2015 GOALS, A YEAR OF ACCOMPLISHMENTS

Below you will find our 2015 Member Experience Goals. Meeting these objectives will be impossible without your continued partnership and trust. We believe these goals to be obtainable as they already account for system delays, cellular phone dead zones, and the fact that members will at times request to be rescheduled.

<table>
<thead>
<tr>
<th>2015 Member Experience Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPS</td>
</tr>
<tr>
<td>55</td>
</tr>
</tbody>
</table>

By working together, I am positive we can beat these goals handily!!!

“YOUR INSTALLER WILL CONTACT YOU TO SCHEDULE YOUR INSTALLATION”

Some of the nicest words you’ll hear this year. We have some big changes coming, and one of those changes is rolling out across the nation over the next 90 days, and has a direct impact on the way you handle member scheduling! I’m immensely excited about the fact that, you our installers’ will be taking back control of scheduling. We know you have been asking for this procedure change for years, so it gives me great pleasure to say “It’s back!”

We hope to build better relationships with our members, by letting you set realistic expectations of when their install will be taking place. The promise we will be making to our members going forward is “You will receive a call by 9pm tomorrow night to schedule your installation (Excluding Sundays and Holidays).” This gives you full control of the situation from that point forward to really WOW our members by delivering on your scheduled date.
In exchange for this level of control, we are asking that you execute and document in the ServiceLive platform the 4-Milestones that we need to monitor and deliver a positive experience to our members.

# 1: **Accept** every order in CAR area (easily accomplished by being on “Auto-Accept”).

# 2: **PreCall** every member before the next night by 9pm (Excludes Sundays and Holidays).

# 3: **Schedule Confirm** by providing a 4-hour window to each member and in the ServiceLive system no later than the day before the installation.

# 4: **Check In/Out or IVR** upon arrival and departure of the member’s home.

*For additional details on the National Rollout of the Installer Scheduling Procedure Change, reference the Sears Growth Strategies section of this month’s newsletter*

All of these tasks are easy to keep up with and maintain if you take advantage of the ServiceLive Mobile App, Click Here for instructions on downloading this free app. Your technicians can use the mobile app to assist in ensuring these goals are met which saves you time and money!

Looking forward to a 2015 that is full of accomplishments!!!

~Rolando Santos, Sr. Manager Operations Contractor Services~
INSTALLATION SUCCESS STORIES

Never Say “No” Attitude

From: Gary F

Date: February 26, 2015 at 10:44:37 PM PST

To: Erik C

Subject: Re: Dishwasher

Eric, Please excuse my tardy reply to your email. I want to thank you again for the outstanding job you did installing our new dishwasher. It looks and runs great and I know the effort you put into getting that unit installed. I hope you can share this email with your supervisor and/or management within your company. You went above and beyond for us and we really appreciate your never say NO attitude. I believe your company is very fortunate to have someone such as you in their employ. Because of you, I will purchase additional products from Sears and request you and your company as our installation team. Thanks again for all of your help. Great job and thank you,

Garv C. F

Kepco Appliance Installations – Erik C

Bellflower, CA
Quick and Friendly Service

From: 4654 HA Showroom
Sent: Tuesday, February 24, 2015 12:39 PM
To: Arave, Michael P
Cc: Miller, James; installer email address
Subject: Installation compliment

Hi Mike,

I just had a phone call from one of our customers letting me know how pleased she was with the installation of her dishwasher this morning. She stated that Gary was professional, quick and very friendly and she wanted to let us know.

Thanks,

Allan Jones
Store Manager
Sears Home Appliance Showroom
6328 South State Street
Murray, Utah 84107
801-268-1442

GWC Installs Inc – Gary C

Magna, UT
TOP PROVIDER PERFORMERS RECOGNITION ~ IN HOME

February In-Home scores are in, congratulations to all installers in the top 20!  – 2015 GOAL 75.00

