



# US Internet Minimum Advertised Price (iMAP) Policy

## 1. Introduction

Grundfos Pumps Corporation continues to innovate and transform the way pumps are used in industrial, commercial, agricultural, groundwater and residential applications. By integrating advanced technologies into our pumps and pumping systems, Grundfos has made our pumps easier to use, more versatile, and easier to install with the most efficient pumps in the industry. In doing so, Grundfos has provided customers more of what they need, enhanced its competitive positioning and developed a valuable brand and reputation in the marketplace.

We recognize that our success is directly tied to the investments and efforts of our distribution network and selected partners. In particular, we know that many of our distribution partners invest significant time and resources to deliver an extraordinary customer experience.

Grundfos has implemented this unilateral Internet Minimum Advertised Price (“iMAP”) Policy to enhance and preserve its high-quality distribution network, brand reputation and customer service, which in turn support our ability to innovate and produce the highest quality products.

This iMAP Policy is not a part of, and is not intended to replace or modify, any of the Terms & Conditions of Sale between Grundfos and any of its distribution partners.

## 2. Policy Statement

Grundfos has unilaterally determined that it will only do business with any distributor or reseller **Direct or Indirect Customers** that adhere to the guidelines set forth within the Grundfos iMAP Policy and specifically does not directly or indirectly through one of its own transactional customers, advertise any product(s) covered by this iMAP Policy at a price lower than published in the iMAP Price Book.

## 3. Policy Definitions

For purposes of this policy: **“Direct Customer,”** as used herein, is defined as a person or entity that purchases Grundfos Products directly from Grundfos. The **Direct Customer** receives shipment directly from Grundfos, inventories the appropriate portfolio of products for the defined markets and resells the products, often providing supply logistics, credit and terms to the purchaser.

**“Indirect Customer,”** as used herein, is defined as a person or entity that is not a Direct Customer that sells Grundfos Products.

Grundfos will consider both the advertising of its Direct Customer or Indirect Customers, as well as any costumers of Direct or Indirect Customers, in enforcing this unilateral policy with respect to Grundfos' customers, both Direct and Indirect.

## 4. General Guidelines

1. The products covered by this policy are listed in the Grundfos iMAP Price Book, which can be found on at [grundfos.channelsync.com](http://grundfos.channelsync.com) or at the following link at the Grundfos US website <https://us.grundfos.com/about-us/imap-policy.html>. Grundfos, at its sole discretion, may modify the products and prices covered by this iMAP Policy. **For the most up to date iMAP Price Book, please register as a user at [Grundfos.channelsync.com](http://Grundfos.channelsync.com).**
2. Grundfos recognizes that Direct and Indirect Customers are free to make their own decisions to advertise and sell any Grundfos product at any price they choose, without consulting or advising Grundfos. Similarly, Grundfos will exercise its right to make its own decisions regarding the Grundfos Market Plan program, distributor/reseller multiplier, supplemental marketing materials, point-of-sale displays, product allocation, new product availability, and/or future promotional, joint marketing, or sponsorship programs.
3. The iMAP Policy applies to advertised prices, not the price at which iMAP Products are sold or offered for sale to an individual in-store or over the telephone. Grundfos Direct and Indirect Customers have complete discretion to resell iMAP Products at prices of their own choosing.

## 5. Advertising Guidelines

1. The iMAP Policy applies to all Internet advertisements of iMAP Products, including but not limited to online flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, sponsored links, websites operated by, affiliated with and/or linked to the distributor's/reseller's website, social media sites, apps, or any other electronic media connected to the Internet.
2. Website features such as "click for price," "add to cart for price," "automated bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are considered to be communications initiated by the distributor/reseller (rather than by the customer) and thereby constitute "advertising" under this iMAP Policy. Furthermore, a visible strikeout, deletion, or alteration of any price in any Internet advertising violates this iMAP Policy.
3. Advertising that expressly or by implication advertises a price that is less than the iMAP Policy price (e.g., "price too low to show," "so low we can't advertise," "sale price," "instant rebates," and so forth) is deemed to violate this iMAP Policy.

