



# TE Connectivity Distribution Channel NPI Preferred Program

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# TE Connectivity Distribution Channel NPI Preferred Program

## 1.0 PURPOSE

The purpose of this program is to provide TE Connectivity Platinum Distributors with the opportunity to purchase select TE New Product Introduction (NPI) products at special pricing and to return those products within certain timeframes as provided for in the NPI Preferred Program (referred to as the “Program”).

## 2.0 SCOPE

This document applies to select Tier 1 and Tier 2 NPI Products in TE’s Industrial, Data & Devices, and Appliances Business Units sold by the TE Platinum Tier Distribution Channel through the Program as follows: For the avoidance of any doubt, any New Product Extension (Tier 3 NPI Products) are expressly excluded from this Program.

This Program is effective as of March 1, 2021 and replaces and supersedes any NPI policies or programs that have been previously provided to you. Only new product orders will be subject to this policy. This policy will also be subject to TE’s SQF (Small Quantity Fulfillment) Order Management Policy as stated herein and/or as otherwise applicable.

## 3.0 DEFINITIONS

- 3.1. **“Distributor”** refers to a Platinum tiered distributor that is authorized by TE to distribute certain TE product in a specified territory.
- 3.2. **“Minimum Order Quantity” or “MOQ”** refers to the then-current published minimum Purchase Order quantity in the applicable Price Agreement.
- 3.3. **“Part Number” or “Product”** refers to the select TE product that is subject to this Program.
- 3.4. **“Price”** refers to the applicable price for the Product as set forth in the Price Agreement.
- 3.5. **“Price Agreement”** refers to the “special price” granted to the products in this Program.
- 3.6. **“Purchase Order”** refers to an order placed for the purpose of purchasing and procuring Product from TE. The Purchase Order Guidelines of the SQF Policy shall apply to this policy.
- 3.7. **“TE”** refers to the TE Connectivity Ltd. family of companies.
- 3.8. **“Tier 1”** refers to an NPI with Significant Market Opportunity on products new to TE or new to the world.
- 3.9. **“Tier 2”** refers to an NPI with Relevant Market Opportunity on products that are Next Generation.
- 3.10. **“Tier 3” or “New Product Extension”** refers to an NPI with Limited Market Opportunity on products that are an Extension, or newly added products to an existing product line.
- 3.11. **“SQF”** refers to Small Quantity Fulfillment as stated in the SQF Order Management Policy.

## 4.0 PRICING GUIDELINES

- 4.1. All Products within the scope of the Program will be eligible for second column pricing for a period of 60 days after launch of the NPI product. Upon expiration of the 60-day period, the SQF/MOQ quantities and premiums for the NPI Product will return to customary premium levels.
- 4.2. Only Platinum distributors are eligible to participate in the Program and receive the Price Agreement for the special pricing; provided, however, that such pricing will expire at the end of the 60-day period.

## 5.0 RETURN GUIDELINES

- 5.1 Returns will be accepted within 18-24 months of Distributor’s receipt of the Product and are limited to those Distributor Purchase Orders made within the first 60 days after launch of the Product. No returns will be accepted outside of these time periods.
- 5.2 All returned Product must be in full packs. No broken or loose Product will be accepted for return.
- 5.3 All Products subject to return will follow TE’s Return Material Authorization (RMA) process.