



## **SEAGATE US RETAIL MINIMUM ADVERTISED PRICE (MAP) POLICY**

*Revision Note:* A link to the current MAP Product Price List is now available on [www.Seagate.com](http://www.Seagate.com) and is incorporated as part of this MAP Policy. To view the Current MAP Price List click here:

<http://www.seagate.com/docs/pdf/corporate/seagate-map-pricing.pdf>

### **Introduction**

Seagate's Minimum Advertised Price (MAP) Policy establishes advertised price standards for specified Seagate products. Advertised pricing of Covered Products must comply with this Policy in order to be eligible for Promotional Funds. Seagate will not provide Promotional Funds for advertisements that do not comply with this Policy.

*Each reseller is free to independently set its actual resale price for any product.*

### **Definitions**

- ***Covered Advertising*** is any activity that pictures or otherwise describes a Covered Product.

***Covered Products*** means all products on the Seagate MAP Product Price List. Covered Products are subject to this Policy. The Seagate MAP Product Price List is available at

<http://www.seagate.com/docs/pdf/corporate/seagate-map-pricing.pdf> or upon request.

- ***MAP*** means the Minimum Advertised Price as shown on the Seagate MAP Product Price List.
- ***Program*** means any Seagate promotion program communicated by an authorized representative of Seagate which covers specific products for a defined program period with specific benefits and participation requirements.
- ***Promotional Funds*** means funds for which a reseller may be eligible in accordance with a Program.

### **Applicability**

This Policy applies to advertising by all categories of resellers who are eligible for Promotional Funds, including without limitation:

- A. Resellers
- B. Distributors
- C. Channel Partners

This Policy applies to advertising described in the *Covered Advertising* section below. A list of Covered Products and their MAP Policy prices will be communicated to resellers on a periodic basis.

Each reseller is responsible for ensuring its advertising complies with this Policy.



### **Authority**

Seagate alone is responsible for enforcing this Policy and will do so unilaterally.

If an advertisement for a Covered Product does not comply with this Policy, then the reseller will forfeit Promotional Funds associated with that advertisement.

Seagate's designated MAP Policy Manager (see below) is the only person authorized by Seagate to communicate MAP Policy updates, changes, or decisions. No other Seagate representative or agent is authorized to confirm compliance with, discuss, or amend this Policy. Seagate will not communicate with any reseller regarding another reseller's advertising practices. Please note that Seagate does not entertain complaints from its resellers regarding another reseller's pricing practices.

Seagate has the right to change prices, change policy, and add or delete Covered Products at any time.

### **Policy**

Seagate does not provide Promotional Funds to support Covered Advertising that displays a price below MAP for a Covered Product.

### **Consequences**

Seagate may withhold any amount up to the value of the Promotional Funds that otherwise would be available in connection with advertising that violates this Policy. If the reseller has already received Promotional Funds from Seagate in connection with advertising that violates this Policy, Seagate may unilaterally deduct up to an equivalent amount of future Promotional Funds. If applicable, Seagate may deduct Promotional Funds based on a percentage of net sales of the specific product advertised in violation of the Policy for sales before and after the violation. Approximate measures may be used when exact data is not available. In the event of more than one violation within a one-year period, a management representative of reseller shall meet with a management representative of Seagate to review the MAP Policy violations.

### **Covered Advertising**

The types of advertising covered by this Policy are:

- Print advertising such as newspapers, magazines, and print inserts.
- Broadcast advertising such as radio and TV.
- Direct advertising such as catalogs, flyers, newsletters, direct mail pieces, and broadcast faxes, whether mailed, hand delivered, or shipped in-box with product.
- Electronic mail (e-mail) advertising. Any web pages that link from the e-mail are considered part of the e-mail advertisement.
- Internet advertising such as banner, pop-up, and pop-under ads.



- Any web site accessible to the public including traditional retailers, club membership sites, e-tailers, vendors, portals, shopping sites, auction sites, etc. Any “level” of a web site above the “shopping cart” is considered an advertisement.