4. It shall not be a violation of this iMAP Policy to advertise that a customer may “call for price” or “email for price,” or to use similar language, specifically with respect to Grundfos Products, if a price is not listed.
5. This iMAP Policy also applies to any activity which Grundfos determines, in its sole discretion, is designed or intended to circumvent the intent of this iMAP Policy, such as solicitations for “group purchases” and the like.
6. From time to time, Grundfos may permit resellers to advertise iMAP Products at prices lower than the iMAP price. In such events, Grundfos reserves the right to modify or suspend the iMAP price with respect to the affected products for a specified period by providing advance notice to all distributors and resellers of such changes.

## 6. Specific Examples

1. Advertised prices that are implied to be below the iMAP Policy price are in violation of this policy. This includes, for example, advertising a discounted price for a bundle of two or more iMAP Products together; bundling a iMAP Product together with another product in a manner that implies a price for the iMAP Product below the iMAP Policy price; buy-one/get one free offers; or other discounts, rebates, or similar offerings that do not meet or appear in the sole judgment of Grundfos to meet the iMAP Policy price for each iMAP Product.
2. Advertisements of gift cards, coupons, points, or other incentives, which are contingent on the purchase of an iMAP Product, will violate this iMAP Policy when in the sole judgment of Grundfos they imply a price for an iMAP Product that is below the iMAP Policy price.

## 7. Policy Enforcement

Grundfos has partnered with The Brand Protection Agency (BPA) as its sole iMAP Policy Enforcer. BPA will act on behalf of Grundfos to enforce the policy using the enforcement guidelines outlined below. Any and all questions or concerns regarding this policy’s enforcement must be submitted to BPA after registering as a Grundfos Direct or Indirect Customer at [Grundfos.channelsync.com](http://Grundfos.channelsync.com).

Enforcement Guidelines:

1. If a Direct or Indirect Customer violates this iMAP Policy at any associated website or through other media connected to the Internet, then Grundfos will consider this to be a violation by the Direct or Indirect Customer.
2. If a Direct customer is found to supply a Grundfos product to an Indirect Customer which is then advertised below the Grundfos iMAP price, both Direct and Indirect Customers will be in violation of the Grundfos iMAP policy.
3. Grundfos reserves the right to cancel any pending orders, restrict future orders, or suspend Direct Customer’s account if Grundfos, in its unilateral discretion, determines that a Direct or Indirect Customer has violated the provisions of this policy.

4. Grundfos' iMAP Policy Administrator is solely responsible for determining whether a violation of the iMAP Policy has occurred, as well as determining appropriate action taken by Grundfos in response to any violation.
5. Waivers to this iMAP Policy may be granted in Grundfos' sole discretion by the iMAP Policy Administrator in writing. Grundfos sales, marketing, or other personnel are not authorized to modify or grant exceptions to the iMAP Policy.
6. Grundfos monitors the advertised prices of Direct or Indirect Customers either directly or via the use of third-party agencies or tools. Hindering, obstructing, delaying, or otherwise failing to cooperate with a Grundfos iMAP Policy investigation is a violation of this iMAP Policy.
7. Grundfos will enforce the iMAP Policy at its sole discretion and without advance notice. Direct and Indirect Customers have no right to enforce the iMAP Policy. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of the business relationship.

