



PRICING STRATEGY – ADOBE AIR SDK

HARMAN CONNECTED SERVICES

June 2019

STATEMENT

Thank you for your interest in HARMAN's adoption of the Adobe AIR product, and for your patience while we complete our handover from Adobe. We have taken on board some of the feedback we have received and are now providing our pricing strategy for the AIR SDK. This will initially affect just the Android platform, and will then take effect for iOS and the desktop platforms later on once we have expanded our support to include these.

We are offering a free tier and our goal is to make it as easy as possible for new developers to start using the software, and for hobbyists to continue to use this without incurring charges. With the free software anyone can use this for development and testing purposes but you can only then deploy your applications for free if you are an individual with revenue from AIR applications of less than \$25k per year. There will be a splash screen added during start-up with HARMAN and Adobe AIR branding.

Subscription choices are then for individuals (with revenues of less than \$50k per year from AIR applications) at \$19.99/month (or \$199/year), or for companies (or individuals exceeding this revenue cap) at \$99/month (or \$999/year) per developer. A further tier for high-income individuals or companies with income of over \$200k per year from AIR applications is priced at \$199/month (or \$1999 per year) per developer. A bulk discount would be offered to companies with subscription fees exceeding \$1000/month.

We are trying to balance making this affordable and to not add a sudden or large impact to your costs, against the need to make this commercially viable so that we can fund our development team.

PRICING STRATEGY

FREE TIER

- Free to download and use the AIR SDK, build tools and redistributables
- A splash screen will be injected during the application start-up
- Distribution of apps limited to individuals with AIR-related income of less than \$25kpa

COMMERCIAL OPTIONS

Personal

- For individuals with AIR-related income less than \$50kpa
- \$19.99 per month or \$199/year
- Support via web channels

Professional

- Revenue cap of \$200kpa
- Based on developer 'seats'
- \$99 per developer per month (\$999 per developer per year)
- Support via web channels

Enterprise

- No revenue cap
- Based on developer 'seats'
- \$199 per developer per month (\$1999 per developer per year)
- Email support for issues

- Contact us for bulk discount pricing if your subscriptions would be \$1000/month or more

NOTES (I)

- Subscription charges are for the use of the AIR Developer Tool when creating a redistributable application
 - Initially (in AIR v33.0) this applies just for Android targets; iOS/desktop remain free as these will be the same as the Adobe v32 versions
- A subscription can be cancelled prior to the next payment cycle, at which point the applications must no longer be distributed unless they are repacked for the free tier
- Use of the AIR Developer Tool for creating AIR Native Extensions is not impacted by this update: ANE creation and packaging remains free
- You will need to explicitly acknowledge and agree with the updated AIR SDK License Agreement prior to downloading the SDK
- HARMAN will issue a beta/Pre-Release SDK but this must not be used to distribute applications to end users: this is for development/testing purposes only.

NOTES (2)

- Revenue caps are based on you or your company's income from Adobe AIR related activities over the preceding 12 month period
 - Income figures are based on gross revenue, before deductions, tax etc
 - Includes your revenue from application distribution (App/Play Store purchase prices and in-app purchase figures) and from in-app advertising
 - Includes your revenue from development services if creating an AIR-based application on behalf of a third party who then distributes/uses the application
- Changes to subscription levels based on revenue exceeding (or falling below) a revenue cap tier will take effect at the next normal payment date – so for annual payments, there will be no changes in tier until the next renewal date.
- Cancellation takes effect at the next renewal date and distribution rights continue up to that date
- HARMAN will require audit rights to help validate the correct tiers are being applied; appropriate terminology to be added to the AIR SDK license agreement



Thank you