<table>
<thead>
<tr>
<th>Rank</th>
<th>Provider</th>
<th>Feb In-Home Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Panhandle Pro Services, Inc - [100016791]</td>
<td>97.06</td>
</tr>
<tr>
<td>2</td>
<td>Caveys Garage Systems, Inc. - [100017906]</td>
<td>94.44</td>
</tr>
<tr>
<td>3</td>
<td>PERRY QUARANTI - [100013405]</td>
<td>93.55</td>
</tr>
<tr>
<td>4</td>
<td>OAKBROOK FRANCHISE - [100009013]</td>
<td>93.33</td>
</tr>
<tr>
<td>5</td>
<td>JENPE SERVICES INC - [100014435]</td>
<td>92.50</td>
</tr>
<tr>
<td>6</td>
<td>SOServices - [100022636]</td>
<td>91.89</td>
</tr>
<tr>
<td>7</td>
<td>FIRST COAST DELIVERY INC - [100013520]</td>
<td>91.55</td>
</tr>
<tr>
<td>8</td>
<td>VITO VINCENT SERRATORE DBA SERRATORE PLUMBING - [100020043]</td>
<td>91.30</td>
</tr>
<tr>
<td>9</td>
<td>VYRON SHULTZ - [100015628]</td>
<td>90.00</td>
</tr>
<tr>
<td>10</td>
<td>HOME BASICS, INC - [100013790]</td>
<td>89.74</td>
</tr>
<tr>
<td>11</td>
<td>RILEYS DELIVERY SERVICE LLC - [100013545]</td>
<td>88.89</td>
</tr>
<tr>
<td>12</td>
<td>SUN PLUMBING &amp; HEATING CO - [100013328]</td>
<td>88.24</td>
</tr>
<tr>
<td>13</td>
<td>EAGLE HOME SERVICES LLC - [100004436]</td>
<td>87.10</td>
</tr>
<tr>
<td>14</td>
<td>INFINITY GARAGE SYSTEMS INC - [100017202]</td>
<td>86.21</td>
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<tr>
<td>15</td>
<td>TIMOTHY EUGENE HUSEN - [100013923]</td>
<td>85.71</td>
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<tr>
<td>16</td>
<td>HOFFERICA APPLIANCE SERVICE INC - [100014446]</td>
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<td>FORBES &amp; SON CONSTRUCTION - [100005046]</td>
<td>84.78</td>
</tr>
<tr>
<td>18</td>
<td>geoff eiffert company llc - [100017086]</td>
<td>84.62</td>
</tr>
<tr>
<td>19</td>
<td>CJ'S SERVICES - [100017285]</td>
<td>84.00</td>
</tr>
<tr>
<td>20</td>
<td>ON PAR INSTALLATION INC - [100013201]</td>
<td>83.33</td>
</tr>
</tbody>
</table>

MEMBER SURVEY REMINDER: In Home scores are now based on Survey Question 7: How likely are you to want the same Installation Team back in your home for a future installation? Choice 1-5.
Congratulations

Nina

Q4 - DCM Star Performer!

Nina Jenzen, the District Contractor Manager for: Texas, New Mexico and Arizona, is the quarterly DCM Star Performer! Nina is a shining star, and is being recognized for living the Sears Cultural Beliefs every day!

Learning and Innovating

Members First
Owning It
Embracing Feedback
Earning Your Trust
Showing Pride
Being Authentic

If you would like to recognize your DCM, send your feedback to C5556PNI@searshc.com
COMPLIANCE CORNER

Auto Acceptances – Great tool?

I have been receiving tons of questions about the ServiceLive Auto Accept feature lately and thought I’d share some of the answers that can help your business finally make the decision to take the plunge and turn this useful tool on. Let’s face it, we could all benefit from having a few more minutes in our day and this feature delivers just that!

Q. What orders are accepted automatically?

A. The only orders that are accepted are orders that follow your CAR rules.

- Job codes that are sold in zip codes that are in your profile in ServiceLive.
- You will still see other “General” open market orders post to your inbox, but they will not be Auto Accepted.
- Those are Open Market, you can accept them if you want, or counter offer, or reject (You don’t need to reject these orders, they are posted to every provider within 100 miles & will disappear once they are either accepted or cancelled)

Q. I get “Exclusive” orders in my In-Box that are not in my area, will those need to be accepted?

A. Any order that posts to any CAR provider is listed as Exclusive.

- If the original CAR provider rejects or releases an order, then it posts out to open market
- It still retains the “Exclusive” tag (those orders also can’t be counter offered)
- The orders will NOT Auto Accept... only orders assigned to your CAR rule will Auto Accept.

Q. I lose track of orders when the Auto Accept, where are they?

A. Auto Accepted can be found in your “Schedule” queue under the Order Management tab. Use this queue to complete and confirm the member has been Pre-Called.

Q. How can I ensure there are no problems with my order if I go on Auto Accept? I like to review my orders before accepting them.

