

Mitsubishi Electric US, Inc. — Cooling & Heating Division
Unilateral Minimum Advertised Price Policy (Internet Only)

Policy Statement

MEUS-HVAC is unilaterally implementing this Unilateral Minimum Advertised Price (“UMAP”) Policy for M-Series and P-Series HVAC Products (“Products”) advertised through the Internet (the “Policy”). Although MEUS-HVAC does not encourage the online resale of its Products, MEUS-HVAC recognizes that some customers may wish to supplement their business activities by advertising Products through the Internet. To ensure that MEUS-HVAC’s standards for exceptional quality, reliability, and customer service are upheld, MEUS-HVAC has implemented this UMAP Policy along with the Online Reseller Guidelines (the “Guidelines”). Through these policies, MEUS-HVAC seeks to protect its brand name, preserve its reputation for high quality products and customer support, and enhance its competitiveness in the marketplace and the success of its entire distribution network.

Policy Coverage and Implementation

MEUS-HVAC has unilaterally established minimum prices at which all UMAP Products must be advertised online. If an advertiser wants to advertise a UMAP Product online and the advertisement includes a price, the advertised price must be at or above the UMAP Price. If an advertiser wants to advertise a Product online and the advertisement does not include a price, UMAP Pricing does not apply.

The current list of UMAP Products and UMAP Prices can be obtained through a local distributor. This Policy only applies to the price at which the UMAP Products are marketed or advertised, not the final resale price. Each reseller is free to establish its own resale prices for Products, provided that any online resale of Products is subject to the Online Reseller Guidelines and the Online Eligible Product list. Distributors who supply MEUS-HVAC Products to third parties for the purpose of resale through the Internet must communicate this Policy, the Online Reseller Guidelines, and the UMAP Product and Price lists in writing to such third party resellers. Failure to do so will be considered a violation of this Policy.

Specific UMAP Guidelines

UMAP Pricing applies to: (1) any advertisement on the Internet for (2) a UMAP Product that (3) includes an advertised price. If all of these elements are present, the UMAP Product may not be advertised at a net price (final price paid net of any discounts, coupons, promotions) that is below the UMAP Price.

1. Advertisement: This Policy is intended to cover all forms of online advertising for UMAP Products, including but not limited to social media, search engines, affiliate marketing, banner and pop-up ads, as well as email marketing. In addition to this UMAP Policy, Product advertisements must comply with the Online Reseller Guidelines, MEUS-HVAC’s policies for logo and trademark usage, as well as applicable marketing and advertising laws, rules, and regulations.

- This Policy does not apply to price quotes sent by email, text message, or otherwise in response to a purchaser’s inquiry, provided that such quote was not initiated by the reseller or generated by any automated communication methodology.
- Regardless of the price at which they are advertised, MEUS-HVAC Products may not be offered on eBay® or other auction websites under any circumstances.

2. UMAP Products: UMAP Products may not be advertised on the Internet at a net price (final price paid net of any discounts, coupons, promotions) that is below the UMAP Price. MEUS-HVAC may modify the list of UMAP Products and/or Prices at any time in its sole discretion, and resellers must immediately comply with any such changes. Online Resellers are expected to monitor for changes to this Policy and the UMAP Product and Price lists.

- Quantity and bundling offers must comply with this Policy (i.e., the advertised price for any bundled UMAP Product must not be lower than the UMAP Price). Advertising free or discounted products or accessories along with the UMAP Product will constitute a violation of this Policy if such bundling has the effect of discounting the advertised price of the UMAP Product below the UMAP Price.

3. Advertised Price: UMAP Pricing only applies where the online advertisement includes the price at which the UMAP Product is being advertised. If the advertisement does not include a price, it is not covered by this Policy (although it may be covered by the Guidelines and/or other MEUS-HVAC policies).

- If a reseller advertises the “installed price” for a UMAP Product online, the advertised price of the UMAP Product must not be lower than the UMAP Price. Advertising free or discounted labor and installation will constitute a violation if such inclusion has the effect of discounting the advertised price of the UMAP Product below the UMAP Price.
- This Policy does not apply to the final resale price charged by the reseller, whether at checkout or in a secure Shopping Cart, provided that the Shopping Cart is being used as a vehicle to purchase Products and not as a means of advertising a price. The “Shopping Cart” means the portion of the website that is within the website’s encrypted security barrier and is not searchable or otherwise accessible by search engines or other tools.

UMAP Policy Violations

MEUS-HVAC has the right in its sole discretion to choose with whom it wishes to do business or not do business. If a reseller fails to comply with this Policy, MEUS may choose to no longer do business with that reseller. Additionally, MEUS-HVAC may unilaterally impose sanctions against distributors who knowingly supply Products to third parties who violate this Policy.

MEUS-HVAC will independently monitor and enforce compliance with this Policy. Upon discovering a violation, MEUS-HVAC will first issue a warning letter to both the non-compliant

reseller and the distributor who supplied the Products. Any subsequent violation of this Policy will result in MEUS-HVAC imposing sanctions of its choosing, which may include but are not limited to a cease-and-desist action, reducing or eliminating cooperative advertising funding to the supplying distributor, and/or temporary or permanent termination of distributorship. MEUS-HVAC will provide written notice to the reseller and the supplying distributor of all sanctions.

Unilateral Action

MEUS-HVAC is not seeking agreement from anyone to adhere to this UMAP Policy. MEUS-HVAC will not discuss any conditions of acceptance or compliance related to this Policy, as it is non-negotiable and will not be altered. Nothing in this Policy or in any other contract or agreement with MEUS-HVAC shall constitute an agreement that any particular reseller will comply with this Policy, or will sell any MEUS-HVAC Product at or above any particular price.

MEUS-HVAC assumes sole responsibility for enforcing this Policy and does not seek from any third parties any information about any other parties' compliance or non-compliance with this Policy. MEUS-HVAC employees will not discuss actual or alleged violations by one reseller with any other reseller or distributor. Any complaints about reseller pricing or compliance with this Policy will be forwarded to MEUS's Legal Department for written response.

MEUS-HVAC reserves the right in its sole discretion to modify this Policy, the UMAP Prices, and/or the UMAP Product list, as well as to discontinue or suspend the online advertising or resale of its Products entirely. In the event that any provision of this Policy is found to be in violation of local, state or federal law, the remaining provisions shall continue in effect.

Contact Information

All questions or comments regarding this UMAP Policy are to be directed to the Policy administrator at umapinfo@hvac.mea.com, who will respond only in writing. No MEUS-HVAC sales representative or other employee is authorized to modify this Policy or to discuss any compliance issues, and any such statement or representation is unauthorized and invalid.

We look forward to your continued support and promotional efforts on behalf of MEUS-HVAC Products.

Effective Date: **September 2016**
Related Documents: **MEUS-HVAC Online Reseller Guidelines**