

FLIR Commercial Systems, Inc. (FLIR) Minimum Advertised Price (MAP) Policy

This MAP policy is designed to: (1) protect the margins and the provision of desirable pre-sales and post-sales services and support; (2) support the FLIR brand as a premium offering; and (3) avoid destructive intra-brand channel conflict.

FLIR supports the promotional and advertising efforts of its valued distributors, dealers, integrators and resellers (collectively, "Distributors"), which focus on the features and value of FLIR products, FLIR technology, and FLIR's reputation in the marketplace. This policy defines the expectations FLIR has of its Distributors (and their business resale customers, franchisees, etc.) that sell FLIR products for which FLIR has an established MAP (the "MAP Products").

This policy pertains to the minimum advertised prices for MAP Products. Nothing in this policy restricts the actual price at which a Distributor may sell a FLIR product, including MAP Products. Distributor adherence is voluntary but **this unilateral policy will be uniformly enforced by FLIR**.

This policy is applicable to all Distributors that sell MAP Products, and all Distributors under this policy are expected to communicate and enforce the requirements of this policy among their business resale customers, franchisees, etc. FLIR products not specifically identified by FLIR as MAP Products, and products that FLIR identifies as discontinued or obsolete and that are expressly identified and sold by the Distributor as discontinued or obsolete, are not subject to the MAP policy.

MAP POLICY PROVISIONS

A. <u>MAP Products, Policy Terms, and Policy Modifications</u>.

- 1. FLIR's MAP Products are available at <u>www.FLIR.com/MAPpolicy</u> or from your FLIR sales professional.
- 2. The MAP Products and their corresponding MAP may be updated by FLIR from time to time at FLIR's sole discretion. This policy may also be revised or modified, at FLIR's sole discretion, to change, suspend or discontinue the policy, in whole or in part, or to designate promotional periods during which the terms of the policy change or do not apply to some or all of the MAP Products.
- 3. FLIR resellers are responsible for remaining current with this policy, the MAP Products, and applicable pricing.

B. <u>Advertisements</u>.

1. The policy applies to all advertisements of MAP Products in any form, including, without limitation, advertisements appearing at, on or in: magazines; newspapers; inserts; catalogues; coupons; billboards; brochures; posters; flyers; direct and indirect mailings; trade shows and trade show materials; websites; on-line portals,



shopping and social media sites; mobile devices; Really Simple Syndication (RSS) feeds; blogs; texts; emails and email links; on-line banners; television; or radio ("Advertisements").

- 2. Conversations between Distributors and potential customers that are live inperson or in real-time (such as by telephone or on-line) are not considered Advertisements for purposes of this policy.
- 3. From time to time FLIR may offer rebates or discounts in connection with its products. Promotional advertising that highlight these rebates or discounts are not considered Advertisements for purposes of this policy.
- 4. For purposes of Internet-based sales only:
 - (a) Pricing information displayed for potential customers who follow links such as "click here for your price", "click for lower price", "price too low to print", "click for our price", "click for special pricing", stricken text (e.g., example) or other similar text or symbols are considered Advertisements under this policy.
 - (b) Pricing information displayed for potential customers who have affirmatively proceeded toward making a purchase such as by placing a MAP Product into an electronic "shopping cart" or by following links such as "click here to order", "add to cart" or "click to buy" or during the purchase payment process are not considered Advertisements for purposes of this policy.

C. <u>Pricing</u>.

- 1. In all Advertisements for any MAP Product, Distributors must display the price of that MAP Product that is equal to or greater than the applicable MAP.
- 2. In all Advertisements for two or more MAP Products that are part of a bundled sale (whether or not the bundle includes other non-MAP Products), Distributors must display:
 - (i) a price for each MAP Product in the bundle that is equal to or greater than the applicable MAP for each MAP product in the bundle; **OR**
 - (ii) a single combined price for the bundle that is equal to or greater than the combined MAPs for the MAP Products in the bundle.

D. <u>Consumer Information</u>.

Distributors who provide general consumer information about minimum advertised price policies may not directly indicate or indirectly suggest that Distributor is contractually obligated to follow this policy. FLIR does not object to Distributors using the following language, if any, to generally describe minimum advertised price policies to its potential customers:

A Minimum Advertised Price (MAP) policy is a manufacturer's unilateral policy that establishes certain minimum prices for use in product advertisements. MAP policies only apply to advertised prices. The actual sale price may be higher or lower.

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E. <u>Unilateral Enforcement</u>.

- 1. If a Distributor chooses not to follow the policy, or fails to correct all violations of this policy within forty-eight (48) hours of notice from FLIR of such violations, then FLIR will unilaterally withhold the following, as applicable and consistent with existing contractual obligations:
 - (a) FLIR funding for product Advertising, rebates, discounts, or merchandising;
 - (b) FLIR funding for or signage, end caps, point of purchase displays, fixtures or marketing;
 - (c) FLIR-funded preferred or priority shipping;
 - (d) FLIR-funded direct product mailings and new product announcements;
 - (e) FLIR-funded factory tradeshow and special event support (such as FLIR representative support, videos, banners, and literature); and/or
 - (f) Authority to use FLIR-owned trademarks, logos, photos and/or art in Distributor Advertisements.
- 2. Noncompliance with this MAP policy shall be determined by FLIR in its sole discretion, and all decisions by FLIR shall be final.
- 3. Distributors that FLIR determines have failed to comply with this policy may requalify for the items withheld, above, after a six (6) month uninterrupted period of compliance with this policy.

F. <u>Compliance Monitoring</u>.

- 1. FLIR monitors its Distributors and expects its Distributors to monitor their business customer resellers, franchisees, etc. for compliance with this MAP policy. Non-compliance by a Distributor's business customer resellers, franchisees, etc., shall be treated by FLIR as non-compliance by the Distributor.
- 2. Third parties with information about a violation of the MAP policy may report it to FLIR by visiting <u>www.FLIR.com/MAPpolicy</u> and following the appropriate link. However, FLIR will not discuss allegations of compliance with or enforcement of this policy with anyone other than an authorized representative of the alleged non-compliant Distributor.
- 3. Only authorized FLIR personnel may communicate with a Distributor about that Distributor's actual or alleged violations of this policy, and individual exceptions to this MAP policy are not permitted.