The types of advertising *not* covered by this Policy are:

- In-store merchandising.
- A web site shopping cart as long as the product was placed by a customer who clicked or selected “Order” or “Add to Cart” or a comparable command.
- Direct mail, e-mail, or web sites that support employee or academic purchase programs – or other limited access programs such as “Friends & Family” or “Customer Loyalty” – are not covered by this Policy provided that access to the promotions and pricing is restricted by a customer unique identification such as a username/password and is not accessible to the general public.
- Prices negotiated between the reseller and a unique customer.
- Televised specials that do not last more than 24 hours and are advertised only on the promotion date.
- Loyalty or award programs when the award is based on “points” and not equated to a specific dollar denominated benefit or credit.

### **Conventions**

***General Pricing Convention:*** To conform to a reseller’s pricing convention, the advertised price of a Covered Product may be up to US\$1.00 below MAP for the product or bundle. This deviation is not cumulative “per product” on offers of two or more Covered Products.

***Bundling and Value-Added Offers:*** All bundles must be advertised at or above the cumulative MAP Policy price of the Covered Products. If a Covered Product is bundled with a non-Seagate product, the advertised bundle price must be at or above the MAP Policy price of the Covered Product plus the price of the non-Seagate product if sold separately. If a Covered Product is bundled with a gift card or similar item with a specific dollar value, the advertised bundle price must be at or above the MAP price of the Covered Product plus the value of the other item. The advertisement cannot state or imply that the Covered Product is free or discounted in any way. Bundling should not be used to “camouflage” discount advertising of Covered Products.

***Discounts and Savings “Call-Outs”:*** Advertisements for Covered Products may include category, percentage or specific dollar amount discounts. If such discounts result in a net price lower than the MAP Policy price of a Covered Product, then such advertisement will be a MAP violation unless the category discount applies proportionally to similar products or suppliers.

***Programs:*** Resellers must comply with all terms and conditions of a Seagate Program. If the reseller does not comply with the terms of a Program, then the promotion is not recognized by this Policy and may be subject to consequences consistent with this Policy.



## **Contact Information**

Any questions regarding this Policy should be sent to the MAP Policy Manager at [seamap@seagate.com](mailto:seamap@seagate.com) or to the following address:

Seagate Technology LLC  
Attn: Map Policy Manager  
M/S SV15A2  
920 Disc Drive  
Scotts Valley, CA 95003

## **Frequently Asked Questions**

### **How does this Policy affect my actual retail price?**

- This Policy does not affect your actual retail price. You are free to charge whatever retail price you want.

### **Would advertising that states “Call for price” or “Too low to print” or promises to beat any advertised price be a violation of the Policy?**

- No.

### **Would advertising that states “See shopping cart for price” violate the Policy?**

- No.

### **May I appeal Seagate’s decision regarding a Policy violation?**

- No.

### **What if an employee or media supplier makes a mistake that results in a violation?**

- It is the reseller’s responsibility to monitor its own advertising. Seagate will not differentiate between intentional and accidental violations when enforcing the Policy.

### **Can I submit my ads in advance to be approved for Policy compliance?**

- Although Seagate representatives may review ads for a variety of reasons, Seagate does not approve ads for Policy compliance. Seagate’s approval of your ad does not mean that it complies with our MAP Policy. Each reseller is solely responsible for an ad’s compliance with this Policy.

### **Does the MAP Policy apply to advertisements for used or refurbished products?**

- No, as long as the product is clearly identified in the advertisement as used or refurbished.



### **What is the result of MAP Policy violation?**

- Seagate may withhold any amount up to the value of the Promotional Funds that otherwise would be available for advertising that violates the Policy (*e.g.*, Seagate may deduct POS and “Page Up” funds). If applicable, Seagate may deduct a percentage of Promotional Funds that are based on net sales of the specific product advertised in violation of the Policy. For example, Seagate may deduct Promotional Funds equal to 3% of the net sales of a product for a period of four (4) weeks prior to and four (4) weeks subsequent to the MAP Policy violation, if Seagate determines that such amount is consistent with the MAP violation. In the event of more than one violation within a one-year period, a management representative from reseller and Seagate will be expected to meet to review reseller’s status as an authorized retailer of Seagate products.

Last updated: December 17, 2009