

COVID-19 UPDATE

economic support, service and delivery

March 27, 2020

Dear Valued Budget Blinds Franchisee:

We sincerely hope this update finds you, your family and associates healthy and well.

Our commitment throughout this period is to stay connected and keep you updated on key elements relating to our operations and support for you. Please appreciate that this information is accurate now, but may change shortly thereafter. We will, of course, provide an update on critical issues as the situation necessitates.

Budget Blinds Economic Support Package Update

Last weekend, in conjunction with Budget Blinds and the JM Family, we announced [a series of actions](#) to support you during this challenging period. If you have any questions, please contact your Area Sales Manager:

Update: For Prox term customers who qualified to have their A/R balance frozen, all invoices have been re-dated to 6/30. Per our normal process you should receive a statement on 4/1. If you notice orders on that statement shipped since 3/20 that do not have the 6/30 due date, do not worry - we will be monitoring those orders and changing the due dates as they are identified. The credit department will be available from 7:00 - 5:00pm (Mountain) Monday through Friday.

Customer Service Hours Changing

As our business volume has decreased, so have calls into our customer service center. Effective Monday, March 30th, we are implementing reduced operating business hours. Our new operating hours will be 8:00 - 5:00pm (Mountain) Monday through Friday. This will be in place until volumes necessitate a change.

Product Fabrication

While we fabricate most of our product at ILM in Rosarito, Mexico, some categories are built in different facilities throughout the US and Canada. We are very focused on the health and safety of all employees regardless of location. In plants that are still fabricating our products, there are heightened levels of sanitation and personal protective equipment in place. And when a plant needs to close due to local mandate, we are shifting production to another facility. This is a OneHD benefit we're now utilizing to shift orders; in some cases, our customer service team is manually re-routing to facilities not on the same system.

Parts

Most parts are shipped from our Salt Lake City facility. For safety purposes, we have limited staff in this facility. Therefore, parts orders will be processed and shipped on Tuesdays and Thursdays.

Sample Books, Hand Samples and Support Tools

We utilize a third-party distribution center, Dorn Color Inc., based in Ohio. Ohio is under a stay-in-place order through April 6th. As an essential business, Dorn is still operating, but with very limited staff in place. In anticipation of this, we moved sample books to most of

our Area Sales Managers earlier this week. If you need a book immediately, please contact your Area Sales Manager directly.

Restricted Delivery Options

Various state governments have enacted restrictions prohibiting most commercial activities; it is anticipated that more states will follow suit in the coming days. In states where these mandates are in place, our shipping carriers are reporting delivery challenges due to these restrictions. As a reminder, you have options to manage your in-bound shipments during this period.

UNLESS you advise us otherwise, we will continue to ship your orders to the address you have provided. However, should you desire to minimize delivery issues and enact other arrangements, you have several options:

- **eOrders and TouchPoint:** You can request an order hold by placing the request in special instructions.
- **Phone orders:** Request a hold at the time the order is placed.
- **Block all shipments:** email cbgcredit@custombrandsgroup.com with your account name and number; a block will be placed on your shipments until you provide further instructions.

2020 Product Launches

We had planned several important program launches late spring/early summer. These are now deferred until September 7th. We're excited about the new programs as they incorporate many of the suggestions we've heard from you. Of course, we will continue to monitor and evaluate the best timing for these program launches.



We are here to help support you and your business throughout this economic disruption. We wholly believe that business is people and it is at times such as this that we can all step up and support each other.

Best regards,

A handwritten signature in blue ink that reads "Chris DeBella". The signature is fluid and cursive.

Chris DeBella
Vice President, Sales