

COMMERCIAL BASIS OF DESIGN INCENTIVE PROGRAM

CHANNEL MARKETING OPERATING LETTER

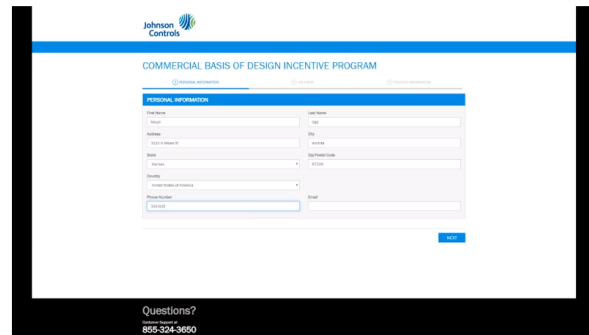
Effective: 10/1/2019 to 9/30/2020

PUBL-5842-A-1119

Basis of Design Incentive

For registered Basis of Design (BOD) projects, the channel partner salesperson of record will be given a \$2 per-ton incentive for Commercial DS 3-50 Ton Norman Manufactured Commercial Packaged Rooftop Units. See the attached Ducted Systems BOD Policy Document for details.

For example, a BOD with two 40-ton RTUs: 2 x 40T = 80T, 80T x \$2 = \$160 Incentive



View Webinar: <https://bit.ly/2CjrXwc>

Terms and Conditions

1. SPONSOR

Program is sponsored and administrated by Johnson Controls, Inc., 507 E. Michigan St., Milwaukee, WI 53201 (the "Company").

2. PARTICIPANT ELIGIBILITY

The Program is only open to Channel Partner Salesperson(s) (the "Salesperson") who, as of the participation date, are:

- a) Located in the United States, D.C. or Canada.
- b) Licensed/registered salesperson in the United States, D.C. or Canada.
- c) Currently aligned under contract/agreement with Johnson Controls, Inc. for selling or distributing commercial rooftops for one of the following brands: YORK®, Coleman® HVAC, Luxaire®, Champion®, Fraser-Johnston®, Johnson Controls or TempMaster®.

All BOD projects for National Accounts and/or Enterprise Accounts are excluded and do not count towards BOD incentive payout.

PROGRAM RESOURCES

Contact the Channel Marketing Help Desk for Support: 833-242-7869

Resource	iBusiness Application Support	Program Administration	Internal Department
Inquiry Type	Access Issues, Navigator Support, Application Defects	Claims, Payments, Reporting and Registration	General Inquiries, Exceptions, Approvals
Email	navigatorsupport@hvacnavigator.com	upfac@channel-fusion.com	bts-ds-marketing@jci.com

3. PRODUCT ELIGIBILITY

Paid sales incentive must be recorded upon secured BOD entry and confirmed with the Pricing Team. Incentive payment for Commercial DS 3-50 Ton Norman Manufactured Commercial Packaged Rooftop Units is defined below:

- a) Unit is a YORK®, Johnson Controls, Coleman® HVAC, Luxaire®, Champion®, Fraser-Johnston® or TempMaster® brand commercial rooftop, as indicated in this chart:
 - 3-50 ton Norman Manufactured Commercial Packaged Rooftop Units
 - Commercial Split Systems
- b) Incentive amount is calculated based on aligned incentive program on commercial rooftop 3-50 ton range. The incentive is a \$2 per ton payout, based on the total tonnage of BOD.
 - For example: a BOD with two 40T RTUs will equal a \$160 incentive. Maximum payout per BOD registered is \$1,500.
- c) Salesperson must secure BOD based on the aligned incentive program, during program period (as defined below in item 4), to qualify for incentive payout.
- d) BOD Policy may protect other Ducted Systems specific products for BOD effort, but products ONLY identified in the incentive product eligibility count towards payout. All other products under BOD Policy are excluded from incentive.
- e) All BOD projects for National Accounts and/or Enterprise Accounts are excluded and do not count towards BOD incentive payouts.
- f) Qualifying equipment may or may not participate in other incentive programs. Terms and conditions may apply.

4. TIMING

This Program will be conducted beginning on October 1, 2019 at 12:01 a.m. Pacific Time ("PT") and ending at 11:59 p.m. PT on September 30, 2020 (the "Program Period"). The Company's computer is the official timekeeping and recordkeeping device for this promotion. Claims must be submitted by December 31, 2020 or incentive value will expire.

