



March 19, 2009

Memorandum To: All Carrier Dealers  
All Contractors HVAC Sales and Marketing

Subject: Carrier Dealer Incentive Program

We greatly appreciate your loyalty and the significant contribution you make to our success as a distributor in the territory we serve. We thank you for your support and participation in many of the programs we offer including the Carrier Dealer Incentive Program.

Please carefully read this entire memorandum for a complete understanding of the program. Keep in mind that many of the provisions shown are necessary to meet the continuing requirements and guidelines set forth by Carrier Corporation. **In order to remain in compliance, incentive points cannot be carried over from year to year. Therefore, all unused points will be forfeited.**

Most of you are aware that we receive "Market Fund credits" (Co-op funds) monthly from Carrier based on our purchases of Carrier Equipment and Supplies. This "fund" is for our shared use (distributor/dealer) in promoting the sale of the **Carrier** Residential and Commercial products. There are exceptions to this in the case of low margin factory quotations where we receive no funds. **Payne** products receive no market fund credits.

To qualify for any incentive trip(s) or advertising Carrier equipment purchases need to exceed \$40,000.00 annually.

Carrier Dealers who fully participate in training programs each year and who fulfill the purchase level requirements they have committed to will be allowed to participate in the Carrier Incentive Program. Co-op funds are accrued based on a schedule of rates for various Carrier products contained herein. (see below) Co-op funds will be applied toward the cost of their trips. Net Nix purchases will be deducted in calculating this amount.

Accounts **Not Paid** in full each month will lose **75%** of Incentive Points for that month.

ONLY dealer personnel that have influence on the sale of equipment, and their spouses (or significant other) are eligible to participate in trips that use Carrier co-op funds or are partially sponsored by Carrier. Eligible dealer personnel are: Owners, Sales Managers, Salespersons, and Service Managers. The trips are not transferable to anyone outside of the dealership that earned the trip through their purchases. No one under 18 years of age is to participate in the trip regardless of who pays for his or her trip. Please note that the dealer does not earn the trip value. It is awarded to the dealer if adequate purchases are made and if the dealer agrees to abide by the rules governing the incentive trip. Builder customers may be allowed on the trips with advance approval of the Carrier Brand Manager or VP, Residential Sales.

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All trip expenses must be supported by actual invoices, which may include the customary travel agency commission. If trip is scheduled after year-end, itemized purchase orders may be used for accrual or reconciliation, subject to future audit vs. actual cost. Co-op funds may only be used for the actual cost of the trips, excluding dealer and distributor incidentals. The cost of the trip could include event tickets, excursions that are part of the original trip itinerary, airfare, lodging, meals. It does not include air upgrades, room upgrades, additional days, transportation to airport, parking, souvenirs, gift baskets, excursions outside of the incentive trip itinerary, food and beverage beyond what was included in the original incentive trip package. Co-op funding may not be based on published cost of dealer award, or on the dealer buy-in cost. No alteration of any incentive trip's itinerary is permitted.

Sales tax, literature, advertising, promotional items, freight charges, low margin quoted jobs and damaged/closeout items do not accrue point earnings. Such invoices will be marked NET-NIX.

Thank you very much for your support.

Important Notes Applying To Incentive Trip:

Incentive points will be calculated at beginning of July, October and December.

A statement of your accrual will be mailed immediately after calculations are completed and will be based on the following criteria:

Has your account been paid in full each month by the last day of the month following purchase?  
If not, Three Quarters (75%) of the points are forfeited for that month.

No incentive points will be awarded regardless of any previous statement you may have received if your account is not paid in full, including November purchases, by December 10, 2009.

Incentive points cannot be carried over from year to year.  
Therefore, all unused points will be forfeited.

Bryan Johnson, President

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Earning Table: (Split systems, Gas Furnaces, Small Packaged Products)