## 8.

### Violation Schedule

#### “Direct Customer(s)”

- **First Violation:** A written warning of the violation(s) will be sent to the Direct Customer. The Direct Customer will have three (3) business days to comply before it is considered a second violation.
- **Second Violation:** If a second violation of the Grundfos iMAP Policy occurs from the same Direct Customer within 18 months of the first violation, or the preceding violations have not been addressed, a second written warning of the violation(s) will be sent to the Direct Customer. The Direct Customer will have three (3) business days to comply before it is considered a third violation.
- **Third Violation:** If a third violation of the Grundfos iMAP Policy occurs from the same Direct Customer within 18 months of the first violation, or the preceding violations have not been addressed, any market plan, rebates, or other marketing programs provided by Grundfos to the distributor/reseller can be revoked. Furthermore, Grundfos reserves the right to suspend shipments to the distributor/reseller of the product(s) in violation for a period of 30 days.
- **Fourth Violation:** If a fourth violation of the Grundfos iMAP Policy occurs from the same Direct Customer within 18 months of the first violation, or the preceding violations have not been addressed, Grundfos reserves the right to suspend shipments of all products to the distributor/reseller for a period of 90 days.
- **Fifth Violation:** If a fifth violation of the Grundfos iMAP Policy occurs from the same Direct Customer within 18 months of the first violation, or the preceding violations have not been addressed, Grundfos reserves the right to suspend shipment of all products to the Direct Customer indefinitely.

### “Indirect Customer(s)”

- **First Violation:** A written warning of the violation(s) will be sent to the Indirect Customer. The Indirect Customer will have three (3) business days to comply before it is considered a second violation
- **Second Violation:** If a second violation of the Grundfos iMAP Policy occurs from the same Indirect Customer within 18 months of the first violation, or the preceding violations have not been addressed, Grundfos will immediately place the Indirect Customer on Grundfos’s Do Not Sell (DNS) List for 90 days. Also, by committing a second violation, the Indirect Customer may lose his or her rights to use all copyrighted or trademarked Intellectual Property of Grundfos. This IP may range from the Grundfos brand name, to product pictures, company logos, marketing collateral, and more.
- **Third Violation:** If a third violation of the Grundfos iMAP Policy occurs from the same Indirect Customer within 18 months of the first violation, or the preceding violations have not been addressed, Grundfos will immediately place the Indirect Customer on Grundfos’s Do Not Sell (DNS) List indefinitely. Also, by committing a third violation, the Indirect Customer may lose his or her rights to use all Grundfos copyrighted or trademarked Intellectual Property. This IP may range from the Grundfos brand name, to product pictures, company logos, marketing collateral, and more. In addition to DNS placement and IP forfeiture, further legal measures may be taken to formally suspend Indirect Customers active listings and websites.

#### **Do Not Sell List**

In support of this policy, Grundfos will regularly produce and distribute a Do Not Sell (DNS) List. Providing Grundfos product to any entity featured on the DNS List is considered a violation of this policy. For the most current version of the DNS List, please register as a user at [Grundfos.ChannelSync.Com](http://Grundfos.ChannelSync.Com)

## 9. What Else You Should Know About This Policy

1. This iMAP Policy is not applicable to a Distributor’s/Reseller’s actual selling prices. This iMAP policy does not affect the price you may charge your customers for any Grundfos products. You have complete discretion to charge your customers whatever price you deem appropriate.
2. To report any violations of this policy to Grundfos’ iMAP Policy Administrator (BPA), please visit [Grundfos.channelsync.com](http://Grundfos.channelsync.com) and click on the RED “Report a MAP Violation Button.” Grundfos’ iMAP Policy Administrator regularly monitors and acts upon violations reported in this manner.
3. This is not an agreement between Grundfos and you. This is a unilateral Grundfos policy and we do not seek nor will we accept your agreement, assurance or compliance, or consent.
4. Grundfos reserves the right to suspend, modify or cancel this iMAP Policy in whole or in part unilaterally upon notice.
5. iMAP Policy pricing is established solely at Grundfos’ discretion and may be changed from time to time.

6. Grundfos, at its sole discretion, shall make any determinations as to whether a price at which any iMAP Product is advertised violates this iMAP Policy.
7. Neither Grundfos nor any of its representatives other than its iMAP Policy Administrator will discuss any aspect of this iMAP Policy or violations with you. No Grundfos employee or representative is authorized to discuss any aspect of this iMAP Policy with you except for the iMAP Policy Administrator.