5. HOW TO PARTICIPATE

- a. Review directions in HVAC Navigator:

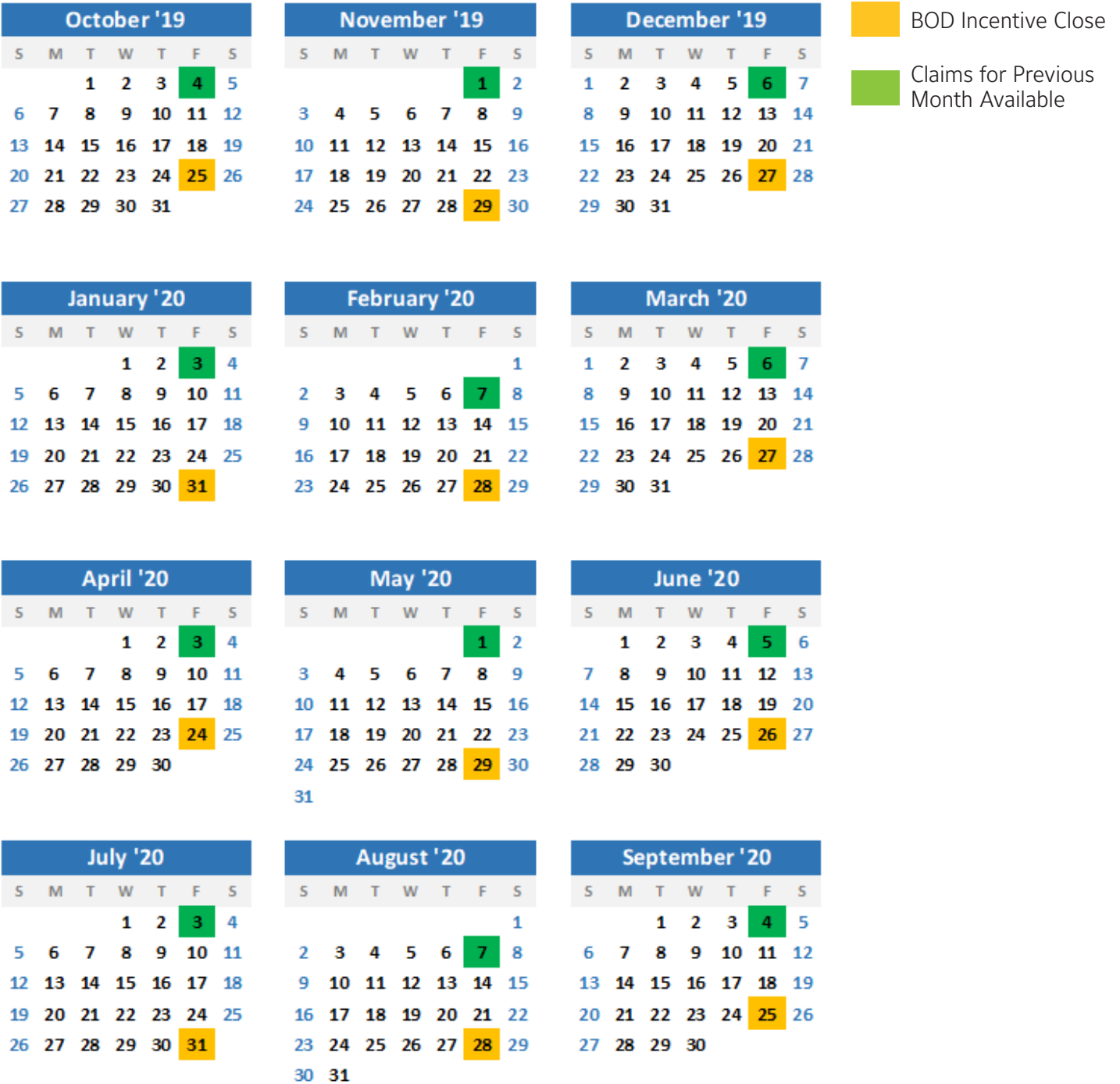
Applications > Marketing > [Brand] Success Programs > Achieve Business Results > Basis of Design (BOD)

