

OFFICIAL RULES for FACTORY DISTRIBUTORS Lost City: The Journey Continues

Campaign Period: October 1, 2022 – December 31, 2022

Overview:

The Lost City: The Journey Continues Campaign (the “Campaign”) is a competitive campaign sponsored by The Kirby Company (the “Company”) that provides active Factory Distributors (“Distributors”) the opportunity to win a trip to Sun City, South Africa or upgrade the Sun City trip for which they previously qualified.

Please read the ENTIRE Official Rules for details. If, after reading the entire Official Rules you have any questions, please contact the Company’s Marketing Department at 216-228-2400.

Competitive Awards:

1. For a Distributor who did **not** win The Journey to the Lost City Campaign: A five-day, four-night trip to Sun City, South Africa and stay at the Palace of the Lost City. The anticipated trip dates are February 21-26, 2023.

OR

2. For a Distributor who won The Journey to the Lost City Campaign: An extra night’s stay at the Palace of the Lost City and an upgraded room for the entire trip.

We have planned and expect up to sixteen (16) total winners of this Campaign, with fourteen (14) being Distributor winners and two (2) being Supervisor winners.

Assigned Sales Quota

Each Distributor will be assigned a **SALES** quota based on his/her performance in the period from October 1, 2021 through December 31, 2021 (hereinafter referred to as the “Qualifying Period” and quota hereinafter referred to as “Assigned Sales Quota”).

The Assigned Sales Quota is calculated by totaling the recorded sales made during the Qualifying Period.

Example:

October 2021 Sales: 75
November 2021 Sales: 80
December 2021 Sales: 70
Assigned Sales Quota = 225

For any Distributor who is active during the Campaign Period, but who did not have a minimum of 90 sales during the Qualifying Period, that Distributor will have an Assigned a Sales Quota of 90.

The Company reserves the right to assign and adjust the Assigned Sales Quotas as conditions may warrant.

Quota Adjustments

If a Distributor (“Promoting Distributor”) promoted a Distributor Trainee to an authorized Factory Distributor (“New Distributor”) within the last twelve (12) month period [October 1, 2021 to September 30, 2022] and the New Distributor is an active Factory Distributor as of the start of the Campaign Period, the Promoting Distributor’s Assigned Sales Quota will be reduced by 90 sales before the Campaign Period. If the New Distributor has more than 90 sales during the Campaign Period, the Promoting Distributor’s Assigned Sales Quota will be further reduced by the number of sales the New Distributor makes over 90.

Example: Promoting Distributor’s Assigned Sales Quota was 225. Promoting Distributor promoted a New Distributor in June 2022. New Distributor had 110 sales during Campaign Period. Now, Promoting Distributor’s Assigned Sales Quota has been adjusted to 115 (225 Assigned Sales Quota – 90 for New Distributor Promotion – 20 for New Distributor Sales Over 90).

If any quota adjustment described herein causes the Promoting Distributor’s Assigned Sales Quota to go below the minimum sales quota of 90, the Promoting Distributor will be assigned the minimum Assigned Sales Quota of 90.

Distributors who feel that their Assigned Sales Quota should be adjusted must **contact the Company in writing by noon (12:00 pm, EST) on October 15, 2022 to discuss their concerns**. Requests for adjustment will not be considered after this date.

PURCHASES (95% of SALES)

In addition to exceeding the Assigned Sales Quota, Distributors must also PURCHASE a minimum of 95% of their actual sales during the Campaign Period (“Purchase Requirement or “95% Purchase Requirement”) to qualify as a winner, except that Distributors who exceed the Assigned Sales Quota but do not meet the 95% Purchase Requirement will, when possible to still meet the Assigned Sales Quota, have their actual sales adjusted down to meet the 95% Purchase Requirement (see 2nd example below).

Example:

Assigned Sales Quota = 300 units
Actual Sales = 300 units
Purchases = 285 units
Minimum of 95% met

OR

Assigned Sales Quota = 300 units
Actual Sales = 400 units
Purchases = 285 units
Distributor receives credit for only 300 Actual Sales (as 285 purchases is 95% of 300 sales). Distributor does NOT receive credit for the additional sales which are not supported by 95% Purchase Requirement.

To qualify as a purchase and meet the Purchase Requirement, all product must be purchased from the Company during the Campaign Period and paid for in full by January 17, 2023.

Determination of Winners

During the Campaign Period, Distributors must exceed their own Assigned Sales Quota and meet the 95% Purchase Requirement during the Campaign Period in order to be eligible to be one of the Campaign winners. After the Campaign Period is over, a “Campaign Calculation” [explained below] will be performed for each eligible Distributor. The Distributors will then be ranked according to the Campaign Calculation.

Campaign Calculation

The Campaign Calculation is explained as follows: Distributors are ranked by a calculation of the number of units sold over their Assigned Sales Quota multiplied by the percentage over quota. The highest scores are the winners.

