FAQ CLUB COUTURE™ PROGRAM



Club Couture[™] is an exciting opportunity for customers to subscribe and receive an exclusive Chalk Transfer[™] design and three coordinating Chalkology[™] Paste Singles every month for just \$19.99! This is a great way to keep your customers excited about fresh designs from Chalk Couture[®], plus you benefit from the initial purchase and continued commission. The sales also count toward your PV! Keep reading for all the details on this amazing program.

What is included in Club Couture™?

Subscribing customers will receive:

- An exclusive B-sized Transfer that is designed to be right on trend, in season, and one of our hottest styles—but you can't get it ANYWHERE but Club Couture. Retail value is \$14.99.
- 3 coordinating Paste Singles to help create a darling finished project. Retail value is about \$6. (Customers should always have Bright White paste already on hand, as well as their choice of surface and tools—they can order a "kickstart kit" at the beginning of their subscription to ensure they're ready to create!)
- Access to the how-to project video and instruction sheet (printable PDF), emailed to them each month. Makes holding a virtual workshop a breeze!
- · Free shipping! (A savings of about \$6!)
- Special offers and deals: for example, Club Couture members are the only customers who will
 be offered opportunity to purchase past favorites from the program, order the discounted
 Kickstart Kit, or participate in special discounts, bounce back, or other secret sales available
 only to participating subscribers.

When does the program start?

Customers can subscribe beginning February 1, 2019!

What does "exclusive Chalk Transfer™ design" mean?

This Transfer is not sold individually through your Chalk Site, Designer Office, or any other public-facing medium; meaning these designs are only available for Club Couture members.

Do I receive the Transfer before my customer?

All Designers in good standing will receive a free Club Couture B-sized Transfer as part of their monthly Designer Subscription. Your Club Couture Transfer ships on the 1st of the month (or next business day) starting February 1, 2019, while your customer's ships on the 5th day of the month (or next business day). You will likely receive your Transfer (your Club Couture Transfer is the same as your customer's) a few days ahead of your customer.

You will no longer receive the Club Couture Transfer 6 weeks prior to its "month" of launch as you did in the former program (i.e., receiving the April Transfer beginning February 15). That is because in the former program, you could receive the Transfer early and promote it and sell it directly (by ordering it for inventory from Designer Office). With the new Club Couture program, each month's design and project are a fun surprise—customers won't know in advance what the project is until they open their monthly box. You won't be promoting a specific month's design; you'll be promoting the benefits of the overall program.

How can my customer subscribe to Club Couture?

Your customer will visit your Chalk Site and select the "Club Couture" tab at the top navigation bar. This page allows your customer to enroll in the subscription. Initial enrollment requires a 3-month commitment. The customer does not pay for the subscription at checkout, but provides their credit card information. Then, they will be billed \$19.99 on the 5th of each month. If the payment is processed successfully, the subscription box will ship the 5th of the month.

After the initial 3-month commitment, your customer will continue to be billed \$19.99 per month and may cancel any time. If your customer cancels and wants to re-enroll, they need sign up for the initial 3 months again.

For example, if your customer Susie wants to subscribe and joins on your Chalk Site on February 16, her card will be billed on March 5. Her March Club Couture subscription will then ship on March 5. Her card will be automatically be charged again on April 5, May 5, and so forth as long as she's a subscriber. If she cancels on June 5, she will not be charged for a July subscription nor receive her Club Couture box for July!

What happens if a customer's credit card is declined for their monthly billing?

If a customer's credit card is declined during the required 3-month initial commitment, the system will continue to attempt to charge the card for up to 2 days, after which the subscription is paused and the box is not sent. The customer will be messaged to fix the card on file, and when completed, the box will ship. If the customer does not fix the credit card on file for a second month, the customer's subscription will be cancelled. If a customer's subscription is ever paused or cancelled, they will lose any other benefits of being part of Club Couture.

Can my customer add anything to their initial subscription purchase?

Yes. In addition to the subscription, new members may also purchase the current month's Club Couture Transfer (if inventory is available) and have it shipped immediately for \$19.99 (plus shipping).

Additionally, they can also purchase a Kickstart Kit to get them started with their first Club Couture project. (The Kickstart Kit is \$69.99 plus shipping—keep reading for a list of what's included).

The current month's Club Couture Transfer (while supplies last) and the Kickstart Kit are only available for purchase at the time of enrollment. Both items are billed and shipped immediately and have regular shipping charges included.

