



Tom Towe
Director, Brand Management

July 15, 2016

Dear Independent Lennox Dealers,

Effective July 15th, 2016 Lennox Industries Inc. has established a new advertising policy for our Dave Lennox Signature® Collection products, which prohibits any advertising or marketing that may adversely diminish, detract, and/or damage the value of those products. Specifically, the policy states: *1. Dealers cannot indicate pricing for DLSC products in any advertisements.*

This unilateral policy has been established to enhance Lennox's existing efforts to promote a consistent brand image, emphasizing both high quality and performance. Advertising price to drive leads with our industry leading, benefit loaded signature collection products erodes the investment Lennox has made in its brand image and prevents Dealers from sharing in the benefit of that legacy.

The Policy applies only to advertised prices and does not apply to the price at which DLSC products are actually sold or offered for sale. *Dealers remain free to sell DLSC products at any prices they choose.*

Complete details of the policy update and guidelines for enforcement are attached. *This is not a contract, and Lennox is not seeking any Dealer's agreement with this Policy. Lennox sales personnel have no authority to modify or grant exceptions to the Policy.* Please communicate directly with your TM or DM should you have questions about any area of the policy.

Sincerely,

Thomas L. Towe