- 1) **Actual Sales minus Assigned Sales Quota = # of Units Over Quota**
- 2) **# of Units Over Quota divided by Assigned Sales Quota = % Over Quota**
- 3) **# of Units Over Quota times % Over Quota = Campaign Calculation**

Example:

Actual Sales = 350 Units
Assigned Sales Quota = 300 units
of Units Over Quota = 50

Number of Units Over Quota = $(350-300) = 50$
Percentage Over Quota = $(50/300) = 16.67\%$
Campaign Calculation = $(50 \times .1667) = 8.335$

Bonus Promotion Incentives:

1. If you promote a new Distributor during the Campaign Period, you will receive credit for sales and purchases made by the newly promoted Distributor for the remainder of the Campaign Period.

Example: Your Actual Sales = 300
Your Promotee's Actual Sales = 105
Your Total Actual Sales = 405 Sales

In addition, you will receive twenty-five (25) bonus points to your final Campaign Calculation for each Distributor promotion.

2. If you promote a new Distributor Trainee during the Campaign Period, twenty-five (25) bonus points will be added to your final Campaign Calculation for **each** Distributor Trainee promotion.
3. If your Distributorship has a KirbyLife Recruit who was recruited and sells 15+ Kirby units in a month during the Campaign Period, fifteen (15) bonus points will be added to your final Campaign Calculation for **each** KirbyLife Recruit with 15+ sales in a month. Qualified KirbyLife Recruits must be reported to the Company's Marketing Department by January 10, 2023.

Actual Sales:

Only sales (1) resulting from Demonstrations (as defined in the Distributor Agreement), (2) made during the Campaign Period, (3) properly reported to the Company with

Owner Registration Cards, and (4) on which the Distributor has paid, or will pay, a Dealer a profit, if applicable, count toward a Distributor hitting or exceeding his/her Assigned Sales Quota.

Online sales made through Kirby.com also can count toward a Distributor's Campaign Calculation. If a customer purchases a Kirby and their zip code is in a Distributor's assigned territory, that Distributor will receive credit as an actual sale. If more than one Distributor shares a zip code, the Distributor with the highest territory percentage (i.e., percentage of in-market sales) will get credit.

The date of sale is the date the Owner Registration Card was signed by the consumer. Inaccurate or incomplete Owner Registration Cards will not be included/counted for purposes of the Campaign.

Date of approval of the contract, date of credit application, or date of delivery alone shall not be considered the date of sale.

Only Kirby units sold during the Campaign Period shall count for Campaign purposes. Previously reported sales will not be counted.

Owner Registration Cards

To be eligible to win the Campaign:

Owner Registration Cards must be RECEIVED by the Company no later than the 10th of each month for North American Distributors and the 17th of each month for International Distributors or the next business day following the month the sale was made.

Any Owner Registration Cards received by the Company after January 10, 2023 for North American Distributors and January 17, 2023 for International Distributors (or the next business day) will not count towards the Distributor's total actual sales for the Campaign.

Falsified reports received, including Owner Registration Cards, automatically eliminate the Distributor from winning.

Be sure to send your Owner Registration Cards by Federal Express, DHL, or UPS.

Award Presentation

Winners of the Campaign will be announced by January 31, 2023.

General Rules

All active Distributors are automatically included in the Campaign.

The Company has the sole and exclusive right to interpret the provisions of the Campaign and to determine the rights and status of all participants.

The Company reserves the right to modify, change, or interpret any or all the rules for the Campaign as, in its opinion, current conditions may warrant.

Equivalent competitive locations, trips, events, brands, or models may replace locations, trips, events, brands, or models listed above, depending on availability.

Each winning Distributor is responsible for taxes, destination fees, duties, shipping, etc., if applicable.

If a winning Distributor cannot go on the award trip at the designated time, no other member of the Distributor's organization, nor any other person the Distributor may designate, may attend in the Distributor's place, and no "rain check" or other compensation will be given. The Company will not grant the award trip to the Distributor with the next highest Campaign Calculation; the spot on the award trip of the winning Distributor who cannot attend will go unfilled.

A Distributor who is married and whose spouse cannot accompany him/her cannot bring a friend, relative, or other person on the award trip.

Upon receiving the Company's pre-approval, a winning Distributor who is not married and who does have a "spouse equivalent" may bring that person on the award trip. For the purposes of the Campaign, a spouse equivalent is a person with whom the Distributor has been close for an extended period of time and to whom the Distributor is committed.

All award trips are for winning Distributors and their spouses, or if not married, a "spouse equivalent" as defined above.

Children of any age are not permitted to attend any Campaign award trip.

Winning Distributors must be active and in good standing with the Company during the Campaign and at the time of prize distribution to receive the award/trip.

The Company neither assumes nor authorizes any other person to assume for it any additional liability.

The Company reserves the right at any time to cancel the Campaign, in its entirety, for any reason.

The Company reserves the right at any time to make substitutions, at the Company's discretion.

The Company may audit the Owner Registration Cards and records of any organization or individual in contention for awards/trips. The Company has the right to disqualify Campaign award winners for erroneous reporting of Owner Registration Cards or fraudulent or deceptive practices of any type at any time.

All decisions made by the Company shall be final decisions.