

ACE HARDWARE CORPORATION
“NEW FACES FOR HELPFUL PLACES” CONTEST (the “Contest”)
Official Rules

NO PURCHASE NECESSARY TO ENTER OR WIN. A purchase will not improve your chance of winning.

1. CONTEST BACKGROUND: The purpose of this Contest is for Ace Hardware Corporation (“Sponsor”) to recognize the need for renovation of places that are important to the community in which they serve. To participate in this Contest, you must submit an essay describing a “Helpful Place” in your community and why it needs a “new face” (defined as a renovation). For purposes of this Contest, a “Helpful Place” is defined as a place that houses a not-for-profit organization which provides help to a local community and its residents with services, comfort and/or recreation (such as a youth center, school, community center, health clinic, food bank, etc.). A “Helpful Place” may not be a historic site or a site associated with or owned by a for-profit entity. Final determination of whether an entity nominated in this Contest constitutes a “Helpful Place” rests solely with Sponsor.

2. ELIGIBILITY: In order to submit a nomination in this Contest, you must be (a) a legal U.S. citizen residing in the 50 United States or D.C. and (b) age 21 or older. Employees of Ace Hardware Corp., its retailers, advertising/promotion/judging agencies and each of their immediate family members (defined as parents, children, sibling, spouses and grandparents, whether biological, adoptive, step or in-law) and each of their household members are not eligible to submit a nomination in this Contest and may not be the owner of a Helpful Place that wins in this Contest. The prizes in this Contest will be awarded to the owners of the Helpful Places named in the winning nominations.

3. ENTRY DETAILS: Contest begins at 12:00:01 a.m. Central Daylight Time on August 1, 2008 and ends at 11:59:59 p.m. Central Daylight Time on August 31, 2008 (the “Nomination Period”). To submit a nomination in the Contest, log on to www.acehardware.com during the Nomination Period and (a) complete all information requested in the online official entry form, and (b) submit an original essay of no more than 100 words describing the Helpful Place you are nominating and why it needs a “new face.” Submit the entry and essay via the on-screen directions. For purposes of these rules, “a nomination” or “nomination materials” includes the entry form and essay. The essay must (a) describe the use and importance of the Helpful Place within the community, and (b) explain why and how the Helpful Place needs a renovation. All entries must be transmitted and received by 11:59:59 p.m. on August 31, 2008. Entrant and owners of the Helpful Place understand that if the Helpful Place is selected as a potential prize winner, forms requesting additional information about the scope of the project and any other information Sponsor deems relevant as well as a signed authorization from the owners of the Helpful Place must be completed and returned to Sponsor within the time frame specified by Sponsor. The owner(s) of the potentially winning Helpful Place must complete any and all forms and authorizations prior to final prize winner determination. Limit one nomination may be submitted per person (but one Helpful Place may receive multiple nominations). If multiple nominations are received for the same Helpful Place, each nomination will be judged separately and a Helpful Place may only win one prize. Entries become the property of Sponsor and will not

be acknowledged or returned. Only complete entries that comply with these official rules are eligible. At the conclusion of the Nomination Period, all nominations will be judged by an independent judging organization based on the following criteria (which will each be given equal weight): (A) emotional significance of the essay, (B) need for improvement to the Helpful Place (as articulated in the essay, and, if included, as shown in the optional photograph of the Helpful Place), (C) use and importance of the Helpful Place to the community, and (D) ability of prize to make meaningful difference in the use and value of the Helpful Place. The top 100 nominations will then be re-judged using the same criteria by representatives from Ace Hardware Corporation, representatives from db communications, LLC (trading as DBC Public Relations Experts), and Lou Manfredini (Ace's "Helpful Hardware Man") to determine the top 10 nominations. In the event of a tie, the entries involved will be re-judged by a different qualified judge who will serve as the tiebreaker.

