



Minimum Advertised Price (MAP) Policy

The following MAP Policy statements incorporate by reference and work conjunction with all related terms and conditions specified in any attachments hereto and, for distributors, the applicable distribution agreement (collectively "**MAP Policy**"). This MAP Policy is effective immediately and supersedes and replaces any/all prior MAP Policy(ies) applicable to Bell & Gossett (including Domestic and Hoffman Specialty) and McDonnell & Miller branded products.

1. Xylem does not regulate your sales pricing - Distributors and all resellers are free to independently establish pricing and sell into the market at whatever price they choose.
2. Xylem maintains the MAP Policy respective to Bell & Gossett (including Domestic and Hoffman Specialty) and McDonnell & Miller branded products to create an even playing field for all distributors and resellers and to help support brand equity.
3. Under the MAP Policy, all entities downstream of XYLEM are required to comply with the MAP Policy. As such every Distributor and Reseller:
 - a. is required to comply with the MAP Policy;
 - b. must ensure all sales to any reseller and/or contractor are conditioned upon the purchaser being made aware, at time of purchase, of the MAP Policy; and
 - c. must incorporate the MAP Policy into each sale to a reseller and/or contractor, requiring the reseller to comply with the MAP Policy, with two suggested examples of such language set out in Clause 8(c) below.
4. Xylem makes certain benefits available to its distributor, such as access to special payment terms, discounts, rebates, and promotional marketing programs (collectively "**Benefits**"). Distributors can accrue notional benefits in a given year ("**Current Year**"). At the start of the year following the Current Year, Xylem will review each distributor's compliance with the Current Year's MAP Policy as well as any Benefits that the distributor had notionally accrued for the Current Year. To the extent the distributor was in strict compliance with the MAP Policy for the entire Current Year, and Articles 8 and 9 below, any notionally accrued Benefits for the given Current Year will vest in the distributor's account with Xylem.

5. Any violation of the MAP Policy is subject to XYLEM, in its sole discretion, taking the following actions: graduated enforcement, which as specified above, includes: loss of benefits for the given year; eventual agreement termination; available legal recourse; and loss of warranty-related credits and support.
6. MAP Policy violation enforcement action will extend to everyone involved, either directly or indirectly, in each violation.
7. Attachment 1, for your reference, contains a MAP schedule. Xylem reserves the right to modify the MAP Policy schedule at any time.
8. Xylem's MAP Policy implementation and enforcement measures include:
 - a. MAP Policy compliance obligation hard-coded into all distribution agreements
 - b. A new MAP Policy Violation Tracking Forum accessible to all members. Violations and Violators will be listed with 30 day grace period notifications for rectification
 - c. Distributors are required to ensure sales of Bell & Gossett and McDonnell & Miller branded products include an express written statement that requires their customers (resellers and otherwise) to comply with the MAP Policy. Xylem suggests Distributors should use one of the below statements on distributor's invoice documents:

The sale of Bell & Gossett and McDonnell & Miller equipment is conditioned on purchaser's agreement to comply with Xylem CBS Minimum Advertised Price Policy in any resale of the equipment.

OR

The sale of the items on this invoice is conditioned on purchaser's agreement to comply with all applicable manufacturer Minimum Advertised Price policies, which can be found here (distributor's website), in any resale of any of these items.
 - d. Updated Xylem tracking and enforcement tools and protocols for efficient and impactful MAP Policy compliance.
9. To remain in good standing under this Agreement and to receive any benefits available under any Pertinent Agreement(s), the Distributor must be in strict compliance with all obligations set forth in the Pertinent Agreement(s). Any failure to comply with the terms of any Pertinent Agreement will be deemed a material breach of all Pertinent Agreements.

“**Pertinent Agreement(s)**” means the DA, all applicable MAP policies, the terms of the ETSA, and any/all other agreements, policies, and programs respective to the Xylem-distributor relationship.

