

FREQUENT FIDO rewards program

Did you know that Fido is one of the oldest known dog names? It comes from the Latin word for faithful and we thought it would make a great name for a program that rewards our faithful customers. The happytails **Frequent Fido Rewards Program** is our way of not only saying thank you for your loyalty but is also contributing to the growth of your business. We do that in 2 ways:

1
FREE SHIPPING

WHEN
Your 2009 cumulative sales reach \$500

YOU GET
FREE SHIPPING
on all orders over \$350

Simple right? But wait! There's more! We're also introducing a program that offers credit when your 2009 cumulative sales exceed \$1000:

2
FREE PRODUCTS

FREE happytails products! When your cumulative 2009 sales have reached any of the levels shown below, your account will be credited a percentage of your qualifying sales. You can redeem your credit right away or save it up until you reach a higher level. You can use your credit toward FREE happytails products. Even better, double the credit by participating in our co-op advertising program. **Take a look:**

OPTION B - Co-op Advertising

OPTION A - Credit to your account

LEVEL	SPEND	CREDIT	
		This is credited to your account	or Double the amount when you choose co-op Advertising
One	\$1000-\$1999	5%	10%
Two	\$2000-\$2999	7%	14%
Three	\$3000-\$3999	8%	16%
Four	\$4000-\$4999+	9%	18%

Option A- Credit to your account

Your happytails credit can be applied to any order after you have reached a qualifying amount. The credit can be used immediately or you can "save it up" and redeem it any time during 2009. **Why save it up?** The more sales you accumulate, the higher the credit percentage you receive. (Your credit can only be redeemed one time)

Example: If your year to date sales in June are \$1247 and you redeem your credit then you would receive \$62.35 (5%) credited to your account (or \$124 if you participate in co-op advertising) **If, by December your sales have reached \$3459** you would receive \$276.72 (8%) credited to your account (or \$553.44 if you participate in co-op advertising)

*Please see complete rules and regulations on reverse side

Option B- Co-op Advertising

You can effectively "double your money" by applying your credit towards co-op advertising.

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Rules and Regulations

1. Free Shipping

1.1 Program available to dealers paying wholesale prices. Offer only applies to shipping within the contiguous United States and is not available to distributors.

1.2 Starting 2009 you will qualify automatically to receive free shipping on orders over \$350 when your cumulative 2009 sales have reached \$500.

1.3 If you have more than one store or ship to location, you may receive free shipping per ship to location as long as the order is \$350 or more.

Example— Location #1 orders \$400.00—Free shipping
Location #2 orders \$300.00—no free shipping

1.4 Free shipping applies to UPS Ground only.

2. Credit

Please call 866-HAPPY-20 to redeem your credits. Credit redemption is not available on our website.

2.1 Program available to all US-based dealers paying wholesale prices. Not available to distributors.

2.2 Program begins on Jan. 1, 2009.

2.3 Sales are cumulative during a calendar year (not a rolling year) and may not be combined with sales from any other year to reach a higher level. You may use your credit as soon as you qualify or you may save it up to qualify at the next level.

2.4 Credits may be used for happytails products NOT cash pay outs or reimbursements.

2.5 Sales amounts do not include shipping so credit is given on your order total, less shipping.

2.6 You qualify as soon as you reach the first qualifying level. If your sales reach the next level, then you are automatically "promoted"

2.7 Once you redeem your credit your account is zeroed out until the next year. If you haven't redeemed your credit by the end of the year, you have 30 days (Until Jan. 30 2009) to do so. After that your account is zeroed out (and you forfeit the credit) but you can start building credit again in the new year.

2.8 If you participate in co-op advertising then the amount credited to your account is doubled. For example, if your 2009 sales were \$2000, and you place a cop-op ad, then the amount credited to your account is 14% or \$280 (vs 7% for a straight credit). This amount may be used for happytails products only. No cash payouts or reimbursements to either the retailer or the publication. (See complete co-op advertising rules below)

2.9 Credits are accumulated and are not transferable to other stores/accounts.

2.10 Your account must be current (not overdue) to redeem your credits. Once payment has been received by happytails you may redeem your credit.

2.11 happytails reserves the right to change or discontinue this program at any time without notice. Decision on interpretations of program rules by happytails will be final.

3. Co-op advertising

3.1 All ads must be submitted for approval 30 days in advance of media dead line, and must be accompanied by an insertion order.

3.2 Dealer must fax, email or mail a copy of the ad. After that time credit may be redeemed.

3.3 We give you a variety of ads you can use as part of the program. To ensure a high quality image and consistency with happytails' marketing programs, these ads may not be altered or changed other than to insert your store logo, name, address, and phone number. They may, however, be enlarged or reduced proportionately to fit ad space. Happytails will help you with your artwork if you would like.

3.4 All other ad copy and/or creative must be submitted to happytails for approval at least 30 days in advance of media deadline.

3.5 50% of the ad space or more must be allotted to advertising happytails and/or its products.

3.6 The official happytails logo (provided online) must be used on all print ads, and be at least as large and bold as your store logo or name.

3.7 No competitive products, accessories, names, logos, or manufacturers may be mentioned or displayed on any happytails Co-Op ads.

3.8 All ads require written approval from happytails prior to the ad being used, with the exception of unaltered ads.

3.8 Acceptable Media

• Newspaper • Magazine • Direct Mail advertising
• Web/Internet

3.9 With respect to all ads submitted, dealer represents and warrants that they are truthful and do not violate any applicable laws or any copyrights, trademarks or other rights of any party. Dealer accepts all liability for and will indemnify happytails against the full cost and expense including reasonable attorney's fees of any claims made against happytails or its affiliates (or their officers, directors, employees or agents of happytails or its affiliates) based on advertising. Approval of the ad by happytails is solely for purposes of determining whether credit is due and shall not affect Dealer's liability hereunder.



To place an order call
toll free

1-866-HAPPY-20 or

or e-mail us at

sales@happytailsspa.com

HappytailsSpa.com