<u>Type Unit</u>		<u>Model #</u>	<u>Dealer Incentive Points</u>
Infinity Series	Split System	24AN	600
Infinity Series	Split System	25HN	600
Infinity Series	Gas Furnace	58MV	600
Infinity Series	Gas Furnace	58UV	600
Infinity Series	Gas Furnace	58CV	600
Infinity Series	Small Packaged	50CE	600
Infinity Series	Small Packaged	50CR	600
Infinity Series	Small Packaged	48CE	600
Infinity Series	Small Packaged	50DU	600
Infinity Series	Small Packaged	50DT	600
Infinity Series	Small Packaged	48DU	600
Infinity Series	Small Packaged	48DT	600
Infinity Series	Small Packaged	50XL	600
Infinity Series	Small Packaged	50XT	600
Infinity Series	Small Packaged	48XL	600
Infinity Series	Small Packaged	48XT	600
Performance Series	Split System	24AP	220
Performance Series	Split System	25HP	220
Performance Series	Split System	38HDR	220
Performance Series	Split System	38QRR	220
Performance Series	Gas Furnace	58MT	220
Performance Series	Gas Furnace	58CT	220
Performance Series	Small Packaged	50XP	220
Performance Series	Small Packaged	50XZ	220
Performance Series	Small Packaged	48XP	220
Performance Series	Small Packaged	48XZ	220
Performance Series	Small Packaged	50VL	220
Performance Series	Small Packaged	50VT	220
Performance Series	Small Packaged	48VL	220
Performance Series	Small Packaged	48VT	220
Comfort Series	Split System	24ACA/B	120
Comfort Series	Split System	25HCA	120
Comfort Series	Gas Furnace	58MX	120
Comfort Series	Gas Furnace	58DL	120
Comfort Series	Small Packaged	50ES	120
Comfort Series	Small Packaged	50EZ	120
Comfort Series	Small Packaged	48ES	120
Comfort Series	Small Packaged	48EZ	120
Base Series	Split System	24ABA/B	40
Base Series	Split System	25HBA	40
Base Series	Gas Furnace	58MS	40
Base Series	Gas Furnace	58MC	40

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Base Series	Gas Furnace	58ST	40
Infinity Series	Fan Coil	FE	280
Performance Series	Fan Coil	FV	80
Comfort Series	Fan Coil	FX	80
Base Series	Fan Coil	FY	20
Base Series	Fan Coil	FF	20
Base Series	Fan Coil	FH	20
	Boilers	B	80
	Oil Furnaces	58CM	60
	Oil Furnaces	58CL	60
	Oil Furnaces	58VM	60
	Oil Furnaces	58VL	60
	Furnace Coils	CNR	0
	Furnace Coils	CNP	20
	Generators	A	220
	Humidifiers	HUM	40
	Ventilators	HRV-ERV	180
	Air Cleaners	EAC	80
	Air Purifiers	GAPA	100
	EZ Flex Filters	EXP	20
	UV Light Assemblies	UVLCC	40
	EZ Flex Cabinets	EZX CAB	40
	Zoning	ZONECC2EQC	60
	Zoning	ZONECC2KIT	60
	Zoning	ZONECC4EQC	60
	Zoning	ZONECC4KIT	60
	Zoning	ZONECC8EQC	60
	Zoning	ZONECC8KIT	60
	Zoning	ZONECC3ZAC	60
	Zoning	ZONECC3ZHP	60
	Zoning	SYSTXCC4ZC	60
Infinity Series	Controls	SYSTXCCUID	50
Infinity Series	Controls	SYSTXCCUIZ	50
Performance Series	Controls	TSTATCCPRH	30
Performance Series	Controls	TSTATCCPLH	30
Performance Series	Controls	TSTATCCPAC	30
Performance Series	Controls	TSTATCCPHP	30
Performance Series	Controls	TSTATCCP2S	30
Performance Series	Controls	TSTATCCPDF	30
Performance Series	Controls	TSTATCCPF1	30
Performance Series	Controls	TSTATCCPF7	30
Performance Series	Controls	TSTATCCPS1	30
Performance Series	Controls	TSTATCCPS7	30
Performance Series	Controls	TSTATCCREC	30
Performance Series	Controls	TP-PRH	30
Performance Series	Controls	TP-NRH	30
Performance Series	Controls	TP-PHP	30
Performance Series	Controls	TP-NHP	30

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Performance Series	Controls	TP-PAC	30
Performance Series	Controls	TP-NAC	30
Comfort Series	Controls	TSTATCCNAC	10
Comfort Series	Controls	TSTATCCNHP	10
Comfort Series	Controls	TSTATCCN2S	10
Comfort Series	Controls	TSTATCCPQ	10
Comfort Series	Controls	TC-PHP	10
Comfort Series	Controls	TC-NHP	10
Comfort Series	Controls	TC-PAC	10
Comfort Series	Controls	TC-NAC	10
Base Series	Controls	TSTATCCBAC	10
Base Series	Controls	TSTATCCBHP	10
Base Series	Controls	TSTATCCSAC	10
Base Series	Controls	TSTATCCSHP	10
Base Series	Controls	TSTATCCNQ	10
Base Series	Controls	TSTATCCNB	10
Base Series	Controls	TSTATCCN2W	10
Base Series	Controls	TSTATCCP2W	10
Base Series	Controls	TSTATCCPB1	10
Base Series	Controls	TSTATCCPB5	10
Base Series	Controls	TB-PHP	10
Base Series	Controls	TB-NHP	10
Base Series	Controls	TB-PAC	10
Base Series	Controls	TB-NAC	10

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