A. ServiceLive gives you limited visibility to an order before you actually accept it, So many times you will have to accept the order before you can actually see if there is an issue. Regardless these are your CAR orders, that you are responsible for completing. Accept the
order and then contact Contractor Support @ 1-888-850-2336 to resolve any issues (i.e.: incorrect pick up location, scope of work, etc.).

Q. I need to get email alerts; I handle Same Day/ Next Day installs and spend most of my day on the road away from my laptop/desktop. Will I continue to receive email alerts if I turn on Auto Accept?

A. No. Currently the system does not provide email notifications when you turn on the Auto Accept feature. We have received a great deal of feedback that you would like this option and are working with ServiceLive to hopefully have a solution soon.

I hope I have been able to answer and bring clarity to some of the questions and concerns you may have around Auto Accept. Please contact your DCM with any additional inquiries.

**Same Day Water Heater – MDO Pick Up Procedures**

Water Heater Installers;

Water Heaters sold with the 42474 Same Day Code require immediate contact to the member as they are expecting installation that day. If the Water Heater is set for MDO pick up the merchandise availability will not show available that day. Please ignore the merchandise availability date and follow the normal member contact procedures. Your local MDO will do their best to supply you the unit upon your arrival to ensure we keep our promise to the member.

**The Check is in the Mail - Reminder**

Please remember to write the complete service order number on all checks mailed to Sears Check Processing Center. We have seen a recent increase in checks received without this pertinent information. Checks received without this information may cause a delay in payment processing.
**Subcontractor Authorization Agreement Requirements**

Whether you are currently, planning or have no future plans to use non-employees (subcontractors) on your Sears jobs, **we now require that all contractors sign the Subcontractor Authorization agreement form.** Over the next few weeks our Compliance team will be in contact with all installers who do not currently have a Sub-contractor Authorization Agreement on file via ServiceLive. We appreciate your cooperation and partnership as we work together to ensure this compliance issue is resolved promptly.

Per Section 3.1: Non-Employees

Sears policy is that all services rendered on the part of Sears will be conducted by employees of the Authorized Servicer only. No deviation from this policy is allowed without prior written approval from Sears and the Authorized Servicer must have a completed and signed Subcontractor Authorization Agreement on file.
SEARS GROWTH STRATEGIES

Installation Scheduling Procedure Change National Rollout: Wave 1

For years, you, our installers, have asked to be given back the ability to schedule the member. We listened! Starting 3/18, the store register will no longer prompt for the member to choose the installation date in your area; instead the store associate will advise the member that you will contact them directly, no later than 9:00pm the next day to schedule their installation! This process change has proven to reduce cancellations, reschedules and aligns with our cultural belief: “Own It”; enabling you to coordinate availability directly with the member enables us to set better expectations!

*Note: We will be rolling out this process change in three waves (please check the rollout schedule if you service multiple regions).*

National Rollout Schedule:

Wave 1 – South: 3/18/2015

Wave 2 – North: 4/1/2015

Wave 3 – West: 4/15/2015

Benefits you can Smile About:

1. Positive member experience through reduction in cancellations and reschedules that are often caused by promising an installation date that you will not be able to keep due to capacity constraints.

2. Scheduling with ease, you will have full control of your capacity management, no more overscheduling. Spend less time de-escalating upset members promised dates by the store and more time creating positive relationships in your local market.

3. You own route management and that gives you the ability to schedule denser routes which increases productivity.

Your Commitments to Us (Sears):

1. You commit to contact all members before 9:00pm the next day (this applies to all installation orders).

   - If member merchandise is available for next day, please attempt to reach them the day the order is received as they may be interested in Next Day installation.
2. You commit to accommodating Same Day (Water Heater Only) and Next Day orders when at all possible.

- All orders will post three days from purchase date; you will determine the installation date based on item(s) availability as some members may desire next day service.
- If the Water Heater is sold for Same Day (42474 job code will be rung on order), please ignore the installation date and attempt to reach the member within 3 hours of order receipt.

3. You commit to service all members within 3 days of product availability.

4. You commit to be knowledgeable and adhere to all Sears’s policies and procedures.

Review the Store Rollout date schedule, installations sold at these stores will route three days out, regardless of when the merchandise is available for installation. Click Here to view store list.

We have also put together a list of answers to FAQs that were posed by Installers who participated in the pilot phase of this process change. Click Here to view.

