

## **GROWTH REWARD MULTIPLIER PROGRAM**

We are excited to announce a Growth Reward Multiplier Program that rewards Delta Partners for consistent purchase growth as we continue to offer more products purchasable through Delta Controls Inc. They include the growing list of field devices manufactured by industry leading vendors in addition to the expanding portfolio of Delta Electronics products.

Qualifying Partners benefit by earning a higher discount (better multiplier) on purchases of Delta Controls Inc. manufactured products for an entire year, based on a sliding discount scale that increases with annual purchase volume. After receiving feedback from partners, this program replaces the growth rebate initiative previewed at the Partner Conference earlier this year.

### **Purchase/Growth Qualification to earn the Growth Reward Multiplier**

Total annual net purchases with Delta Controls Inc. must be at least **USD \$150K** in the prior year and maintain a three-year rolling average growth of **10%** and higher. Delta Partners with annual net purchases above **USD \$1 Million** in the prior year qualify with a three-year rolling average growth of **5%** and higher. The three-year rolling average growth is calculated as the average of the three most recent annual purchase growth percentages i.e. spanning the previous complete 48 months of purchases (up to and including 2018 to kick off the program).

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### **Eligible Purchases for Growth Reward Multiplier Calculation**

Annual net purchases include all purchases invoiced by Delta Controls Inc. in a given calendar year, net of returns and credits. This includes purchases of Delta Controls' manufactured products, as well as purchases of Delta Electronics products and of Field Devices (formerly known as PPG) including Tridium, Vivotek, RMA repairs, Cloud Engineering, DCBI and Services (PAS, Training, etc.).

### **Partners with Multiple Accounts**

As a further incentive, purchases made by Partners with multiple business locations through more than one customer account will be totaled to determine the overall net purchase amount for all associated accounts, thereby most likely further improving the Growth Reward Multiplier for each account herein.

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**Growth Reward Multiplier Program - Reduction Table**

The 2019 multiplier reductions for qualifying partners as a percentage of the respective 2018 multiplier are shown in the table below:

Annual Net Purchases (US Dollars) Delta Controls Manufactured Products		
FROM	TO	Multiplier Reduction
\$0	\$150,000	0%
\$150,001	\$250,000	2.5%
\$250,001	\$500,000	3.25%
\$500,001	\$1,000,000	4.0%
\$1,000,001	\$5,000,000	5.0%
\$5,000,001	\$10,000,000	6.0%
\$10,000,001	\$15,000,000	6.75%
\$15,000,000+		7.5%

**Products invoiced with the Growth Reward Multiplier Program**

The Growth Reward Multiplier is applicable to Delta Controls manufactured products invoiced from Jan 1<sup>st</sup> to Dec 31<sup>st</sup> of the subsequent year. It also applies to BULK pricing and to pricing for BUNDLES that are comprised only of Delta Controls manufactured products.

The products and quantity thresholds qualifying for BULK pricing are being expanded. The purpose of this along with the Growth Reward Multiplier is to replace providing quotations with special pricing, which is becoming a bottleneck in our sales support as we scale up in our services and products lines that we plan to offer and support.

**Eligibility**

Partners with direct purchase rights for Delta Controls Inc. manufactured system products are eligible for this program. The following accounts are not eligible for this program:

- OEM & Partners that predominantly sell to OEMs
- Owner-Direct and Corporate accounts
- Contractors that predominantly purchase products manufactured by Delta Electronics and/or third-party vendors
- Sub-Dealers that purchase Delta Controls Inc. products from Partners

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- Delta Group Companies

### **Amendments**

Delta Controls reserves the right to dissolve or amend the terms of the Growth Reward Multiplier Program at any time without notice.

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