



TRANE SALES PLAN



SALES PLAN #:	TR-RS-SP925D-DSO
PROGRAM NAME:	2019 Dealer Performance Incentive Program
CHANNEL:	Trane District Sales Offices "DSOs"
PUBLICATION DATE:	May 24, 2019
OWNER:	Bryna Lutz

SYNOPSIS

This Plan recognizes Trane dealers for pro-actively partnering with Trane and aligning with our strategic business initiatives. The intent is to recognize these Trane dealers for managing a business that is growing and prospering. The measurements are equipment and supply purchases, increase in purchases over prior year, participation in Trane sales programs, and participation in business training and dealer development programs.

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PROGRAM SUMMARY

1) Top Ten Award Winners for the Trane DSO Channel:

- a. Top Ten Dealers in Trane Residential District Sales Offices “DSO” with the highest total equipment purchase volume (residential and light commercial products under 25 tons purchased through Trane Residential) during Effective Period.
- b. Top Ten Dealers in Trane Residential District Sales Offices “DSO” with the highest overall equipment growth purchase volume⁺ during Effective Period compared to 2018 equipment purchase volume (residential and light commercial products under 25 tons purchased through Trane Residential). To qualify Dealer must have had an active Trane equipment account established as of April 1, 2018.
- c. Top Ten Dealers in Trane Residential Company Owned Distribution Sales Districts with the highest total Supply growth purchase volume⁺ during Effective Period (products purchased through Trane Supply Account). To qualify Dealer must have had an active Trane equipment account and Trane Supply account established as of April 1, 2018.

2. Director's Cup Award:

Awarded to one Top Ten Award Winner who meets the following:

- a. Highest⁺ total purchase increase (residential and light commercial products under 25 tons purchased through Trane Residential Company Owned Distribution Sales Districts) over prior year, comparing purchases of same equipment/products during 2019 to purchases during the Effective Period.
- b. Highest⁺ XL/XV sales increase over prior year, comparing purchases of same equipment/products during 2019 to purchases during the Effective Period.
- c. Highest⁺ Nexia sales increase over prior year, comparing purchases of same equipment/products during 2019 to purchases during the Effective Period.
- d. Highest⁺ Ductless sales increase over prior year, comparing purchases of same equipment/products during 2019 to purchases during Effective Period.
- e. Highest⁺ Consumer Financing increase over prior year 2019 financing to financing during Effective Period (through Trane Wells Fargo program).

⁺Based on actual revenue dollar growth

For each metric for the Director's Cup Award, the members are ranked based on their computed values of 1 – 10. A “10” represents the highest ranking, while a “1” represents the lowest ranking. If there was no increase over prior year (comparing purchases of same equipment/products during January 1, 2018 - December 31, 2018 to purchases during Effective Period), in a category, that dealer will receive “0” points for that category.

3. Top Volume Dealer by each DSO:

- a. Top Volume Dealer* in each Trane Residential District Sales Office “DSO” with the highest total equipment purchase volume of Trane Residential and Light Commercial products under 25 tons purchased through their Trane Residential DSO Account during Effective Period.

*If a dealership qualifies in the Top Ten Award Winners for the Trane DSO Channel category in Program Summary #1 for Volume they are not eligible for this award.

Ductless Award Winner (1 dealer):

- a. Top Dealer in Trane Residential District Sales Offices “DSO” with the highest total purchase volume for Ductless product purchases, based on 2019 purchases during the Effective Period. Dealer must show growth in sales over 2018 purchases. To qualify Dealer must have had an active Trane equipment account established as of April 1, 2018.

XV (Variable Speed) Award Winner (1 dealer):

- a. Top Dealer in Trane Residential District Sales Offices “DSO” with the highest total purchase volume for the XV Variable Speed Condenser product purchases, based on 2019 purchases during the Effective Period. Dealer must show growth in sales over 2018 purchases. To qualify Dealer must have had an active Trane equipment account established as of April 1, 2018.

Ameristar Award Winner (1 dealer):

- a. Top Dealer in Trane Residential District Sales Offices “DSO” with the highest total purchase volume for Ameristar product purchases, based on 2019 purchases during the Effective Period. Dealer must show growth in sales over 2018 purchases. To qualify Dealer must have had an active Trane equipment account established as of April 1, 2018.

EFFECTIVE PERIOD

January 1, 2019 – December 31, 2019

ELIGIBLE PARTICIPANTS

Trane Dealers in good standing with Trane Credit; and have a signed 2019 Dealer Sales and Service Agreement on file with the Trane Company Owned Distribution Sales Districts or other signed, current, and active Dealer Sales and Service Agreement.

AWARD

Trane is stressing your company's growth, value added selling in your marketplace, and strategic collaborating with Trane.

Dealers receiving an award will receive an invitation and hotel accommodations (one hotel room, for a three-night stay) plus any Trane-hosted meals/Trane-hosted events for two (2) persons to attend Trane's 2019 Regional Awards Banquet. Coach Airfare (up to \$600pp, Regional Sales Director approval needed for costs over \$600pp) and airport transportation is included, if required. Airfare MUST be booked through Ingersoll Rand's travel partner BCD Travel.