*Note: Sears.com orders will not be a part of this rollout schedule, please continue to honor the installation date selected by the member. We should have all registers (Store and virtual) on this new program by early fall.*

For questions or concerns, contact your District Contract Manager (DCM)
KEY PERFORMANCE INDICATORS DEFINITION

Every week we provide you a report of your weekly performance, this year we want to make sure you understand how we define each goal you are rated on. Our members want to be in the know, and so should you! The source of the measurement is in bold behind the definition. Keep in mind the survey is launched to our members within 48 hours of the technicians Departure time from the home entered via the Mobile App or IVR. We are using a Tier system for grading.

ICM’s will discuss in the weekly calls for the overall provider rating. Are you TOP TIER?

**Member Experience KPIs**

1. **NPS Q2 Goal: 55** – *(Member Survey)* NPS measures the members’ response to Questions 4, 5, 6 & 7 of the member survey questions.
2. **In Home Q2 Goal: 75** – *(Member Survey)* In Home measures the members’ response to Question # 7 of the member survey questions.
3. **On Time Q2 Goal: 95** - On time *(Technician in the Field)* measures the members’ response to question six on the member survey: Did the Installer arrive within the 4-hour window they promised prior to the installation day? If yes press 1, if no press 2
4. **FTC Q2 Goal: 90** – First Time Completes - FTC *(Technician in the Field)* measures the members’ response to question four on the member survey: Did it require more than one visit to your home to complete the installation? If yes press 1, if no press 2
5. **Reschedules (Q2 Goal: 19.5)** – Later Reschedules measures the members’ response to question two on the member survey: At any time, did Sears initiate a reschedule of the installation? If yes press 1, if no press 2

**Operation Excellence KPIs**

Coming Soon...
MEMBER SURVEY QUESTIONS

Member service is very important to Sears and every member that has an assembly/installation completed will be surveyed upon your departure submission. Future work dispatched to an Authorized Servicer may be affected depending on the Authorized Servicer’s survey scores. Below is a sample list of the survey questions.

<table>
<thead>
<tr>
<th>Question</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Survey Question 1:</strong> At any time did Sears initiate a reschedule of your installation to a later date?</td>
<td>Choice: 1=Yes Or 2=No</td>
</tr>
<tr>
<td><strong>Survey Question 2:</strong> Was your installation completed to your satisfaction on our first visit to your home?</td>
<td>Choice: 1=Yes Or 2=No</td>
</tr>
<tr>
<td><strong>Survey Question 2A:</strong> Did it require more than 2 visits to your home to complete your installation?</td>
<td>Choice: 1=Yes Or 2=No</td>
</tr>
<tr>
<td><strong>Survey Question 3:</strong> Did the Installation Team's arrival time meet your expectations?</td>
<td>Choice: 1=Yes Or 2=No</td>
</tr>
<tr>
<td><strong>Survey Question 4:</strong> How satisfied were you that the Installation Team made sure your Product was working correctly?</td>
<td>Choice: 1-5</td>
</tr>
<tr>
<td><strong>Survey Question 5:</strong> How would you rate the Installation Team in terms of protecting your home or merchandise from damage?</td>
<td>Choice: 1-5</td>
</tr>
<tr>
<td><strong>Survey Question 6:</strong> How would you rate the Installation Team for being professional and courteous?</td>
<td>Choice: 1-5</td>
</tr>
<tr>
<td><strong>Survey Question 7:</strong> How likely are you to want the same Installation Team back in your home for a future installation?</td>
<td>Choice: 1-5</td>
</tr>
<tr>
<td><strong>Survey Question 8:</strong> Did you purchase any additional services from the Installer at your home?</td>
<td>Choice: 1=Yes Or 2=No</td>
</tr>
<tr>
<td><strong>Survey Question 9:</strong> How likely would you be to recommend Sears to a friend, considering the entire process from the time you made your purchase through the installation?</td>
<td>Choice: 1-5</td>
</tr>
<tr>
<td><strong>Survey Question 10:</strong> How closely did the explanation of the installation process match what you actually experienced on the day of the installation?</td>
<td>Choice: 1-5</td>
</tr>
</tbody>
</table>
Installer Administrators, please be aware, technicians will only be able to view and action their assigned work via the new mobile app with their own unique username and password. Below are the instructions for retrieving and resetting their password.