- b. Complete commercial RTU through the Navigator system (www.hvacnavigator.com) via Selection Navigator application, BOD process is established in Policy (attached).
- c. Our incentive system is updated monthly on the last business day of each month. Claims for an incentive may begin the first full week of every month according to this calendar:
- d. To file a claim, access the link from the Success Programs portal for the specific brand, or go to www.ductedsystemsincents.com to claim your incentive. You will need the following information:
 - Name
 - Address
 - Contact information
 - W-9 tax information (United States only)
 - BOD information (Total capacity/tonnage, IPA number)

e. Incentives are paid as reloadable debit cards in the United States and one-time debit cards in Canada. Cards are sent and reloaded within 45 days of claim approval.

f. Emails will be sent as your incentive claim goes through the process (claim received, paid). To check the status of your claim, go to www.ductedsystemsinc.com. You will need your claim number and email address.

Company reserves the right in its sole discretion to disqualify any individual for late, lost, altered, cancelled, invalid, incomplete, unintelligible, illegible, nonconforming or misdirected sales, or sales received or presented through impermissible or illegitimate channels.



6. GENERAL CONDITIONS

This Program is void outside the United States, D.C. or Canada; and where prohibited or restricted by law. Participation in the Program constitutes Salesperson's full and unconditional acceptance of these Program Terms and Conditions. Each Salesperson agrees to be bound by them.

Eligibility to receive an Incentive(s) is contingent upon fulfilling all requirements set forth in these Program Terms and Conditions. Company reserves the right, in its sole discretion, to terminate, modify or suspend the Program if, in Company's sole opinion, there is unauthorized intervention, fraud, technical difficulties, shipping delays or failures or any other factor beyond Company's reasonable control. Company reserves the right in its sole discretion to disqualify any individual it finds to be tampering with the operation of the Program or to be acting in violation of these Program Terms and Conditions or in an unsportsmanlike or disruptive manner. Company's failure to enforce any term of these Program Terms and Conditions shall not constitute a waiver of that provision.

7. RELEASE

By participating in these incentives, each Salesperson forever and irrevocably releases and holds harmless the Company, its parents, subsidiaries, divisions and affiliates and all of their respective employees, officers, directors, shareholders and agents (collectively, the "Released Parties") from and against all claims, damages or liabilities arising in whole or in part, directly or indirectly, from Salesperson's participation in the Incentive Program and/or Salesperson's receipt or use of any incentives received in this Program.

8. LIMITATIONS OF LIABILITY

a. The Released Parties are not responsible for: technical failures of any kind, including but not limited to:

- The malfunctioning of any telephone, computer online systems, computer equipment, website, server provider, network, hardware or software.
- The unavailability or inaccessibility of any commercial rooftop product.
- Unauthorized intervention of any kind in any part of the program; printing, typographical, electronic or human errors which may occur in the offer or administration of the program.
- Any injury or damage to persons or property, including but not limited to channel partner's computer, which may be caused, directly or indirectly, in whole or in part, from channel partner's participation in the Program, or from viewing or downloading any material from any Released Party's website, regardless of whether the material was prepared by Company, any other Released party or a third party, and regardless of whether the material is connected to the website of Company or any other Released Party by a hypertext link.

9. DISPUTES

Salesperson agrees that:

- Any and all disputes, claims and causes of action arising out of or connected with this Program, or any rebate, shall be resolved individually, without resort to any form of class action and solely and exclusively in a federal or state court located in Milwaukee, Wisconsin.
- Salesperson submits to sole and exclusive personal jurisdiction to said courts in the State of Wisconsin for any such dispute and irrevocably waives any and all rights to object to such jurisdiction.
- All issues and questions concerning the construction, validity, interpretation and enforceability of these Program Terms and Conditions, or the rights and obligations of Salesperson or Company in connection with the Program, shall be governed by, and construed in accordance with, the laws of the State of Wisconsin, without giving effect to any choice of law or conflict of law rules of provisions (whether of the State of Wisconsin, the United States or any other jurisdiction), which would cause the application of the laws of any jurisdiction other than the State of Wisconsin.

10. AFFILIATION

The Company is not sponsored by Channel Fusion, American Express, Visa or Master Card.