3. PRIZES: A total of ten (10) Helpful Places will be selected as Grand Prize winners (provided a sufficient number of eligible nominations are received). Each Grand Prize winning Helpful Place will receive \$5,000 (retail value) in Ace Hardware products (as determined by Sponsor), one day of service (defined as no more than eight hours) from Ace's "Helpful Hardware Man," Lou Manfredini, and \$5,000 cash to be used toward additional products or services needed for the renovation that are not carried by Ace Hardware. Approximate retail value of each prize: \$10,000. Total approximate retail value of all prizes awarded: \$100,000. Sponsor will attempt to schedule and perform the service days between September 2008 and April 2009, but actual dates may vary and are ultimately at Sponsor's discretion. If necessary and possible, local Ace retailers will coordinate volunteers to assist Manfredini in all efforts on the service day. Such volunteers will be required to sign a Liability and Publicity release prior to participation. Neither Sponsor, nor any of its retailers, accepts liability – financial, physical or otherwise – for this volunteer crew. Neither Sponsor, nor any of its retailers, will pay or otherwise compensate volunteers. Sponsor and its retailers will not be responsible for any other costs associated with the prize or renovation, unless pre-approved in writing by Sponsor. Federal, state and local income taxes on prizes are the sole responsibility of the winning Helpful Places. Prizes are not transferable. No cash redemption or prize substitution, except by Sponsor, who may substitute a prize of equal or greater value if an advertised prize becomes unavailable. Winning nominators and the Helpful Place they nominated will be notified by phone and/or mail. Limit one prize per Helpful Place. All prizes properly claimed will be awarded.

4. ADDITIONAL ENTRY DETAILS: Nomination materials must be entrant's own original creation, executed solely by entrant, and may not have won any other award or have been entered in any other competition. Nomination materials may not have been published previously. Modifying, enhancing or altering a third party's preexisting work does not qualify as entrant's own original creation. Nomination materials must be in keeping with Sponsor's image and may not be offensive, as determined by Sponsor in its sole discretion, nor can it defame or invade publicity rights or privacy of any person, living or dead, or otherwise infringe upon any person's personal or proprietary rights, including but not limited to intellectual property rights. The right to use the nomination materials shall not be restricted in any way. Any nomination materials that include references to third parties or contains elements not owned by entrant (including, but not limited to, company names or trademarks) may be disqualified. Submission of nomination materials grants Sponsor the right to use, publish, adapt, assign, sell, license, edit, dispose of, and/or modify such nomination materials (including any portion thereof) in any way, in commerce and in any and all media worldwide, without limitation or compensation to the

entrant. Entrant may be required to sign a release to that effect. Submission of a nomination constitutes entrant's consent to irrevocably assign and transfer to the Sponsor any and all rights, title and interest in and to the nomination materials, including without limitation the copyright and any other intellectual property rights in the nomination materials. By submitting a nomination, entrant warrants that he/she completed the entry form, wrote the essay and, if applicable, took the photograph.

5. AWARDING OF PRIZES: The ten (10) potential Grand Prize winning Helpful Places (and the people who nominated them) will be notified on or about September 15, 2008 by mail and/or phone. The person submitting the nomination and an authorized representative from each potential winning Helpful Place may be required to execute and return a notarized affidavit of eligibility, liability release and publicity release (where legal) within time frame specified in the prize notification packet, or prize will be forfeited and may be awarded to alternate winner. If prize, prize notification or attempted notification is returned undeliverable, prize will be forfeited and may be awarded to an alternate winner. Any volunteers that participate in the renovation will also have to sign a liability release. In the liability release, nominators, Helpful Place representatives, and volunteers will agree to indemnify, release and hold harmless Ace Hardware Corp., its retailers, and its agencies from any injuries, damages or losses which may be sustained in connection with the renovation and with ownership, use or misuse of a prize awarded herein and, in the case of the person submitting the nomination, against any damage which may be sustained by Ace Hardware Corp., its retailers and its agencies from the breach of the entrant's warranty contained in Paragraph 4 of these Official Rules. Sponsor's decisions are final on all matters relating to the Contest, and are not subject to challenge.