<table>
<thead>
<tr>
<th>SN</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Go to Manage Team, under your Administrator Office</td>
</tr>
<tr>
<td>2</td>
<td>Locate the name of the technician, whose Username and password you need, hover over &quot;Take Action&quot; and select Edit Profile</td>
</tr>
<tr>
<td>3</td>
<td>Scroll to the bottom of the page to locate the technicians User Name</td>
</tr>
</tbody>
</table>
SN  | Task:
--- | ---
4  | Click the back button, at the top of your web-browser to go back to the "Manage User" page

Go back to the technician's whose user name you just obtained and hover of the "Take Action", and select Reset Password

The following screen will appear, click "Continue" an email with a temporary password will be sent to the email address associated with the technicians account. Go to the email account and follow the directions provided to reset the password

6  | Provide the User Name and Password to your technician. Now they will be able to access all orders assigned to them in ServiceLive; to IVR on Arrival/Depart, Add the 4-Hr service window and obtain the signatures electronically!

Do not forget you can access the SL Mobile App Training 24/7 [http://training.ServiceLive.com/mobile-app/]
INSTALLATION INSTRUCTIONS AND GUIDELINES HELP

Need a little help with ensuring your service orders are compliant. Please check out these helpful step-by-step instructions and installation guidelines.

**Add-on Services Billing Instructions:** [Click Here]

Authorized Servicers are responsible for collecting and verifying methods of payment for Change of Specifications (COS). The money is collected on behalf of Sears, and must be forwarded to Sears in its entirety along with a copy of the service order. Below is the step by step process to submit those additional monies collected via both the ServiceLive Website and Mobile App.

**Schedule Confirm instructions:** [Click Here]

Per your Authorized Servicer Manual, all orders must be Scheduled Confirmed with a 4-hour window the night before the Service Date. Please see instructions on how to schedule confirm your order correctly.

**Work Order Guidelines:** [Click Here]

The Authorized Servicer must always call in from the jobsite for approval of a work order. Work orders will not be approved after the fact. Work orders may possibly be approved for the following conditions when all requirements stated in the matrix below are met.
MONTHLY NEWS ARCHIVES

We know you receive a great deal of emails from contact@ServiceLive.com, below are the links to some of the latest news you may have missed or not had time to read!

3/11/2015: Installation Scheduling Procedure Change National Rollout: Wave 1
3/10/2015: Service Flash - Delivery & Installation News Flash - DIF26-0001
2/14/2015: Vendor Delay Notification on D22-11000 DW Installation Kits
2/12/2015: New SPN Requirements - Take Action Today
2/10/2015: Provider Installation Newsletter – February 2015
1/15/2015: Samsung Curved Screen LED Smart TV set up guide
1/13/2015: COS Cancellation Process Reminder
12/15/2014: Vendor Delay Notification on D22-11000 DW Installation Kits
12/09/2014: Reporting ServiceLive System Related Issues
12/05/2014: Sears RI Authorized Service Manual
12/03/2014: Changes to the New Game Table Assembly Levels

Upcoming News: March

3/12/2015: Wave 1 – PreCall Training Notification
3/30/2015/2015: Sub-Contractor Rider and VCP required for all SPNs now (Acknowledge today)
3/19/2015: Wave 1&2 – PreCall Training Notification
AS MANUAL UPDATES

One of the only constants in life is change; please review some of the latest changes to the Authorized Servicers Manual. Click Here to view latest version of the AS Manual.

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Employee Requirements</td>
<td>Restored, 2-year recertification requirements on VCP.</td>
<td>21</td>
</tr>
<tr>
<td>2.2 Communication Resources</td>
<td>Added Smartphone (iOS or Android only) requirements. Installers are now required to use the new ServiceLive Pro - Mobile App to manage all orders</td>
<td>17</td>
</tr>
<tr>
<td>5.2: ServiceLive Pro - Mobile App</td>
<td>Added section 5.2, Sears requires the use of the ServiceLive Pro - Mobile App on all orders.</td>
<td>30</td>
</tr>
<tr>
<td>4.1: Surveys</td>
<td>Updated the member survey with the latest questions</td>
<td>24</td>
</tr>
<tr>
<td>16: Support Contacts / Numbers</td>
<td>Added the Insurance Claims contact information</td>
<td>52</td>
</tr>
<tr>
<td>NA - Entire Manual</td>
<td>Removed IVR replaced with Check In / Departure via SL Mobile App</td>
<td>NA</td>
</tr>
</tbody>
</table>

We will Win this Year!
From: Contractor Services Group