

AUTOMATION SOLUTION PROVIDER Membership Eligibility Requirements

DEFINITIONS:

Industrial Automation Products (IAP)

Industrial Automation Products (IAP) are the products and systems used for industrial control and plant automation that require significant application knowledge and technical expertise for sales and successful installation.

Automation Solution Provider

An Automation Solution Provider (ASP) is an independent value-added distribution organization that focuses on the sale of:

- Knowledge
- Technology based industrial automation products (IAP)
- · Design and application engineering
- Support services
- · Integrated solutions
- Value-added services including application engineering assistance, customer training through seminars and/or schools, demonstration room/lab and equipment, post-order product service and warranty support, and start-up assistance.

IAP Manufacturer

An IAP Manufacturer is a manufacturer or national remarketer of IAP.

IAP Sales

IAP sales include sales to users, OEMs, systems integrators, utilities and governments; but exclude national direct mail solicitation sales to distributors. Also excluded are sales to integrated supply groups outside of an ASP's Area of Primary Responsibility (APR).

Membership Eligibility Requirements —Automation Solution Provider

To become an Automation Solution Provider member of AHTD, an applicant for membership must fulfill the following ASP Eligibility Requirements for the current year, and for the three full years immediately preceding membership, and during the course of membership.

- 1 Applicant must be an Automation Solution Provider (ASP), whose total IAP sales will have exceeded \$1 million dollars annually for at least the three consecutive fiscal years immediately preceding year of application, or whose IAP annual sales do not exceed \$500 million at the time of application.
- 2 An eligible ASP must operate its business free from direct or indirect control by any manufacturer whose product the ASP sells.
- 3 Applicant must provide support for IAPs with its own personnel in ASP's primary trading area.
- 4 Beyond the basic ASP function (see ASP definition), an applicant must further provide customer value-added services, including but not limited to: application engineering assistance (e.g. programming); customer training through seminars and/or schools; demonstrations through showrooms and portable displays; post-order product service and warranty support; and start-up assistance.
- The Senior Executive responsible for all sales philosophy, distribution policies and operations for IAPs must attend at least one of the two membership meetings held each year. The Senior Executive is urged to attend two meetings per year, although only one is required for membership.
- 6 Applicant must wait one year after an application is rejected to reapply for membership to the association, with the one year period beginning at the date of rejection.
- Applicants who were prior members of AHTD may reapply for membership by paying a new application fee plus the current year's dues.
- 8 Applicant agrees to comply with AHTD bylaws, rules and regulations and must certify that they meet the membership eligibility requirements by providing documentation to that effect if requested by the Board of Directors.