Attendees of this trip are limited to Dealer Principals and 1 guest. Guests must be of age 18 years or older. Additional attendees and hotel rooms for guests other than Dealer Principals, are not covered under this Program and should be booked directly with Hotel and based on availability.

Awarded Dealers will be responsible for a non-refundable deposit for Dealer and guest – to be determined at a later date. The trip will take place starting on Thursday January 30, 2020, concluding on Sunday February 2, 2020. All trip details will be provided by Trane at its sole discretion. Trip waivers are required to be signed by all attendees prior to the trip.

ADMINISTRATION

- a. All qualifying purchases for each Award for Eligible Participants will be determined and confirmed solely by Trane.
- b. For the purposes of calculating the dealer's Sales Plan qualifying purchases, all purchases shall be calculated net returns.
- c. Dealers are encouraged to keep track of their progress during the Effective Period via the information provided by the Trane Account Manager.

- d. Invitations will be announced by January 6, 2020. All airline flights must be booked no later than January 14, 2020.
- e. **Performance calculations shall be based on actual revenue dollar volume and growth as outlined in the Program Summary.**

LEGAL REQUIREMENTS

THIS DOCUMENT CONTAINS CONFIDENTIAL, PROPRIETARY OR TRADE SECRET INFORMATION OF TRANE U.S., INC. IT MAY NOT BE DISCLOSED TO ANY THIRD PARTY WITHOUT PRIOR WRITTEN CONSENT FROM TRANE U.S., INC. OR ITS AFFILIATES. DISTRIBUTOR/DEALER MAY BE LIABLE FOR ANY UNAUTHORIZED DISTRIBUTION.

The information provided herein is considered confidential and proprietary information of Trane U.S., Inc., and its affiliates ("Trane"). It is provided for the sole purpose of permitting the recipient to promote Trane products and services. Recipient agrees to maintain the confidentiality of all proprietary, trade secret information, including confidential pricing data provided in this document. The Recipient hereby agrees that it will not at any time disclose this confidential information or material, in whole or in part, to any person or entity for any reason or purpose whatsoever, unless Trane gives its consent, in writing, to such disclosure, except as required by law. The agreement to maintain the confidentiality of this information extends to any employees, pre or future, involved in the work desired and who will have access to the information. These employees will hold the information in confidence in accordance with this agreement and use the information only in the performance of their employment. Recipient agrees to review this agreement and its terms with employees and will obtain their agreement with the terms of this agreement before providing them with any Trane confidential information.

AMENDMENTS, MODIFICATIONS, OR EXCEPTIONS

Trane reserves the right to amend, modify, or cancel the program, or any portion at any time. Amendments are not effective unless they are published by Trane in formal Guidelines or are signed by an authorized Trane representative. Any exceptions to the program guidelines must be approved in writing by an authorized Trane representative.

NO OTHER OBLIGATION

Trane shall have no fiduciary duties or other special duties of any kind to any distributor/dealer under the program other than as expressly set forth in these guidelines.

LEGAL LIABILITY

By participating in this program, each participating distributor/dealer warrants that its marketing programs and initiatives are in compliance with all antitrust pricing laws and federal/state/local regulations. Trane does not undertake any legal responsibility for the local management and execution of their marketing programs.

DOCUMENT RETENTION

It is the distributors/dealers responsibility to maintain copies of supporting documentation and claim reimbursement paperwork for a minimum of 24 months after reimbursement. Prior to implementing any change in your record retention policies, please consult with your accountant and attorney to determine whether you need to retain these records for other business or legal purposes.

CLAIMS AUDITING

All reimbursements under the program are subject to audit. If reimbursement is received on any claim that is later determined to be ineligible, the distributors/dealers account will be either be debited or invoiced in the amount of the ineligible claim plus reasonable and customary expenses incurred for conducting the audit.

PROGRAM VIOLATION

Violation of these guidelines may result in termination of the applicable Distributor Agreement or Dealer Sales Agreement or any portion thereof, including but not limited to an immediate revocation of any and all rights to use or display Trane intellectual property (logo's, trademarks, creative).

FINANCIAL STATUS

Eligibility for program and reimbursements are contingent upon Distributor/Dealer having an executing Distributor Agreement or Dealer Sales Agreement on file and their account being active and in good standing/current as determined solely by Trane.

PRIVACY POLICY DISCLOSURE STATEMENT

As part of this program and within Trane's sole discretion, Trane collects various information to support its development and delivery of quality products, services, and programs to its consumers. In order to ensure that Trane programs are provided and that proper quality in service is achieved, Trane may from time to time directly contact homeowners who purchase Trane products or services to survey customer satisfaction, to evaluate homeowner's reactions to an interest in Trane products and services, and to conduct research activities. These surveys are a result of such things as independent dealer programs, product registrations, extended warranties, etc. and may be provided to you for the homeowner's future purchase of Trane products and services. Any information received or obtained by Trane will be held in accordance with Trane's privacy policy, which may be obtained at www.trane.com. Trane may from time to time also directly contact homeowners when requested by the homeowner, when required by contract or law, or when a registered homeowner has not received all available coverage for its Trane products.

TERMINATION

This sales plan is subject to termination or modification at any time by Trane.