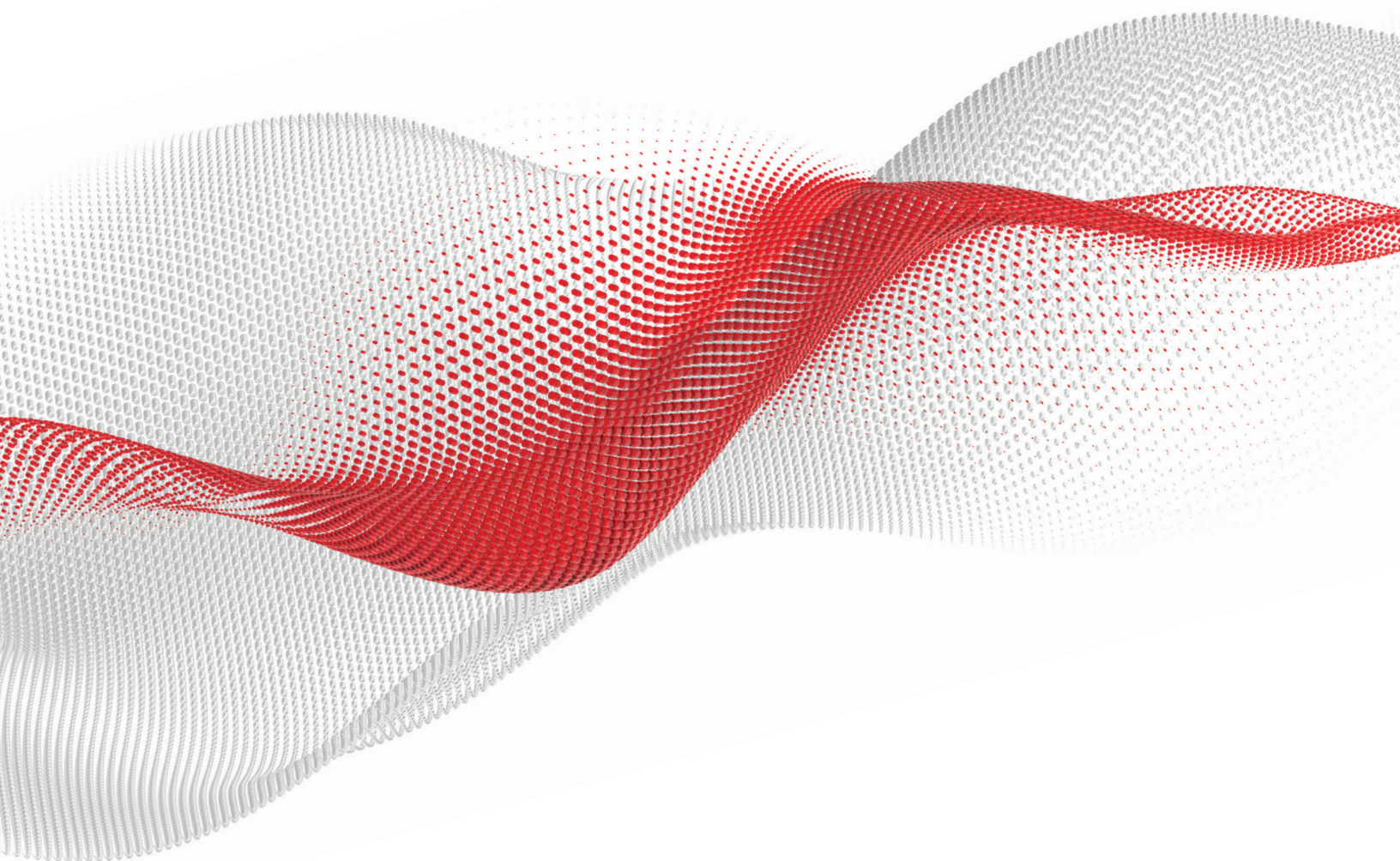


 NORTH AMERICA (NAM) TRANSFORMATION — ABB ELECTRIFICATION CANADA ULC

Transition guide for hazardous location lighting and Emergency Lighting Products

Special pricing authorization (SPA)



Special pricing authorization

Definition

Special pricing authorization or SPA quotation is an agreement between ABB and a distributor to use pre-negotiated prices to serve specific end users through its inventory. The distributor claims back the difference between the into-stock price and the pre-negotiated price of goods within a specified period.

This SPA definition does not apply to any other type of quote or agreements that ABB utilizes.

Purpose

SPA quotations allow ABB and its distribution partners more flexibility to bid in strategic sales situations.

Application and duration

Each SPA quotation given to a distributor correlates directly to an authorized end user. The SPA Quotation Effective Date and the SPA Quotation Expiration Date is specified at the creation of the SPA. The maximum length is one year for expiry date; however, SPA quotations are renewable. SPA quote pricing cannot be used for into-stock purchases.

Responsibilities

ABB sales representatives are responsible for identification of, suggestions for, and recommendations on situations requiring SPA

quotations, as well as ensuring that required approvals and proper documentation (including end customer number) are obtained prior to committing to special pricing to the distributor. Written authorization is required as verbal SPA agreements will not be accepted. Distributors are responsible for ensuring that SPA pricing is used in accordance with the quotation and providing requested documentation in support of claims. Misuse of SPAs may result in termination of the quote agreement with the distributor. All claims are subject to ABB audit.

