



Appendix: Rebate Terms & Conditions

1. Scope

The terms and conditions below represent the terms and conditions under which Pelco will pay a rebate as part of the Pelco Partner Advantage Program (hereinafter the "Rebate Program"). To participate in the Rebate Program, you must be an active participant in the Partner Advantage. Notwithstanding anything to the contrary contained herein, your participation in the Rebate Program shall be at the sole discretion of Pelco.

2. Current Program Period

The current program period shall commence upon either (i) January 1 of the current calendar year, provided you have been an active participant in the Partner Advantage Program in the previous year, or (ii) the date upon which you joined the Partner Advantage Program (the "Commencement Date"), and shall run through December 31 of the current calendar year. Your participation in the Rebate Program shall automatically renew each January 1 thereafter, unless terminated by Pelco with thirty (30) days' written notice prior to December 31 of the Current Program Period. Pelco may terminate your participation in this Rebate Program immediately in the event that you should fail to perform or breach any obligation, duty, or responsibility as a Partner Advantage member, or the terms set forth in this Rebate Program.

3. Qualified Pelco Distributors

Qualified Pelco distributors are Pelco distributors in good standing who provide point of sale data as required by Pelco and needed for rebate calculations (hereinafter "Point of Sale Data").

4. Purchases

Purchases mean products purchased from Pelco and invoiced at the price at which you are buying from Pelco and reflects final purchase price of Pelco products less product returns, price protection, projects, promotions, and discounts. Purchases also include products purchased from qualified Pelco distributors less product returns, price protection, projects, promotions, and discounts. The price of products purchased from qualified Pelco distributors (hereinafter "Qualified Pelco Distributors") will be calculated based on Pelco's standard distributor pricing. In no event shall taxes, handling and purchasing charges, freight insurance, other customer payments, duties, and excises be included in Purchases. Projects assigned by Pelco for fulfillment and/or subject to special price will not count for revenue.

5. Rebate

Upon acceptance into the Rebate Program and achieving Platinum or Gold status, Pelco shall offer a Rebate to you based on achieving one of the following:

- (i) As of December 31 of each year, you are a participant in the Rebate Program if your Purchases of Pelco products during the previous twelve (12) months, starting on January 1 of that same year (hereinafter the "Current Purchase Period"), increase by at least five percent (5%) but less than fifteen percent (15%) as compared to your Purchases of Pelco products between January 1 through December 31 of the previous year (thereinafter the "Previous Purchase Period"), you will be eligible for a one percent (1%) if a Platinum Partner or one half (.5%) if a Gold Partner rebate on your total Purchases of Pelco products purchased for the Current Purchase Period; OR
- (ii) If your Purchases of Pelco products during the Current Purchase Period increase by fifteen percent (15%) or more but less than twenty-five percent (25%) as compared to your Purchases of Pelco products during the Previous Purchase Period, you will be eligible for a two percent (2%) if a Platinum Partner or one percent (1%) if Gold Partner rebate on your total Purchases of Pelco products purchased for the Current Purchase Period; OR
- (iii) If your Purchases of Pelco products during the Current Purchase Period increase by twenty-five percent (25%) or greater as compared to your Purchases of Pelco products during the Previous Purchase Period, you will be eligible for a three percent (3%) if Platinum or two percent (2%) if Gold Partner Rebate on your total Purchases of Pelco products purchased for the Current Purchase Period. If you are a first-time participant in the Partner Advantage Program, your eligible Rebate for your first year of participation will be based upon Purchases of Pelco products starting as of your Commencement Date through December 31 of your first year of participation. Any Rebates in subsequent years shall be calculated as provided for above.

You may be eligible for one of the above Rebates if you achieve the above goals as calculated by Pelco. Rebates are not cumulative and you may be eligible to qualify for a maximum of one Rebate.