6. ADDITIONAL RULES: Proof of submission is not proof of receipt by Sponsor. Sponsor reserves the right to void all entries made through any robotic, automatic, mechanical, programmed or similar entry duplication method, and to disqualify an individual using such method. In the event of a dispute, entries will be deemed made by the authorized account holder of the e-mail address submitted at the time of entry. The "authorized account holder" is defined as the natural person who is assigned to an e-mail address by an Internet access provider, on-line service provider, or other organization responsible for assigning e-mail addresses for the domain associated with the submitted e-mail address. Sponsor and its parent, affiliates, subsidiaries, divisions, retailers, advertising and promotion agencies, and all of their respective employees, directors, officers, shareholders, agents, successors and assigns (collectively "Releases") are not responsible for and are hereby released from liability with respect to: (a) electronic transmissions or entries that are lost, late, stolen, incomplete, illegible, damaged, garbled, destroyed, misdirected, or not received by the Sponsor or its agents for any reason, (b) any problems or technical malfunctions, errors, omissions, interruptions, deletions, defects, delays in operation or transmission, communication failures or human error that may occur in the transmission, receipt or processing of entries, or for destruction of or unauthorized access to, or alteration of, entries, (c) failed or unavailable hardware, network, software or telephone, cable or satellite transmissions, damage to entrants' or any person's computer and/or its contents, or causes beyond Sponsor's reasonable control that jeopardize the administration, security, fairness, integrity or proper conduct of this Contest, or (d) any entries submitted in a manner that is not expressly allowed under these Official Rules. All incomplete or non-conforming entries will be disqualified. Sponsor is further not responsible for incorrect or inaccurate entry information whether caused by Internet users or by any of the equipment or programming associated with or utilized in the Contest or by any technical or human error which may occur in the transmission,

receipt or processing of the entries. If for any reason this Contest is not capable of running as planned, or if this Contest or any Web site associated therewith (or any portion thereof) becomes corrupted or does not allow the proper playing of the Contest and processing of entries per these Official Rules, or if infection by computer virus, bugs, tampering, unauthorized intervention, actions by entrants, fraud, technical failures, or any other causes, in Sponsor's sole opinion, corrupt or affect the administration, security, fairness, integrity, or proper conduct of this Contest, Sponsor reserves the right, at its sole discretion, to disqualify any individual implicated in such action, and/or to cancel, terminate, modify or suspend this Contest. In the event this Contest is cancelled, Sponsor reserves the right to award the prizes in the manner contemplated in these rules or in another manner from among all eligible, non-suspect, entries received prior to the time of the action or event warranting such cancellation. Acceptance of prize constitutes permission to use the name, address, likeness, photographs, and/or quotes of the nominators or winning Helpful Places, as well as the nomination materials in any form for advertising or publicity purposes without limitation and without further compensation, payment or credit for use except where prohibited by law. Ace Hardware Corporation and its parents, affiliates, subsidiaries, retailers, production and promotion agencies are not responsible for printing, distribution or production errors and may rescind, cancel or revoke this Contest based upon any such error without liability at its sole discretion. As a condition of participating in this Contest, participants (Nominators and Helpful Places) agree that: (a) under no circumstances will participant be permitted to obtain awards for any losses or damages and, hereby waives all rights to claim punitive, incidental and consequential damages and any other damages, other than for actual out-of-pocket expenses, and any and all rights to have damages multiplied or otherwise increased; (b) any and all disputes, claims and causes of action arising out of or connected with this Contest, or any prizes awarded, shall be resolved individually, without resort to any form of class action, and exclusively by arbitration; and (c) any and all claims, judgments and awards shall be limited to actual out-of-pocket costs incurred, including costs associated with entering this Contest but in no event attorney's fees. Contest void where prohibited or restricted. All federal, state and local laws and regulations apply.

CAUTION: ANY ATTEMPT TO DELIBERATELY DAMAGE ANY WEB SITE OR UNDERMINE THE LEGITIMATE OPERATION OF THIS CONTEST MAY BE A VIOLATION OF CRIMINAL AND CIVIL LAWS, AND SHOULD SUCH AN ATTEMPT BE MADE, THE SPONSOR RESERVES THE RIGHT TO DISQUALIFY ANY SUCH PERSON AND SEEK DAMAGES FROM HIM OR HER TO THE FULLEST EXTENT PERMITTED BY LAW.

7. WINNERS LIST REQUEST: Winners (nominators and Helpful Places) will be posted at www.acehardware.com. To receive a list of winners, send a self-addressed, stamped, business size (#10) envelope by 10/01/08 to: "New Faces for Helpful Places" Contest Winners List, c/o Christopher Boniface, Ace Hardware Corp., 2200 Kensington Court, Oak Brook, IL 60523.

8. SPONSOR: Ace Hardware Corp., 2200 Kensington Court, Oak Brook, IL 60523-2100.