

COLOR CODED PRECISION RF ADAPTER PROGRAM DETAILS

August 2020, Revision C New Product Announcement, CCA-007

Delta color coded 2.92mm, 2.4mm, 1.85mm and 1.0mm precision adapters:

Coaxial Adapters are critical components used to make reliable transitions from one connector interface to another. Commonly used in all phases of a product's life cycle, RF Adapters allow test technicians to characterize, analyze and optimize RF system and device performance. Designed for intermateability and backwards compatibility with IEC critical interface dimensions, Delta's adapters are designed in accordance with IEC 61169-35 (2.92mm), IEC 61169-40 (2.4mm), IEC 61169-32 (1.85mm) & IEC 61169-31 (1.0mm).

Delta Adapters provide the test technician with a critical visual indicator, a color code, which matches the IEEE working group color scheme and promotes proper mating and quick identification. Improper mating and misuse of adapter interfaces, contributes to damaged adapters, DUT's (Device Under Test) and high frequency test cables. Inevitably, the damaged components require the purchase of replacement adapters and cables, costly repair and rework and delayed schedules. Delta's color coded adapters will prevent damage and save both cost and time.

Broad market appeal: Delta's robust, high frequency adapters are designed with corrosion resistant steel per ASTM 582, S30300, COND. A and are recommended for use in both test labs and field work. Ideal target markets include: Military & Aerospace, Test & Measurement, Wireless (including 5G), Semiconductor Test, Satellite Communications, Automotive Radar among others.

Initial offering to distribution (Kickoff): Following is Delta's initial release proposal offered exclusively to franchised Delta distributors.

The distributor cost and OEM resale prices detailed in attachment provide an opportunity for Delta's authorized distributors to offer the market a differentiated product, Delta's color coding scheme, and earn direct margins in excess of 40%.

Below, for your consideration, are the elements of our suggested kickoff plan.

- 1. **Minimum initial purchase** quantity for each distributor is 25 pieces of each item on the spreadsheet.
 - a. The minimum purchase quantity, <u>following the kickoff PO</u> commitments, will be 10 pieces.

- b. Authorized distributors are offered the following discount for the initial one-time kickoff purchase.
 - i. 25 pieces for all items no discount (must purchase all items offered)
 - ii. 50 piece purchase quantity for selected line items 5% discount
 - iii. 100 piece purchase quantity for selected line items 8% discount.
- 2. **Stock Rotation** program specific to the color coded adapters not applicable to other distributor items.
 - a. Distributor can rotate color coded adapter stock once every 12 months with an accompanying investment for line items within the color coded adapter product offering. The replacement order will allow for the addition of new items added to the color coded product line. The replacement order must be of equal or greater dollar value. The original discounted pricing for the initial kickoff will not apply to the replacement inventory.
 - b. Custom parts are not eligible for stock rotation.
- 3. **Design Registration** program specific to color coded adapters. Delta will launch a formal design registration program that will incorporate a modified industry standard NEDA form.
 - a. New designs, not part of Delta's standard adapter product offering are eligible for design registration.
 - b. Part numbers eligible for design registration require an annual commitment from the participating distributor which is equal to or greater than \$7500.00 for each registered line item.
 - c. There is a three year period of protection, defined as a 15% price advantage versus other authorized distributors, commencing with the first order. The registration and protection are voided, if after 15 months from date of previous order, a new order for the registered part number is not placed with Delta for an amount equal to or greater than \$7500.00.

- d. A completed Delta part registration form, formally approved by the Director of Sales & Marketing, is required for the registration to be in effect.
- e. Parts registered under Delta's design registration program are NCNR no exceptions.
- 4. **Marketing Support** for color coded Adapter Product Line.
 - a. All color coded adapters will have both sales drawings and 3-D models (STP Files) available.
 - b. Delta will generate a new advertisement focused on color coded adapters, including mention of our participating distributors, for placement with Microwave Journal or other suitable media vehicle.
 - c. Delta will add the color coded adapters to our website with mention of participating distributors and a link to inventory.
 - d. Delta will initiate a constant contact outreach program specific to color coded adapters.
 - e. Delta will work with participating distributors on website banners and support information specific to color coded adapters.
 - f. Delta will offer virtual product training to all Delta distributors.
 - g. Delta will support technical inquiries related to color coded adapters.

5. Reference Documents

- a. Design Registration Form
 - i. Reference document, <u>PDF.Delta Electronics Distributor</u> <u>Design Registration Form, Rev A, 8.21.2020</u>
- b. Price List
 - i. Reference document, <u>Release B, Delta Electronics</u> <u>Manufacturing Corp., CC Adapter Price List, 8.21.2020</u>
- c. Drawing Package
 - Reference Document, <u>Release B, Delta Electronics</u> <u>Manufacturing Corp., Color Coded Adapter Drawings,</u> 8.21.2020