multipurpose electronics, etc.
- For an event related invoice to be approved, you must have substantial photograph evidence.
- *Hyundai Material Handling, in its sole discretion, will set limitations, rules, and requirements on a case-by-case basis for any advertising expense not specifically named in the coop guidelines.*

Send all coop preapproval emails to nancy.klentak@hyundaiamericas.com. Once approved by marketing, submit all co-op invoices, and artwork, etc. If you have any questions about the submission procedure, please contact the Marketing Communications Department.

ARTWORK PREAPPROVAL

Q: What is preapproval?

A: Preapproval is a new step that comes before submitting your invoice and proof. You are required to submit the preapproval form along with artwork that you plan to use. Once your artwork is preapproved, you still have to submit the invoice, proof of expense, and a photo of the final product.

Q: Why do I have to get preapproval?

A: Preapproval both insures that your advertisements represent the Hyundai brand properly, as well as ensures that you receive the reimbursement that you deserve. For example, if your ad has the wrong logo, it will get 0% reimbursement. With the preapproval process, we can catch the wrong logo ahead of time, fix it, and then approve it for reimbursement.

Q: What is artwork?

A: Artwork is what your vendor uses to create the ad or product; it is what is printed. It is typically in a pdf file format. It is not a copy of something already printed; it is the digital image before being printed.

Q: If I use an ad that I used last year, do I need preapproval?

A: Yes. Artwork must be preapproved annually.

Q: If I got preapproval on one advertising artwork, and this month I want to change a model photo in the artwork, do I need preapproval?

A: Yes. If you change artwork in any way, it will need to get preapproval.

Q: I need preapproval for a new ad that I made, but the ad is due to the publication today. What do I do?

A: You are responsible for preparing artwork at least 3 days in advanced to your due date so that there is ample time for preapproval.

Q: I am not sure if the logo I am using is correct?

A: Ask the marketing department. You will not get reimbursed if the logo is incorrect, so it is in your best interest to make sure that it is.

INVOICE SUBMISSION

Q: What is an invoice submission?

A: It is the combination of (1) an invoice for an advertising/promo expense and (2) backup proof of that expense.

Q: What is backup proof?

A: Backups prove that the expense was produced. For print advertisements, a backup is a copy of the ad placed in the publication. For promotional items, apparel, banners, etc., a backup is a photo of the entire product, front and back.

Q: How do I send in my invoices?

A: Submit all pre-approved invoices, artwork and associated forms in SAP

Q: Can I just send an invoice and get reimbursed?

A: No, each invoice must have a pre-approval form signed by marketing, and sample of end product (ad/promotion).

EVENTS

Q: Can I have direct competitor brands at a trade show booth or event?

A: We understand that events are for the full dealership product offering, so competitors are acceptable for events, and you will receive a prorated reimbursement.

Q: What applies for reimbursement on the store?

A: Everything for sell on the store is already “preapproved”, and if submitted, will be approved for 50% reimbursement.

Q: If I order from the store, what should I submit for reimbursement?

A: A copy of your purchase invoice/receipt, and a list showing purchased merchandise.