6. Credit Standing

Partner Program participant accounts must be in good credit standing prior to the issuance of a Rebate. It is the responsibility of the Partner Program participant to bring accounts to good credit standing within 90 days of rebate notification by Pelco. Failure to meet this timeline will be considered a forfeit of the Rebate by the Partner Program participant and Pelco reserves the right to refuse payment on Rebates to Partner Program participants who have not brought their account to good credit standing in the required timeframe.

Purchases of Pelco products will be determined based on data in Pelco's system and the Point of Sale Data that Pelco receives from participating Qualified Pelco Distributors. Purchase goal achievement shall be at the sole discretion of Pelco.

7. Qualification

The Rebate Program is not offered to distributors, buying groups or as otherwise determined by Pelco. Any fraudulent behavior or manipulation of data will result in immediate removal from the Rebate Program and forfeiture of any unpaid Rebate. Pelco reserves the right to refuse payment on Rebates based on improper or unfair business practices.

8. Rebates

Rebates will be calculated following the conclusion of the Current Program Period. Participants will be notified of the Rebate amount they have qualified for in writing. Rebates will be issued in the form of a credit voucher and may be made in installments or in one lump sum, as determined by Pelco. The credit voucher can only be used towards the Purchase of Pelco products via (i) a Qualified Pelco Distributor, OR (ii) direct Pelco customer account. Credit Voucher purchases must be made within 6 months of issuance of Credit Voucher. Rebate payments should not be expected sooner than 90 days from the end of the Current Program Period and will be mailed directly to the billing address of the Pelco Partner. It is your obligation to update your contact information in the event it changes. Any issues regarding rebates should be sent in writing to support@pelco.com no later than thirty (30) days following receipt of the Rebate payment. If such written notice is not provided within thirty (30) days, you shall have no further right to dispute a Rebate payment. Pelco's decisions with respect to eligibility and amount of Rebate are at Pelco's sole discretion. All such decisions are final. Any returns processed during the applicable Rebate period may be deducted prior to the Rebate payment. Applicable Rebate period returns processed from purchases prior to the beginning of the applicable rebate period may be deducted.

9. Term

Pelco reserves the right to alter, amend, or cancel this Rebate Program at any time for any reason upon thirty days' notice. Upon Pelco's termination of the Rebate Program, no Rebates will be due or payable for the year in which such termination occurs.

10. Non-disclosure

You acknowledge and agree that the terms and conditions of the Rebate Program are confidential, and disclosure of such terms and conditions to any third party is strictly prohibited.

11. Taxes

Please be aware that there may be tax consequences to you that result from your participation in the Rebate Program. Pelco will not be remitting any taxes on your behalf, nor provide you with tax related documentation. You are solely responsible for ensuring that any taxes arising from your participation in the Rebate Program are reported and paid to the appropriate taxing authority.

12. Entire agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. Any and all prior agreements pertaining to the subject matter hereof, specifically Rebates, are canceled. This Agreement may not be amended or modified except in writing and executed by both parties.

13. Liability

The maximum liability of either party for direct damages hereunder shall not exceed the fees/amounts actually paid hereunder. Neither party shall hold the other party liable or responsible for any indirect, special, incidental, or consequential damages arising from this Agreement.

14. Additional Terms and Conditions

Pelco reserves the right to alter, amend, or cancel any Rebate Program or these General Terms and conditions at any time with or without notice to you. Time is of the essence as to the Terms and Conditions hereof. Interpretation of all Rebate Program rules will be made solely by Pelco. The waiver by either party of a breach of any of the terms and conditions of this Agreement must be in writing and will not be construed as a waiver of any succeeding breach of such term or condition or the waiver of the provision itself. The exercise of any right or remedy provided in this Agreement shall be without prejudice to the right to exercise any other right or remedy provided by law or equity. This Agreement may not be assigned by Customer without the prior written consent of Pelco. You agree that Pelco may contact you and send notice by telephone, fax and physical or electronic mail for the primary purpose of administering any specific Rebate Program for which you have chosen to participate. The terms of this Agreement, as well as the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Illinois, excluding applicable conflicts of laws rules.