End customer guidelines

- An end customer can only be tied to a distributor in the Sales Region where they are located. Any exceptions must have prior approval from the National sales group. If an end customer wants to purchase products from a different distributor, ABB requires written notification from the end customer stating the same.
- Each end customer listed on a secondary SPA requires a unique end customer number.
- Pricing for secondary SPA agreements will be reviewed on an annual basis. All pricing is subject to change.
- Secondary SPAs must be greater than \$10,000 in sales annually (with a minimum of \$2,500 per each end customer).

SPA claim policy

Deductions taken for SPA credit PRIOR to issuance of credit explicitly violates ABB policy. The following criteria must be satisfied to receive SPA credit. Failure to meet such criteria will result in a denial of the requested SPA credit.

Timing: Distributors must submit SPA claim requests within ninety (90) days of the date of sale to the authorized end customer. In addition, credit will only be issued for those items covered and in effect per the SPA at the time of the end customer sale date.

Pricing agreement type: Distributors may only request SPA credit using a valid SPA Quote for material bought at standard into stock or Book price level. Distributors cannot request credit for product originally ordered on a project quote, or any other discounted pricing (i.e. promotion).

Pricing: ABB will only issue SPA credit if the SPA price is less than the purchase price. ABB will calculate SPA claims using the into-stock price level and the applicable cash discounts will be deducted from the credit memo. Distributors cannot request credit for product that was ordered and shipped into stock by other than the into-stock or published book price.

End customer information: Claim-back submission requires distributors to submit only using the empower standard formatted template that includes their end customer(s) name and ABB end user code with the credit request.

Distributor account qualification: Credit will only be issued against an SPA if the distributor's account number is listed on that SPA.

SPA conditions: All submitted SPA claim-back requests must reference a valid SPA number and the date of the distributor's sale to the end customer must be within the effective date of the SPA. Product for which credit is being requested must be explicitly covered by the referenced SPA.

Shipment history: The quantity of a distributor's claim-back request may not exceed the quantity of ABB's stock shipments to that specific location and customer number. From the date of the end customer invoice, ABB will use two (2) years of ABB's stock shipments for shipment history calculations. Any products outside the two-year period

available for credit balance are no longer claim-back eligible.

Authorized multi-branch locations: Requested claim-back quantity may not exceed total sum purchased amount for all branches combined. The distributor must calculate the SPA credit amount using the purchase price for the relevant ABB shipments to the SPA claim location.

Debit resolution: Based on the claim-back credit invoice date, the distributor will have 30 days to pay back the debit amount associated to the claim-back. If the debit age exceeds 60 days, ABB reserves the right to deduct the full unpaid debit amount from any other payments due to the distributor.

Amendment: ABB Electrification Canada ULC reserves the right to amend any or all of the terms of this policy at any time at its sole discretion.

ABB empower

The ABB empower U homepage contains complete user guidelines for all aspects related to ABB empower usability among them:

- What is ABB empower? [Overall introduction and benefits of using ABB empower.](#)
- How to get started: [login/sign up process, useful ABB empower links](#)
- [ABB empower SPA claim process description](#)

EDI

In addition to ABB empower SPA claim functionalities, ABB provides EDI as an alternative for submitting SPA claims. If you prefer to use EDI, please contact our EDI support team at us.edisupport@abb.com for account setup. If you have questions about the SPA credit process, please email empoweru@abb.com.

SPA claim process

ABB Electrification Products requires the following documentation and data to process your Secondary SPA Claimback Request:

Distributor account number:

- Secondary SPA number (eight-digit number)
- ABB catalog number
- Quantity sold
- End customer invoice number and date
- End customer code (six-digit number)
- End customer name
- Purchase cost
- Distributor account number

The following data is optional; however, it assists in processing and reconciliation.

Distributor calculated replacement into-stock cost

- Secondary SPA SKU price
- Distributor extended claim-back amount:
(into-stock replacement cost – secondary SPA net price) x quantity sold

New pricing agreements will be sent to you prior to the go-live date. You will also receive the quote number for the new pricing agreement, which will link your current TOPS agreement that has been migrated to SAP.

All SPA claims related to ELSP and ELSB products, must be submitted in ABB empower and/or via EDI connection to SAP Torque system, including SPA claims related to orders entered in TOPS and TNB Access (legacy systems) prior to the transition.

ABB empower pricing management process

Price & Availability

The Price & Availability module allows users to obtain real-time price and availability information for catalog based products. These items can then be directed added to the shopping cart for quick order entry.

🕒 2 min

Pricing Terminology Updates

Learn about recent updates to the pricing field labels in empower in order to support updated global processes.

🕒 3 min

Project Pricing

Learn about how to price an empower quote to receive the correct product multipliers and submit price appeals.

🕒 7 min

Special Pricing (SPA) Management

Get access to your specific SPA agreements and published book pricing. Learn how to request and download these files.

🕒 3 min Started Mar 5

Rebate Requests

[5 minutes] Users can submit their Rebate Requests on empower. Learn how to process a manual rebate or upload a rebate file for processing.

Rebate Tracking

[3 minutes] Users can now track their rebate requests and download their reconciliation reports directly from GE empower.

Once you receive your ABB empower credentials, you may access a complete ABB empower learning program at <https://empoweru.lessononly.com/learn>.

For example, the following link describes the pricing management process including the topics listed below. (Login to your ABB empower account to review information). <https://empoweru.lessononly.com/learn/topics/37889-pricing>

ABB