For example, if your customer Susie orders the Kickstart Kit when she enrolls for Club Couture, but the February Transfer is sold out, the Kickstart Kit and any additional product ordered bills and ships immediately. The March subscription will bill on March 5 and ship on March 5 as described above.

Note that if Susie enrolls for Club Couture and does NOT add the Kickstart Kit or the current month's subscription box to her order, she will NOT be able to order it later. It can only be purchased when a Club Couture subscription is part of the order.

Relatedly, if Susie adds a Club Couture membership, a Kickstart Kit, and the current month's subscription box to her cart, but then removes the membership before checkout, the other items will also be removed. They cannot be purchased without a successful enrollment.

Does the first month count in the 3-month commitment? What if my customer enrolls halfway through the month?

Billing does not begin in the sign-up month. Customers have the option to purchase the current month's subscription box at \$19.99 (plus shipping) if available, as mentioned above, in addition to the 3-month commitment. The subscription and three-month commitment starts (and is billed) the 5th calendar day of the FOLLOWING month.

What is included in the Kickstart Kit?

The Kickstart Kit is a product pack to help get your customers ready for their first Club Couture project and any project from there on out for just \$69.99. The pack includes:

- · Small Squeegee (\$4.99).
- · Multi-Tool (\$7.99)
- · Board Eraser (2-Pack, \$2.99)
- Chalkology[™] Paste Bright White (3 oz., \$12.99)
- · Couture Gallery[™] Board (9" x 12", \$39.99)
- · Couture Boutique™ Board & Base (\$7.99)

With a retail value of \$76.94, purchasing the pack for \$69.99 saves customers \$6.95.

How much is shipping for Club Couture every month?

Club Couture subscriptions include FREE shipping! (Note that shipping IS charged if your customer chooses to purchase the current month's Club Couture box or Kickstart Kit at the time of enrollment.)

What happens if my customer wants to become a Designer and is enrolled in the program?

When a subscribing customer becomes a Designer, their Club Couture subscription will end immediately. Why? Designers receive the Club Couture Transfer with their monthly subscription, so they win either way, yay! Designers will have access to the how-to instructions and video in their Resources Library in the Designer Office, and all other supplies (like Paste Singles or the items in the Kickstart Kit) are available for Designers to purchase at Designer Price.

What if my customer wants to cancel?

Any time after the initial 3 months your customer may cancel. In this unlikely event, they must cancel by the end of the month. Cancellations between the 1st and 5th of the month are too late to honor for that month's shipment and the enrollment will end after that shipment.

What happens if a Designer leaves and has customers signed up for Club Couture?

The customer will "roll up" to the former Designer's Advisor (in the month following the effective cancellation date), in much the same way Designer compression works. That adoptive Designer will then continue to receive PV and commission for the ongoing subscription transactions each month.

What PV and commission do I receive for Club Couture?

Club Couture is a Chalk Site program, so you receive 25% deferred commission on the price paid by your customer—every successful \$19.99 monthly payment generates \$5 in deferred commission for you.

You also earn PV with each successful billing. PV is based on 60% of the US retail price, so you earn 12PV for each customer's monthly subscription.

What resources are available for me to promote Club Couture?

Chalk Central will provide social media assets and an enewsletter asset in your Designer Office that you can use to advertise the program, and you'll see a tab for Club Couture on your individual Chalk Site.

Can a Designer subscribe to Club Couture?

No, this program is customer focused. But as part of your Designer subscription you receive the same Club Couture Transfer each month.

Is there a way I can track the number and activity of my customers subscribing to Club Couture?

Yes, through your Designer Office. In your Designer Office, you'll find a Club Couture customer list that shows their Customer's Name, ID, Status, Email, Phone, and Join Date. You'll have the option to export with additional information included.

Club Couture subscriptions will also be recorded in the 'Sales' tab in your Designer Office. They will look similar to website sales, but they will be tagged with 'Recurring Order' as the source type. Please note that features are still in development and may change slightly.

What are the benefits to me of having customers subscribed in this program?

We've designed Club Couture to drive repeat business for you and to help you build lasting relationships with your customers. Club Couture is something to look forward to; an additional offering, conversation starter, workshop idea, and a way to connect. Chalk Central is consistently offering creative ways for you to succeed and Club Couture is another arrow in your quiver.