

DISCOUNTING GUIDELINES

- At Daniel's considerable effort is made to price our merchandise fairly and competitively. As such, the target-selling price for all Daniel's merchandise is as follows:

CURRENTLY ADVERTISED MERCHANDISE -*Advertised price*

**NON-ADVERTISED & PREVIOUSLY ADVERTISED
MERCHANDISE** -*Ticket price*

BLACK BOOK MERCHANDISE - *Minimum selling price stated in
Black Book & current Promotional Planner/Merchandise Manual*

- When merchandise is on sale, all customers are entitled to buy at the advertised price. Therefore, associates are expected to be familiar with current advertised items.
- Items in the current mailer must be sold at the advertised price (no higher, no lower). Unless notified by the merchandising (SMC Buyers) department, items cannot be sold for the advertised price after the expiration date of the advertised piece. REGIONAL OR DISTRICT MANAGER approval is required for any exceptions.
- No merchandise is ever to be sold for higher than the ticket price.
- When in-store signs advertise discounts on an entire department or merchandise class (i.e. 30% off all Diamonds, "50% off all Gold Chain", etc.), the stated discount must be given to all customers, regardless of whether they notice or mention the discount. *However, this rule does not apply when signs offer discounts of up to a certain percentage off (i.e. "up to 65% off on all diamonds").*
- After a customer agrees to a selling price, NEVER offer an additional discount in order to make a downpayment goal.

BLACK BOOK

Black Book merchandise has deeply discounted prices because each item is no longer carried in most of our stores.

- This selected merchandise is listed in the Merchandise Manual in a section titled “**Black Book**” items.
- Each Black Book item should have a special sale tag.
- No item can be sold for less than the Black Book minimum selling price without the Regional or District Manager’s approval.

MAXIMUM ALLOWABLE DISCOUNTS

While Daniel's managers and associates are allowed to extend substantial discounts to customers, everyone is encouraged and expected to **always sell at the smallest possible discount except for advertised items which must always be sold at the current advertised price.**

- Sometimes, in order to create or close a sale, it becomes necessary to offer a discount on non-advertised and previously advertised merchandise. The minimum credit or cash selling price for each SKU is listed in the **MERCHANDISE MANUAL** in the section titled **AUTHORIZED PRICES**.
- When offering a discount, an associate should attempt to sell above the minimum selling price.
- A discount should be offered to a customer in the dollar amount that is being discounted such as \$100 off.
- The selling price should never be lower than the lowest discount price printed in the Merchandise Manual without a specific approval from a Regional or District Manager. Even if a Regional or District Manager has previously approved a lower price for an item that is printed in the Merchandise Manual, an associate must NOT sell the item to another customer for this lower than printed price without another specific approval from the Regional or District Manager.
- On occasion, the Regional or District manager will only authorize a lower price if the customer understands that they are receiving an extraordinary discount and therefore agrees that the merchandise is being sold as a final sale, with no returns allowed.