ATTACHMENT 1
Minimum Advertised Price (MAP) Schedule¹

<i>Product Category</i>	<i>MAP from List Price</i>
Circulator Pumps & Hydronic Accessories	0.70
Engineered Specialties	1.00
Exception: Circuit Setters	0.70
Stock Model Centrifugal Pumps	0.70
BTO Centrifugal Pumps	1.00
Heat Exchangers	1.00
Exception: Brazed Plate Heat Exchangers	0.70
Boiler Controls - Electronic	0.70
Boiler Controls – Mechanical	1.00
Stock Condensate & Boiler Feed Pumps	0.70
All Other Condensate Pumps	1.00
Steam Specialties	0.70
Pressure Boosters	1.00
Turbine Pumps	0.70
Wastewater Pumps	0.70
Spare Parts	1.00

¹Xylem reserves the right to modify the Minimum Advertised Price (MAP) Schedule at any time. When unsure, set MAP consistent with List Pricing. Please contact your sales representative if you have any questions

ATTACHMENT 2

CBS Wholesaler and Reseller Sales and Warranty Policies:

Wholesalers and Resellers must remain in Good Standing which means abiding by the Minimum Advertised Price (MAP) Policy as well as any other stated policies. Xylem reserves the right to update this and any other policy at its sole discretion.

Minimum Advertised Price (MAP):

Xylem shall from time to time unilaterally establish a minimum advertised price for the Products (the “Policy”).

CBS Wholesalers and Resellers are free to sell the Products at any price they choose in their sole and absolute discretion. Pursuant to the Policy, they may not advertise or otherwise promote the Products at a net price less than MAP.

1. For the purposes of the Policy, the “MAP” shall be List Price or as identified in

Attachment 1, the Minimum Advertised Price (MAP) Schedule. The “net price” shall mean the published or advertised price that the wholesaler/reseller makes the product available to its customers taking into account all discounts, deductions, rebates, allowances, credits, charges, trade-ins, the separate price of products bundled with the Products by the wholesaler/reseller, coupons, premiums, promotions, free goods, and services and gifts offered with the Product. Customer paid taxes shall not be included in the determination of the “net price.”

2. The Policy is subject to change or cancellation at any time by Xylem. Xylem will attempt to provide the wholesaler/reseller at least thirty (30) days’ notice of any change or cancellation of the Policy.

3. The Policy does not apply to close out, discontinued or non-current Products.

4. Wholesalers/resellers are not required to list prices in advertising. If a price is listed in an advertisement or promotion, the net price must be at or above MAP.

5. Each wholesaler/reseller is free to independently decide whether or not to follow the Policy. However, Xylem may in its sole discretion remove any or all of the benefits provided to wholesaler/reseller on a temporary or permanent basis, as well as take legal actions, in the event of non-compliance with this MAP Policy.

To the extent permitted by law, the foregoing remedies may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. Xylem’s failure to exercise any right or remedy or delay in doing so shall not be deemed a waiver thereof.

ATTACHMENT 3

XYLEM’s Minimum Advertised Price (MAP) policy does NOT stop internet sales or control pricing. To help reduce or eliminate the apparent, momentary leverage of an end-user negotiating an installer’s price based on apparently lower pricing found on the internet, XYLEM will be posting the language below on the bellgossett.com web site and printing it as part of the commercial and consumer warranty on all IOM documents:

Policy Concerning Online Sales to Consumers

Consumer Online Purchase Policy: Homeowners using the Internet to locate information regarding commercial and residential building services products may discover several sites offering a direct-to-consumer purchasing opportunity. These systems are mission critical applications and are designed to be installed by qualified professionals.

Bell& Gossett and McDonnell & Miller have an extensive nationwide network of distributors and wholesalers, including authorized resellers. For a complete view of Bell & Gossett and

McDonnell Miller recognized distributors, please refer to our locator at:
<https://bellgossett.com/representatives/> <https://mcdonnellmiller.com/sales-service/>

Bell & Gossett and McDonnell & Miller Limited Warranty does not apply to products purchased through the Internet or other e-commerce platforms

This policy is necessary to ensure that Bell & Gossett and McDonnell & Miller equipment is installed properly, in compliance with applicable laws, rules and codes, in a manner that addresses safety concerns and the proper performance of Bell & Gossett and McDonnell & Miller equipment.

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